RISKS – PILLAR III

December 31, 2023

MOBILIZE FINANCIAL SERVICES

RCI Banque S.A.
OPERATING UNDER THE COMMERCIAL BRAND

STATEMENT ON INFORMATION PUBLISHED IN RESPECT OF PILLAR III

Senior management and the Board of Directors are responsible for implementing and maintaining an effective internal control organization overseeing the company's publications, including those issued in respect of the Pillar Ill report.

In that regard, we certify that group Mobilize Financial Services publishes the information required under Part Eight of Regulation (EU) No. 575/2013 of the European Parliament and of the Council, amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR2) in accordance with the formal policies and internal procedures, systems and controls.

We confirm, after taking all reasonable measures to that end, that the information disclosed as of December 31, 2023 has been subjected to the same degree of internal control and same internal control procedures as other information provided as regards the financial report.

Martin Thomas

Chief Executive Officer

Gianluca De Ficchy

Chairman of the Board of Directors

INTRODUCTION

The following information concerns group Mobilize Financial Services (Mobilize F.S.[1])'s risks and is disclosed in accordance with the disclosure requirements of Pillar III of the Basel Agreements, transposed into European law by means of Regulation (EU) 2013/575 (or CRR) amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (CRR2) and Directive 2013/36/ EU (or CRD IV) amended by Directive 2019/878/EU of May 20, 2019 (CRD V).

It is published on a consolidated basis (Article 13 of the CRR) and meets the requirements set out in part 8 of the CRR (Articles 431 and seq.).

The Mobilize F.S group’s Pillar III report is published annually as a whole, but certain important or faster changing items are disclosed half-yearly, or only on a transitional basis (Article 492 of the CRR). No material, proprietary or confidential information is omitted (Article 432 of the CRR).

Publication of the risk report is the responsibility of Mobilize F.S group's Company Chief Risk Officer. The information contained in this report has been prepared in accordance with the Pillar III disclosure procedure validated by Mobilize F.S group’s Regulatory Committee.

1 RCI Banque S.A. has been operating under RCI Bank and Services trading name since February 2016 and adopted Mobilize Financial Services as a new commercial identity in May 2022. Its legal name remains unchanged and is still RCI Banque S.A. This trade name, as well as the acronym Mobilize F.S., may be used by the group as an alias to its corporate name. RCI Banque S.A. and its subsidiaries may be referred to as "Mobilize F.S. group".

1- SUMMARY OF RISKS

1 - KEY FIGURES

EU KM1 - Key metrics template

	In millions of euros	31/12/2023 a	30/06/2023 c	31/12/2022 e
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	5 518	5 465	5 272
2	Tier 1 capital	5 518	5 465	5 272
3	Total capital	6 382	6 332	6 135
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	39 752	39 184	36 430
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	13,88%	13,95%	14,47%
6	Tier 1 ratio (%)	13,88%	13,95%	14,47%
7	Total capital ratio (%)	16,05%	16,16%	16,84%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2,01%	2,01%	2,01%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1,13%	1,13%	1,13%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1,51%	1,51%	1,51%
EU 7d	Total SREP own funds requirements (%)	10,01%	10,01%	10,01%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2,50%	2,50%	2,50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)			
9	Institution specific countercyclical capital buffer (%)	0,54%	0,42%	0,12%
EU 9a	Systemic risk buffer (%)			
10	Global Systemically Important Institution buffer (%)			
EU 10a	Other Systemically Important Institution buffer (%)			
11	Combined buffer requirement (%)	3,04%	2,92%	2,62%
EU 11a	Overall capital requirements (%)	13,05%	12,93%	12,63%
12	CET1 available after meeting the total SREP own funds requirements (%)	6,04%	6,15%	6,83%
	Leverage ratio			
13	Total exposure measure	67 640	66 203	63 846
14	Leverage ratio (%)	8,16%	8,25%	8,26%

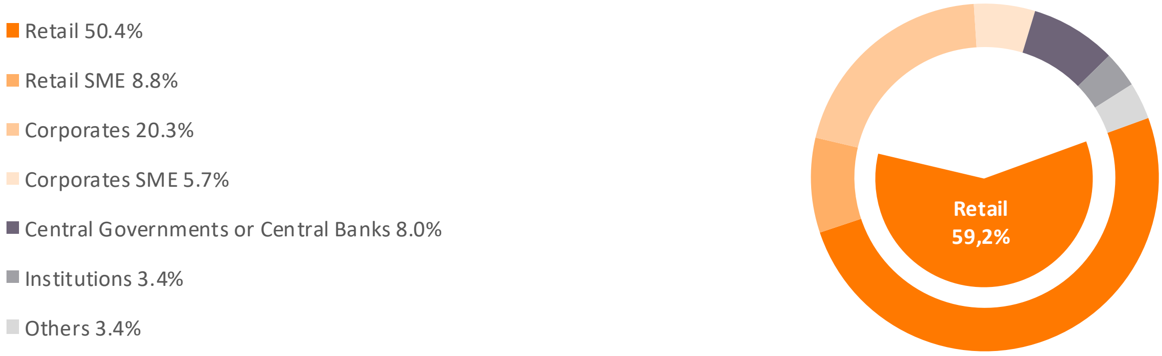
	In millions of euros	31/12/2023 a	30/06/2023 c	31/12/2022 e
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)			
EU 14b	of which: to be made up of CET1 capital (percentage points)			
EU 14c	Total SREP leverage ratio requirements (%)	3,00%	3,00%	3,00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14d	Leverage ratio buffer requirement (%)			
EU 14e	Overall leverage ratio requirement (%)	3,00%	3,00%	3,00%
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	5 571	6 768	7 834
EU 16a	Cash outflows - Total weighted value	4 299	4 298	4 197
EU 16b	Cash inflows - Total weighted value	3 237	2 839	2 505
16	Total net cash outflows (adjusted value)	1 289	1 483	1 700
17	Liquidity coverage ratio (%)	448,19%	471,78%	491,29%
	Net Stable Funding Ratio			
18	Total available stable funding	53 659	52 062	48 380
19	Total required stable funding	41 947	41 078	38 455
20	NSFR ratio (%)	127,92%	126,74%	125,81%

The data relating to the LCR and its aggregates are averages for the 12 months ending on the reporting date mentioned (Article 447 f of CRR2).

RISKS - PILLAR III

Own funds requirements by type of risk

Exposure by exposure class



ROA (net profit divided by the total balance sheet - CRD IV, Article 90)

	31/12/2023	30/06/2023	31/12/2022
Return on assets	1,20%	1,07%	1,16%

ROA is slightly above that of 2022. The result for the year is negatively impacted by the change in value of rate swaps covering demand deposits for 84m€. The 2022 financial year was marked by the depreciation of equity accounted entities in the Russian JV RN Bank for €119m, partially offset by a positive impact of €101m linked to the valuation of swaps.

2 - CONTEXT

In the first part of 2023, the conflict in Ukraine, persistent inflation and monetary tightening by the major Central Banks impacted global economic activity and led the markets to revise growth expectations downwards. Then, as inflation eased, interest rates began to fall. 2023 also saw a return to volatility on financial markets and periods of risk aversion, notably following the difficulties encountered by certain US regional banks. In addition, the end of the semi-driver shortage led to a normalization of vehicle inventories at dealerships. These factors had an impact on Mobilize F.S. Group's financial performance (average earning assets, interest income, cost of risk). However, no new risks have been identified in the light of these factors.

3 - RISK FACTORS

1) Typology of risks

The identification and monitoring of risks is an integral part of the Mobilize F.S group's approach to risk management. This approach may be observed through risk-weighted asset levels, but also through other indicators, work and analyses conducted by the Group's steering and risks functions.The various types of risks presented above are those identified to date as being significant and specific to Mobilize F.S. group, the materialization of which could have a major unfavorable impact on its business, financial situation and/or results. This is not an exhaustive list of all the risks taken by the group in the context of its activity or to which it is exposed because of its environment.

In light of the diversity of the group's business, the management of risks is built around the following major risk types.

- **Interest rate risks and foreign exchange risks**: risk of a drop-in interest rate margin or in the value of the banking portfolio owing to a change in interest rates or foreign exchange rates.
- **Liquidity and funding cost risk**: liquidity risk occurs when Mobilize F.S group is unable to honor its commitments or cannot finance the development of its business in line with its commercial objectives. Funding cost risk corresponds to the risk of RCI Banque not being in a position to finance its activities at a cost that is competitive.
- **Credit risk (Retail customers and Dealer networks)**: the risk of loss incurred in the event of default by a counterparty or counterparties considered as a single group of related customers
- **Residual value risk**: risk to which the group is exposed as a result of the depreciation in the net resale value of a vehicle at the end of the financing contract (value below initial estimate)
- **Strategic risk**: risk resulting from the Group's inability to implement its strategy and achieve its medium-term plan.
- **Concentration risk**: risk resulting from a concentration in Mobilize F.S group's exposures (countries, sectors, debtors).
- **Operational risks**: risk of losses or sanctions resulting from ineffective or inadequate internal processes involving staff and/or IT systems, or external events (examples: cyber risks, pandemic, internal or external fraud etc.) whether deliberate, accidental or natural (IT risks and Business interruption).
- **Non-compliance risks**: risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage, arising due to non-compliance with provisions specific to banking and financial activities (laws and regulations in force, ethics codes, national, European and international banking regulations). These risks include legal risks, conduct risks, tax risks, risks relating to money-laundering and the financing of terrorism (AML-CFT), risks associated with the protection of personal data, risks of non-compliance with banking regulations, risks related to corruption and influence peddling, and ethical risks.
- **Model risk**: risk associated with a failure in the models used by the group in the course of its business. This notably relates to the use of inadequate price calculation, revaluation, hedging or risk management models. Failure of such models may be due to either the quality of the data used, the modeling technique or the implementation or use thereof.
- **Climate and environmental risks**: These are the risks related to extreme climate and environmental events (physical risks) and related to changes in technologies, regulations and market sentiment contributing to the transition to a low carbon economy (transition risks).
- **Geopolitical risk**: Risk of nationalization, limitation of fund transfers, adoption of new regulations unfavorable to creditors, international sanctions impacting the business.

2) Risk factors

The risk factors presented in this section are those that the group believes could have a material adverse effect on its business, financial condition, and results of operations. However, this is not an exhaustive list of all the risks to which the group is exposed. The risks specific to the group's business are presented below under 5 main categories, in accordance with Article 16 of Regulation (EU) No. 2017/1129, known as "Prospectus 3" of June 14, 2017:

- Business development risks
- Financial risks
- Product-related risks
- Operational risks
- Legal, regulatory,tax and conduct risks

A) Business development risks (including strategic, concentration, climate and environmental risk)

The operating income and financial position of Mobilize F.S. group depend on the Renault Group's corporate strategy and sales, as well as those of the Nissan and Mitsubishi brands.

As a 100% Renault financial subsidiary serving the Renault Group brands, as well as the Nissan and Mitsubishi brands, the predominant activity of Mobilize F.S. group is to finance sales of its brands, which accounts for a substantial majority of its net banking income.

Due to the strategic, commercial and financial links of Mobilize F.S. group with the Renault Group and the fact that the activity is concentrated on the Renault Group brands and the Nissan and Mitsubishi brands, any reduction or suspension of production or sales of vehicles of these brands due to a decrease in actual or perceived quality, safety or reliability of the vehicles, interruption of supply by third parties, significant changes in marketing programs or strategies or to negative publicity, could have a significant negative impact on the level of financing volume of Mobilize F.S. group and on its financial situation and operating results.

- In addition, demand for vehicles from financed brands can be affected by the following factors:The diversification and innovation of the vehicle fleet;
- the competitiveness of vehicle sales prices
- levels of customer demand for the sale and lease of new and used vehicles, including the macroeconomic environment that may affect demand;
- customer demand for financing of vehicle purchases;
- vehicle production rates; and
- inventory levels maintained by Group, Nissan, and Mitsubishi dealers.

In addition, the success of Mobilize F.S. group's strategic plan depends on several levers, such as the performance of its products and investments and its ability to maintain a high level of customer satisfaction, as well as on appropriate governance of the strategic plan to ensure the support of Mobilize F.S. group employees.

What's more, the Renault Group's business strategy and sales mix, as well as that of the Nissan and Mitsubishi brands, may lead to a concentration of Mobilize F.S. group's exposures. An unfavorable event impacting a geographic area or a category of customers representing a significant portion of the group's assets could have negative consequences on its financial health.

Risk related to geopolitical instability

Mobilize F.S. Group operates in various countries and as such is exposed to geopolitical risk, the main components of which are

- Nationalization risk: The risk that the host country passes a law allowing it to buy back an asset located in its jurisdiction for less than the value of that asset.
- Non-transfer risk: Risk that the host country implements limitations on the transfer of funds out of the country.
- Legislative risk: Risk that the host country passes a law that negatively impacts the value of assets located in its jurisdiction.
- Risk related to the adoption of international sanctions against a country in which RCI operates.

In recent years, Mobilize F.S has been forced to cease operations and withdraw from its Joint Venture in Russia due to the international sanctions imposed on this country following the invasion of Ukraine. At the date of this publication, Mobilize F.S operates activities in countries where an exchange control limit the free convertibility of currencies, such as Argentina, Brazil, Colombia, South Korea and Morocco. These countries account for 16% of net banking income at December 31, 2023, and 10% of pre-tax income. The development and profitability of Mobilize F.S's activities in emerging countries depend on the economic health and political stability of these countries.

Climate and environmental risks could affect Mobilize F.S. group's business, operating results, financial condition and reputation

Climate and environmental risks are linked to 2 families of risks:

- Physical risks: linked to the impacts of climate change and environmental degradation through extreme events (floods, heat waves...) or long-term developments (temperature variability, loss of biodiversity...)
- Transition risks: linked to technological developments, regulations or market sentiment associated with the transition to a low-carbon economy

They are seen as factors that can increase certain risks (credit risk, residual value risk, strategic risk, liquidity risk, operational and compliance risk, insurance risk).

The group could be exposed to physical climate risk on its direct activity through insurance products (CPI, GAP) or being impacted by its ability to maintain its services, as well as indirectly by the negative impact of extreme weather events on its clients' business. In addition, the Group could be exposed to transition risks through its credit portfolio, on certain sectors of activity or in its commercial activity due to introduction of regulations, for example in the automotive sector, to limit the use of vehicles or to encourage the transition to electric alternatives.

Finally, liability and reputation risks could also arise from these two categories of risk.

The impact on the strategic objectives is potentially significant given the very high stakes involved for automakers, who must respond to rapidly changing regulations, in particular on vehicles emissions levels, while at the same time dealing with an infrastructure environment under construction and the entry of new players.

The impact on the credit risk is perceived as significant in the medium and long term, even if it remains fairly limited in the short term given the breakdown of loans by business sector in the corporate finance portfolio. Mobilize F.S. Group has little presence in sectors with a high transition risk and, as far as physical risk is concerned, the location of Mobilize FS Group's customer base is not overly concentrated geographically.

B) Financial Risks

A disruption of Mobilize F.S. group's sources of funding and access to capital markets would have an adverse effect on its liquidity position.

Mobilize F.S. Group diversifies its sources of financing by implementing a strategy that focuses on the category of counterparties (different market players and different types of financing), currencies and countries where counterparties are located. The group finances its activities through long-term debt issues, bank loans, negotiable debt securities, securitization of receivables and deposit taking activities and is therefore dependent on reliable access to financial resources. Due to its financing needs, Mobilize F.S. group is exposed to liquidity risk in the event of a market closure or stress in the source of funding.

Liquidity risk is the risk that Mobilize F.S. group will not be able to honor its commitments or finance the development of its activities in accordance with its commercial objectives. Rating and refinancing cost risk is the risk that Mobilize F.S. group will not be able to finance its activities at a competitive cost compared to its competitors.

Mobilize F.S. Group's liquidity could be materially affected by factors beyond the bank's control, such as general market disruptions, market perception or speculative pressures in the debt market. If Mobilize F.S. Group's funding requirements increase or if Mobilize F.S. Group is unable to access new sources of funds, insufficient liquidity would be particularly detrimental to its competitive position, results of operations and financial condition.

Mobilize F.S. group's results of operations may be adversely affected by changes in market interest rates or rates offered to customer deposits.

Interest rate risk in the banking book (IRRBB) refers to the actual or potential risk of a decline in the bank's equity or income resulting from adverse movements in interest rates affecting its banking book positions.Mobilize F.S. Group's customer loans are, with some exception, issued at fixed interest rates, for terms generally of up to 72 months, while dealer loans are financed at fixed rates for terms of less than 12 months.

Mobilize F.S. Group's exposure to interest rates is assessed daily by measuring sensitivity for each currency, management entity and asset portfolio, and cash flow hedging is systematic, using swaps to convert floating-rate liabilities into fixed-rate liabilities.

The management of overall interest-rate risk, through these balance-sheet and off-balance-sheet operations, aims to limit the volatility of the net interest margin: volability resulting from a mismatch between duration and indexation.

Mobilize F.S. group calculates interest rate sensitivity by applying a hypothetical increase in interest rates, the magnitude of which depends on the entity's currency. Although Mobilize F.S. group monitors its interest rate risk using a group-wide methodology, the hedging of the risk is not always perfect, reflecting the difficulty of adjusting the borrowing structure to match the structure of customer loans.

Changes in interest rates cannot always be predicted or hedged and, if not properly predicted or hedged, could have an adverse effect on Mobilize F.S. group's business, financial condition, and results of operations. The overall sensitivity of Mobilize F.S. group to interest rate risk remained below the limit of EUR 70 million for a variation in rates corresponding to the shocks observed for each currency.

Risk of unfavorable changes in the refinancing costs of Mobilize F.S. group, following a deterioration in the rating of RCI Banque SA by the rating agencies or a global change in financing conditions (market and deposits)

Mobilize F.S. group's access to the market may be affected by the credit ratings of its constituent entities and, to a certain extent, the Renault group. RCI Banque S.A. is, at the date of this publication, rated Baa2 (stable outlook) by Moody's France SAS and BBB- (stable outlook) by S&P Global Ratings Europe Limited.

The rating agencies S&P Global Ratings Europe Limited and Moody's France SAS use ratings to classify the creditworthiness of RCI Banque S.A. to assess whether RCI Banque S.A. will be able to repay its obligations in the future.

A deterioration in RCI Banque S.A.'s liquidity position, capital management policies or a significant weakening of profitability could lead to a negative impact on its rating.

RCI Banque S.A. is a wholly owned subsidiary of Renault and its rating remains dependent on the economic development and rating of Renault. Any negative rating action with respect to Renault's long-term debt could result in similar action with respect to RCI Banque S.A.'s long-term debt.

RCI Banque S.A.'s financing comes mainly from customer deposits and the capital markets. Its ability to obtain bond financing at competitive rates depends on overall financial market conditions and its ability to obtain appropriate credit ratings. A decline in its credit ratings and those of its main shareholder Renault SA or any revision of the outlook for these same ratings would likely result in an increase in RCI Banque S.A. . This could also reduce RCI Banque S.A's access to capital markets. Its ability to attract and retain customer deposits depends on the attractiveness of the savings products it offers to its customers. The cost of deposits may therefore be affected by the commercial policies of its competitors.

Foreign exchange risk

Mobilize F.S. group is exposed to the risk of loss resulting from current or future exposure to current and/or refinancing transactions in a currency other than the euro or from a potential decrease in the value of Mobilize F.S. group's equity due to the depreciation of equity held in countries outside the euro zone.

Investments in currencies other than the euro (structural currency risk) may be hedged.

Transactional currency risk (currency exposure excluding equity investments) arises mainly from multi-currency loans and foreign currency invoices.

C. Product risks

Mobilize F.S. group may incur losses as a result of defaults by its retail and corporate customers, dealers or importers (i.e., inability to pay credit installments to Mobilize F.S. group under the credit agreement (late payment)).

Mobilize F.S. group is exposed to the credit risk of its customers and dealers/importers if its risk management techniques are insufficient to protect it against payment defaults by its counterparties.

Credit risk is the risk of loss resulting from the failure of customers or dealers and/ importers of Mobilize F.S. group to fulfill the obligations of any signed contract. Credit risk is highly dependent on economic factors, including unemployment, business failures, personal income growth, household disposable income, dealer profitability, and used vehicle prices. The level of credit risk in Mobilize F.S. group's dealer financing portfolio is influenced by, among other factors, the financial strength of the dealers and importers in Mobilize F.S. group's portfolio, the quality of the collateral and processes in place to secure financing, and the overall vehicle demand. The level of credit risk of

Mobilize F.S. group's customer portfolio is affected by general macroeconomic conditions that may affect the ability of some of its customers to make scheduled payments.

Mobilize F.S. group uses advanced credit scoring systems and external database searches to evaluate personal and commercial loans, and an internal rating system to evaluate dealers and importers. Although Mobilize F.S. Group constantly adjusts its acceptance policy to reflect market conditions, an increase in credit risk would result in higher cost of risk and provisions for credit losses.

The Mobilise F.S. group also implements detailed procedures to contact customers in default of payment, organize the recovery of unpaid vehicles and sell repossessed vehicles. However, Mobilize F.S. group origination procedures, credit risk monitoring, payment service activities, customer account record keeping, or repossession policies may not be sufficient to prevent an adverse effect. on its results of operations and financial condition.

The increase in credit risk would increase the cost of risk and provisions for credit losses, which would have a direct impact on the financial results of Mobilize F.S. group and potentially on its internal capital.

A decrease in the resale price of leased vehicles could have a negative impact on the results of operations and the financial condition of Mobilize F.S group.

When leased vehicles are returned to Mobilize F.S. group at the end of the lease and Mobilize F.S. group does not have a third party buy-back agreement (usually from a dealership or car manufacturer) and /or a customer does not exercise an option to purchase the vehicle at the end of the lease, Mobilize F.S. group is exposed to the risk of loss in the situation where the sale proceeds realized upon the sale of the returned vehicle is not sufficient to cover the residual value that was estimated at the start of the rental agreement.

To the extent that the actual residual value of the vehicle, as reflected in the sale proceeds, is less than the expected residual value for the vehicle at the start of the lease, Mobilize F.S group incurs a loss upon disposal of the vehicle.

Among other factors, economic conditions, new vehicle prices and sales volumes, distribution channels, model life cycle, available used vehicle volumes, product specificities and competition strongly influence used vehicle prices and thus the actual residual value of leased vehicles. Differences between the actual residual values realized on leased vehicles and Mobilize F.S. group's estimates of such values at the inception of the lease could adversely affect Mobilize F.S. group's results of operations and financial condition due to the recognition of higher-than-expected losses.

D. Operational risks

Among the operational risks, the most significant are related to information and communication technology (ICT) risk and business interruption risk.

Information and communication technology risk can be broken down into risks relating to information systems governance, outsourcing, security, change management and operations (production), IT business continuity and data quality/integrity.

Information and communication technology (ICT) risks covers, among other things, the risk of disclosure of information (confidentiality) or alteration of information (integrity) due to unauthorized access to ICT systems and data from within or outside the institution (e.g., cyber-attacks), the risk of system disruption (availability) due to the inability to restore the institution's services in a timely manner or to the failure of ICT hardware or software components, including the failure of the institution's information systems to function properly. The risk of system disruption (availability) due to the inability to restore the institution's services in a timely manner or to the failure of ICT hardware or software components, including the inability to detect and correct weaknesses in the management of ICT systems or the inability of the institution to manage changes to ICT systems in a timely and controlled manner.

The institution's ICT risk is also extended to outsourced activities, as service providers hold, store, or process the institution's ICT systems and information. A lack of control over these external parties to protect the institution’s systems and information (confidentiality, integrity, availability) may have an impact on the institution's ability to comply with regulatory requirements, and to ensure its activities are properly carried out.

For example, the risk of inability to maintain/operate Mobilize F.S. group's essential (important/critical) activities in the event of an external disruptive event (flood, contagion, IS destruction, cyber-attack, suicide, terrorist attack, etc.) or the inability to keep information systems operational (referring to the Business Resumption Plan, and Business Continuity Plan respectively) may negatively affect Mobilize F.S. group's activities.

IT systems are an essential resource for Mobilize F.S. group as they support the business processes in their daily operations.

After making loans or financing lease plans to individuals and businesses and making loans available to dealers, Mobilize F.S. group manages financial receivables. Any disruption in its servicing activity, due to the inability to access or accurately maintain accounts receivable records, or otherwise, could have a material adverse impact on its ability to collect these receivables and/or satisfy its customers.

Mobilize F.S. Group relies on internal and external (both Mobilize F.S. group and third party) information and technology systems to manage its operations and is exposed to risk of loss resulting from security breaches, system or control failures, inadequate or failed processes, human error and business interruptions. In addition, Mobilize F.S. group has entered into framework agreements with Renault for the provision of certain IT systems and services.

E. Legal, regulatory and tax risks

Mobilize F.S. Group is exposed to legal, regulatory, tax and conduct risks.

Mobilize F.S. group's profitability and business could be affected by the regulatory, legal and tax environment, both in France and abroad, because Mobilize F. S group operates in several countries and is therefore subject to extensive supervisory and regulatory regimes and locally applicable rules and regulations, such as, but not limited to, banking regulations, consumer credit laws, securities laws and regulations, general competition regulations, real estate laws, employment regulations, anti-money laundering and anti-terrorist financing regulations, data protection laws, corporate and tax laws and insurance laws and regulations. Regulators pay particular attention to consumer protection and have tightened the rules governing business conduct. These rules may, for example, limit the interest rate a lender can charge (usury rate), restrict the bundling of products, or regulate the remuneration of intermediaries.

In the event of non-compliance, customers may seek compensation if they feel they have suffered a loss in the sale of a product, or if the general terms and conditions have been incorrectly applied. Changes in legal rulings and the positions taken by the competent authorities could lead to unfavorable outcomes in certain cases, which could damage the Group's reputation or have a negative impact on its results and financial situation, due to penalties imposed or compensation awarded, as well as the costs of defense incurred.

The protean nature of the regulations makes it difficult to assess their future impact on the company. Any failure to comply could lead to financial penalties, in addition to damaging the Group's image, or to the imposed suspension of its activities, or even the withdrawal of the authorizations granted to carry out its activities (including its license), which could significantly affect its business and operating income.

Among the regulations that have a significant impact on the group are the banking prudential regulations applicable to credit institutions, and in particular the Basel III prudential rules on capital requirements.

Mobilize F.S. group is primarily subject to the Capital Requirements Directive (CRD) package, comprising Directive 2013/36/EU (as amended by Directive (EU) 2019/878 (CRD V)) and Capital Requirements Regulation No. 575/2013 ("CRR") (as amended, inter alia, by Regulation (EU) 2019/876 (CRR II), (including all implementing legislation in France, in particular Law No. 2013-672 of July 26, 2013 on the separation and regulation of banking activities), the Bank Recovery and Resolution Directive 2014/59/EU ("BRRD"), as well as relevant technical standards and guidelines of EU regulators,e.g., the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA), which provide, among other things, for capital requirements for credit institutions, recovery and resolution mechanisms.

In addition to the regulatory changes outlined above, the European Central Bank (the "ECB") has taken important initiatives to ensure that the capital requirements of banks using internal models are calculated correctly, consistently, and comparably.

Mobilize F.S. group uses its own internal models to calculate risk-weighted assets and thus capital requirements. In previous years, Mobilize F.S. group has received remarks and comments on some of the models audited by the ECB for which it has been requested to revise certain parameters or to introduce temporary additions to its calculations. The institution is responding to most of these recommendations and compliance with the new EBA guidance on PD estimation, LGD estimation and treatment of defaulted assets by submitting packages (new models and methodologies) to the supervisor (ECB) in 2021.

As a provider of financing, insurance, banking (deposit) and other vehicle-related services, Mobilize F.S. group treats the requirements of banking and insurance laws and regulations, competition practices and customer protection rules, ethical issues, money laundering laws as well as on the fight against corruption (Sapin 2 law), data protection laws and information security policies very carefully. Any non-compliance or failure to address these issues appropriately could result in additional legal risk and financial losses, through regulatory fines or reprimands, litigation or reputational damage, and in extreme scenarios, suspension of operations or even withdrawal of authority to do business.

Additional regulations or changes in applicable laws could add significant costs or operational constraints that could adversely affect the profitability of Mobilize F.S. Group's business.

Mobilize F.S. group's future results may be adversely affected by any of these factors

2- GOVERNANCE AND ORGANIZATION PRINCIPLES OF RISK MANAGEMENT

1 - RISK GOVERNANCE POLICY - RISK APPETITE FRAMEWORK

EU OVA - Institution risk management approach

Legal basis	Row number	Qualitative information - Free format	
Point (f) of Article 435(1) CRR	(a)	Disclosure of concise risk statement approved by the management body	Part 2-3 Risk profile – risk appetite statement
Point (b) of Article 435(1) CRR	(b)	Information on the risk governance structure for each type of risk	Part 2-2 Organization of risk control
Point (e) of Article 435(1) CRR	(c)	Declaration approved by the management body on the adequacy of the risk management arrangements.	Part 2-3 Risk profile – risk appetite statement
Point (c) of Article 435(1) CRR	(d)	Disclosure on the scope and nature of risk disclosure and/or measurement systems.	Part 2-1 Risk governance policy – risk appetite framework Part 2-2 Organization of risk control
Point (c) of Article 435(1) CRR	(e)	Disclose information on the main features of risk disclosure and measurement systems.	Part 2-2 Organization of risk control
Point (a) of Article 435(1) CRR	(f)	Strategies and processes to manage risks for each separate category of risk.	Part 2-3 Risk profile – risk appetite statement Part 3-5 Management of internal capital Part 4-2 Credit risk management process Part 8 Interest rate risk for portfolio positions Part 9-1 Liquidity risk Part 10-1 Operational and non-compliance risks Part 11-ESG Risks Part 12 Other risks
Points (a) and (d) of Article 435(1) CRR	(g)	Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.	Part 2-1 Risk governance policy – risk appetite framework Part 4 Credit risk -2 Credit risk management process Part 4-7 Credit risk mitigation techniques Part 5 Credit valuation ajustement risk Part 10-4 Insurance of operational risks

EU OVB - Disclosure on governance arrangements

Legal basis	Row number	Qualitative information _ Free format	
Point (a) of Article 435(2) CRR	(a)	The number of directorships held by members of the management body.	Part 2-2 Organization of risk control § the governing bodies
Point (b) of Article 435(2) CRR	(b)	Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.	Part 2-2 Organization of risk control § the governing bodies
Point (c) of Article 435(2) CRR	(c)	Information on the diversity policy with regard of the members of the management body.	Part 2-2 Organization of risk control § the governing bodies
Point (d) of Article 435(2) CRR	(d)	Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.	Part 2-2 Organization of risk control § the governing bodies
Point (e) Article 435(2) CRR	(e)	Description on the information flow on risk to the management body.	Part 2-1 Risk of governance policy – Risk appetite framework Part 2-2 – Organization of risk control Part 2-3 Risk profile – Risk appetite statement

RISK GOVERNANCE POLICY: KEY PRINCIPLES

The capacity to control actual or potential risks in its day-to- day activities, share the right information, take adequate measures in good time and promote responsible conduct at all levels of the company are key performance factors for the Mobilize F.S group, and the pillars of its risk management mechanism.

Therefore, in accordance with the regulatory requirements (CRD /CRR), the Mobilize F.S group's Risk Governance policy, adopted by General Management and the Board of Directors of RCI Banque S.A, is built around the following principles:

- Identifying the main risks that RCI Banque S.A has to address, in light of its "business model", its strategy and the environment in which it operates;
- The Board of Directors determining and formally defining risk appetite and conscious of it when setting strategic and commercial objectives;
- Clarifying the roles of all parties involved in risk management and raising awareness amongst all managers about due compliance with Risk Governance Policy and with limits;
- Improving vertical and horizontal communication channels and reporting lines to ensure alerts escalation to the right level and timely treatment of any overruns of set risk limits;
- Risks are controlled by functions independent from operational functions.

The Risk Governance Policy applies to all consolidated entities in Mobilize F.S. group and is deployed at all levels of the organization, in each business line, for all risks and processes.

The list of risks identified in the group's mapping undergoes regular review (at least once a year), and any modifications thereto are subject to a prior consistency check with regard to the ICAAP/ILAAP standards. For its part, the risk appetite framework may be redefined and the control system strengthened whenever the risks of occurrence or seriousness of a risk appear greater.

Risk management guidelines are taken into account when drawing up each business plan and entail an examination of the related risks. This analysis is orchestrated by the Chief Risk Officer and forms an integral part of the plan submitted to the Board of Directors for approval.

The governing bodies (Executive Committee, Board of Directors' Risk Committee) ensure consistency and balance between:

- Business development strategy and commercial objectives, and

• Risk strategy and associated risk guidelines.

RCI Banque S.A 's Board of Directors confirms that the risk management systems in place are adequate to preserve the company's liquidity and solvency with regard to its strategy and its risk profile.

RISK APPETITE FRAMEWORK

The "RAF" ("Risk Appetite Framework") defined by the Board of Directors is the guideline for the Group's risk strategy in risk management. The RAF frames its risk exposure through a set of thresholds and limits that the bank has determined with regard to its appetite for each risk.

As part of this framework, "Risk Appetite" is defined for the group as the aggregate level and types of risks that the Board of Directors is willing to assume, in line with the company's risk capacity to achieve its strategic and commercial objectives.

At operational level, risk appetite is reflected by relevant limits and alert thresholds. The indicators, which may be qualitative and/or quantitative, used to set these limits, are in place for the company's major risks, as is the process of alert escalation up to the Board of Directors.

The Board of Directors' Risk Committee ascertains the smooth running of this process, which is subject to a general review at least once a year. In parallel, the most critical risks are presented quarterly to the Board of Directors' Risk Committee.

2 – ORGANIZATION OF RISK CONTROL

The overall risk monitoring process at Mobilize F.S. group is managed at three levels by distinct functions:

- **1st level controls** is done by:
  - The operational staff in charge of day-to-day risk management within their own area of responsibility. They decide on and are responsible for risk-taking within the operations they conduct to achieve goals assigned to them. They exercise such responsibility in compliance with the risk management rules and limits set by the "Corporate" risk steering functions;
  - the functional departments in charge of risk definition, rules, management methods, measurement and monitoring at the corporate level. Each department, in its area of expertise, manages and oversees the risk management system via guidelines and country objectives. Risk is monitored by periodic dedicated committees in both the subsidiaries and centrally. These departments rely on local representatives for risk measurement and exposure monitoring and ensure that limits are respected at the group level.
- **2nd level controls comprises:**
  - The Internal Control department, who reports to the Chief Risk Officer, who is responsible for directing the general internal control and in particular the application of management rules throughout the Group. In terms of internal control supervision in Mobilize F.S. group subsidiaries, the Director of the Internal Control department is supported by Internal Controllers who are functionally attached to the Risk Control Divisionhierarchically to the CEO of the subsidiaries. Similarly, the Director of the Internal Control department is supported by referents within the central functions to manage the internal control supervision system within theMobilize F.S. group departments. Internal Controllers at Corporate level and in local entities verify the operations compliance level versus the procedures by checking the compliance with the Group rules;
  - The Risk and Banking Regulation department, who reports to the chief Risk Officer, ensures the deployment of the Risk Governance Policy within the group and ensures its consistency with the Risk Appetite Framework (RAF) defined by the Board of Directors; ensures the reliability of risk measurement indicators, the completeness of risk management systems for each risk and the effective exercise of such management; controls, more specifically, the effectiveness of the reporting and alert feedback channels from the subsidiaries to the corporate departments and prepares a summary report on the risks for the management bodies and the Risks Committee of the Board of Directors, as appropriate; verifies the adequacy of the corrective measures developed in the event of failures and their effective implementation by the management functions; plays a central role in monitoring the group's compliance with applicable prudential regulations.
  - The Group Compliance Division : is in charge of setting up, deployment and control of compliance program across RCIBS. Its scope covers in particular: ethics (codes of ethics and professional conduct, conflicts of interests management, gifts and invitations), financial crimes management including risk of corruption, money laundering and financing of terrorism, internal/external frauds

(other than credit-related frauds), sanctions and embargos, personal data protection, customer protection. Also, in its compliance control function, Group Compliance division ensures global consistency and efficiency of compliance control system. Group Compliance Division relies on its local network of compliance correspondents, as well as on other functions and departments involved in risk management and control system, such as : group risk control division, internal audit, legal function, performance control and, more generally, all the other business-lines.

- **3rd level controls** refers to the Internal Audit, which aims to provide RCI Banque S.A's Board of Directors and General Management with an overview of the effective level of business operations' control and of the risk steering and management performed by the first two levels.

These three risk controlling lines report to the following committees:

- The Board of Directors and its specialist committees, including the Risk Committee and the Audit and Accounting Committee;
- The Executive Committee and the subsidiaries Management board committees, notably via the Internal Control, Operational Risk and Ethics & Compliance Commitee (at local and central level);
- The operational risk management committees within the company's functions (at local and central level).

The content of the information reported to the Board of Directors' Risk Committee is decided upon during meetings of the latter committee on the basis of proposals submitted by the Executive Board member concerned and the Chief Risk Officer. Exposure to each risk is measured at a frequency appropriate (from daily for risks such as the interest rate risk and monitoring of customer deposits, to monthly in general cases). These measurements are made at the individual entity level and then consolidated. The Risk and Banking Regulation department centralizes the production of the quarterly dashboard delivered to the Board of Directors' Risk Committee.

The risk management system covers all the macro processes of the Mobilize F.S group and includes the following tools:

- the list of main risks for the Mobilize F.S group for which a coordinator, a level of appetite, alert thresholds and limits (Risk Appetite Framework, or RAF) are defined. This list and the Risk Appetite Framework are updated at least once a year in line with the Mobilize F.S group’s business model and strategy;
- the operational rules mapping deployed in all of the Mobilize F.S group’s consolidated subsidiaries identifies operating risks and the ways in which they are controlled. This operational risk mapping is updated regularly by the functional departments, Process owners carry out a self-assessment of the operational rules control device and perform first level of controls in order to regularly check the operations compliance level versus the procedures;
- the incident collection database helps to identify malfunctions that correspond to predefined criteria and enables the corrective and preventive measures required to control risks to be put in place. This database is used for internal and regulatory reporting purposes. The system sets thresholds and criteria for communicating incidents to executive directors, Board of Directors, Renault Ethics and Compliance Committee, the French Prudential Supervision and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution - ACPR*), the European Central Bank (ECB) and French Banking Federation (FBF).

THE GOVERNING BODIES

THE BOARD OF DIRECTORS

Board of Directors members, like the executive directors, are appointed on the basis of their reputation, knowledge of the company's activity and lines of business, technical and general skills, and experience, acquired for some of them through their duties in the shareholding company.

In addition, they collectively have the knowledge, expertise and experience to understand all the company's activities, including the main risks to which it is exposed, the sales finance sector, the Renault Group as well as for the Nissan and Mitsubishi brands and the automotive industry.

They each devote the time and attention necessary to perform their duties, in accordance with current regulations limiting the number of appointments held.

The principles concerning the selection and appointment of directors, *de facto* managers and holders of key positions in the company are described in RCI Banque S.A ’s Management Suitability Policy, approved by the Board of Directors on 8 February 2019.

The policy provides in particular a distinct preselection process according to position, a succession plan and an assessment by the Appointments Committee based on specified suitability criteria and taking into consideration a diversity policy for the Board of Directors.

Positions held by the members of RCI Banque S.A's Board of Directors

Board of Directors as at 31 December 2023

	Position held in RCI Banque S.A	Number of other positions held inside Renault Group	Number of other positions held outside Renault Group
Etienne BORIS	Director of the Board		2 non-executive positions
Philippe BUROS	Director of the Board	6 non-executive positions	
Gianluca de FICCHY	Chairman of the Board	2 executive positions	
Isabelle LANDROT	Director of the Board	1 executive position 1 non-executive position	
Isabelle MAURY	Director of the Board		4 non-executive position
Patrick CLAUDE	Director of the Board	1 executive positions 9 non-executive positions	
Thierry PIETON	Director of the Board	1 non-executive position	
Laurent POIRON	Director of the Board		3 executive position
Nathalie RIEZ-THIOLLET	Director of the Board		1 non-executive position
Céleste THOMASSON	Director of the Board		

Other members of the management body in its executive function at 31 December 2023

Jean-Marc SAUGIER	Deputy Chief Executive Officer and VP Finance and Treasury	3 non-executive positions	1 executive position
Frédéric SCHNEIDER	Chief Executive Officer and VP Commercial and Strategy	5 non-executive positions	

At 31 December 2023, RCI Banque S.A 's Board of Directors had ten members, including four female members.

On recommendation by the Nominations Committee, the Board of Directors has set a diversity policy consisting in particular of maintaining a minimum proportion of 40% of directors of each sex.

As part of its oversight remit, in order to guarantee effective and prudential management of the establishment, the Board of Directors determines Mobilize F.S group's risk profile in line with set strategic objectives, gives executive directors and the Executive Committee guidance on risk management for implementation/adaptation within the group, and supervises implementation thereof.

In carrying out its duties, the Board of Directors relies in particular on the work of the following committees:

- **The Risk Committee**

The Risk Committee meets at least eight times a year. Its role includes examining the risk map and signing off on the definition of risks, and analyzing and authorizing group risk limits in line with the Board's risk appetite and with a view to assisting the Board in terms of oversight. It is also responsible for analyzing action plans in the event that limits or notification thresholds are exceeded, and for examining pricing systems for products and services. In parallel with the remuneration Committee, it also has the task of examining whether the remuneration policy is compatible with the Company's risk exposure. So that it can advise the Board of Directors, this Committee is also responsible for the analysis and approval of the internal control report, the ICAAP and ILAAP systems, the recovery plan, and significant aspects of the rating and estimating processes derived from the Company's internal credit risk models.

- **The Accounts and Audit Committee**

The Accounts and Audit Committee meets at least five times a year. It is responsible for preparing, presenting and monitoring the financial statements, overseeing the statutory audit of the separate and consolidated financial statements, monitoring the independence of the statutory auditors and the definition of their non-auditing services, recommending the appointment of the statutory auditors and monitoring their rotation, verifying the effectiveness of internal control and risk management systems, reviewing the audit plan, analyzing the audits carried out and reviewing investments in unconsolidated companies.

- **The Remunerations Committee**

The Remunerations Committee meets at least twice a year. Its main task is the annual review of the remuneration policy of management body and Chief Risk Officer. It also prepares decisions for the Board of Directors regarding the remuneration of individuals with an impact on risk and risk management.

- **The Nominations Committee**

The Nominations Committee meets at least twice a year. Its main task is to recommend members for the Board of Directors. It is also in charge of the annual review of the Board of Directors, including its structure, membership, gender diversity and breadth of directors' knowledge, skills and experience. It submits nominations to the Board for Executive Directors, the Chief Executive Officer, Deputy Chief Executive Officers, Chief Risk Officer and Chief Compliance Officer.

SENIOR MANAGEMENT

Managerial systems

In accordance with the CRD IV application order and 3 November decree on internal control, the duties of the Chairman and Chief Executive Officer are separate.

As of 31 December 2023, the company's Senior Management and *de facto* managers (within the meaning of Article L.511-13 of France's Monetary and Financial Code) are assumed under the responsibility of Frédéric Schneider, Chief Executive Officer and VP Commercial and Strategy, Jean-Marc Saugier, Deputy Chief Executive Officer and V.P. Finance and Treasury.

By a decision as of December 19, 2023, the Board of Directors appointed Martin Thomas and Frédéric Schneider as Chief Executive Officer and Deputy Chief Executive Officer respectively as from January 22, 2024.

The Chief Executive Officer holds the broadest powers to act under any circumstances on the company's behalf, within the limits of the corporate object and conditional on those powers that the law expressly attributes to shareholders' meetings and the Board of Directors. He is authorized to grant sub delegations or substitutions of powers for one or more specific transactions or categories of transaction.

The Deputies Chief Executive Officer hold, as regards third parties, the same powers as the Chief Executive Officer.

The executive committee

The Mobilize F.S group's Executive Committee contributes to the Group's direction of policy and strategy. It is the reference body which approve action plans when alert thresholds or limits are exceeded. It is also arbitration body when risk reduction actions affect the company's other objectives. The Executive Committee oversees the activity and risks in accordance with the guidelines ("Risk Appetite Framework") laid down by the Board of Directors via the Risk Committee.

In addition, Senior Management relies in particular on the following committees to manage the Group's risk control:

- the Financial Committee which reviews the following themes: economic analyses and forecasts, cost of the resource, liquidity risk, rate risk and counterparty risk on the Group's various perimeters and subsidiaries. Changes in Mobilize F.S holding's balance sheet and profit & loss account are also analyzed to make necessary adjustments to intra-Group transfer prices,
- the Capital and Liquidity Committee which steers the funding plan and ensures that the group's solvency level enables it to ensure its development while meeting the expectations of the various stakeholders (regulators, rating agencies, investors, shareholder) and maintaining good resilience to stress scenarios,
- the Group Commitments Committee which validates commitments beyond the authority of subsidiaries and to which the Group Commitments Director reports on compliance with commitment standards and powers,
- the Group Credit Risk Committeeassesses the credit quality of new retail customer production and subsidiaries' performance as regards recovery and targets, and analyzes the cost of risk for the Group and the main countries. On dealer network activity, it reviews changes in outstandings and stock rotation indicators as well as changes in the classification of dealerships and outstandings,
- the Regulatory Committee which reviews major changes in regulations, prudential oversight and action plans, and validates internal rating models and the associated management system,
- the Internal Control, Operational Risk and Ethics & Compliance Committee manages the whole of the Group's internal control system, checks its quality and related mechanisms and adapts resources, systems and procedures. It details, runs and monitors the principles of the operational risk management policy and the principles of the compliance monitoring system. It monitors the progress in action plans. An Internal Control, Operational Risks and Compliance Committee operates in the Mobilize F.S group subsidiaries.
- the New Product Committee which validates new products before they are put on the market, ensuring in particular that new products comply with the Group's commercial policy, the Group's budgetary requirements, legislation applicable locally, the protection of the client's interest and the Group's risk governance.
- the IT Committee, which validates the IT orientations and strategy by considering the associated risks, and which reviews the IT projects, the IT security and the IT/IS Budget.
- The Legal and Tax Committee, which manages the legal, tax and conduct risks associated with the design and distribution of financing products and services.
- The Residual Values Committee, which validates the residual values policy applied to all entities concerned, and monitors market trends, resale process performance and provisions.
- The Climate and Environmental Risks Committee, which monitors the impact of physical and transition risks on existing risks (strategic, credit, financial, business continuity) monitors progress of action plans relating to climate and environmental risks, monitors compliance with risk indicators and ensures that climate and environmental risks are integrated into operating.

At local level, the dedicated committees control the operational management of risks in line with the defined framework.

3 - RISK PROFILE - RISK APPETITE STATEMENT

The Risk Appetite Statement is approved annually by the Board of Directors on the proposal of the Risk Committee. The Group has established a Risk Appetite Framework and a Risk Appetite Statement, which are intended to formalize the Mobilize F.S group''s tolerance of the risks to which it is exposed.

The risk profile is determined in accordance with the group's values and strategy taking into account the environment in which it operates. The risk profile is determined based on all risks associated in the Mobilize F.S group's activities in Europe and worldwide. These are identified in the group's risk mapping and are periodically reassessed.

The risk profile is determined in accordance with the group's values and strategy and considering the environment in which it operates. It takes into account all the risks associated with Mobilize F.S. group's activities worldwide.These are identified in the Group's risk map and periodically reassessed. The risk profile or risk appetite is implemented within the Group by the Executive Committee through the specialized committees chaired by its members(Financial Committee, Capital and Liquidity Committee, Credit Risk Committee, Internal Control, Operational Risk and Ethics & Compliance Committee, etc.). These committees are responsible for managing the main risks to which the Group is exposed.In addition, the group's strategic processes, such as capital and liquidity management, are developed in accordance with the Risk Appetite Statement; during the budgetary exercise, the forecasts for the key indicators of the Risk Appetite Framework are compared with the thresholds defined in the Risk Appetite Framework.

The adequacy of the risk profile and risk exposure is monitored by the Executive Committee and by the Board of Directors through its Risk Committee. The Board of Directors also carries out an annual review and validation of the Risk Appetite Framework.

The implementation of the group's risk appetite is based on four components: (i) the definition of common reference frameworks, (ii) the existence of a set of limits in line with those defined by the regulations, (iii) the allocation of responsibilities and expertise between the central body and the entities, and (iv) the functioning of governance within the group and the various entities, which allows for the effective implementation of the system devoted to risk appetite.

The risk appetite framework may be adjusted at least annually and particularly during the strategic plan development process. Risk appetite is specified through two types of thresholds:

- A limit: the maximum level of risk that the bank is willing to assume in order to achieve its strategic objectives, in compliance with prudential and regulatory requirements, and having implemented adequate risk management and control capabilities.
- An alert threshold: the level of risk that triggers a notification to the Board of Directors when it concerns a regulatory ratio and to the Risk Committee for all risks monitored at its level, or a notification to the Executive Committee for all risks.

When a limit is crossed, an action plan is implemented to bring it back to the appropriate level, and the Board of Directors is notified in the case of critical risks and the Executive Committee in the case of significant risks.

The crossing of the alert threshold leads to the planning of a set of risk reduction measures applicable in order to prevent the limit being exceeded.

The risk profile is monitored on a daily to quarterly basis to quarterly basis, depending on the indicators and risks involved.. These indicators are the subject of a quarterly risk dashboard produced by the Risk and Banking Regulation department and presented to the Executive Committee and the Board of Directors' Risk Committee. In particular, the following indicators are included in the Risk Appetite Framework and are listed in the Key Figures of the section of Part I – Summary of risk:

- the CET1 ratio and the total capital ratio

- the leverage ratio

- The liquidity coverage ratio

- the net stable funding ratio

- the cost of risk

The Mobilize F.S group aims to support the business development of the Renault Group as well as for the Nissan and Mitsubishi brands 'scar brands, in particular through its key role in financing individual and corporate customers, dealership networks and in developing customer loyalty. This is reflected in:

- Maintaining high levels of profitability and adequate solvency, which is the guarantee of the reliability of this commitment vis-à-vis the shareholder;
- A refinancing policy based on diversifying funding sources and on building up adequate liquidity reserves;
- A financing and service offer that is constantly adapted to the needs of our clients and is distributed through physical and digital channels that facilitate access;
- A particular attention to the conformity of the products and services marketed and to the quality of the information transmitted to customers, in particular by ensuring compliance with good practices related to sales and ethical issues, which may impact the Group's reputation;
- An integration into the group's strategy of issues related to environmental and social transitions and corporate social responsibility challenges.

A responsible and measured approach is in the center of a risk-taking decision process at Mobilize F.S group. The main risks are subject to a strict risk steering framework, in line with the risk appetite defined by the Board of Directors:

- **Risks related to commercial deployment:**

a) **Concentration risk** arises from a significant accumulation of exposures to certain categories, sectors or markets. The purpose of monitoring this risk is to determine the maximum level of concentration that the bank is prepared to take in the course of its business, in accordance with its strategic plan.

b) **Strategic risk** is assessed and monitored with the aim of enabling the company to achieve the results of its strategic plan. It is based in particular on the monitoring of external factors such as economic crises, pandemics, etc., as well as the performance of the company's products and investments, and its ability to maintain a high level of profitability and customer satisfaction.

c) **Geopolitical risk** is analyzed by taking into account macroeconomic indicators, market indicators and external ratings. Cross-border loans and capital investments are subject to a system of limits.

d) **Climate and environmental risks** are mapped via a survey of the expected impacts of physical and transition risks, and framed by limits in terms of CO_2 emission reductions, ESG ratings, the number of commercial offers encouraging the use of electric vehicles and the intervention rate (ratio between financing contracts and registrations) on electric vehicles.

- **The solvency risk** is controlled with a view to maintaining**:**

a) a necessary security margin regarding prudential requirements, reflecting Mobilize F.S.'s high profitability and capacity to adapt dividend paid to the single shareholder;

b) and an "investment grade" rating level by credit rating agencies;

- **Financial risks**:

a) The **liquidity risk** is assessed and controlled monthly. It is managed in such a way as to ensure the company's continuity of business for a minimum period in various stress scenarios, including assumptions of financial market closure and mass withdrawals of deposits. A limit of 6 months' business continuity has been set for centrally funded subsidiaries (3 months for locally funded subsidiaries), with the associated alert thresholds set considerably over such levels.

b) The **interest-rate risk** is monitored daily. Since March 2021, it has been measured on the basis of scenarios of parallel increase or rotation of the rate curves, the amplitude of which depends on the currency, in accordance with EBA guidelines. Interest rate risk is limited by a sensitivity limit of €70 million.

c) **Currency risk** can be broken down into structural currency risk, which arises from the Group's long-term investments in the equity of its foreign subsidiaries, and transactional currency risk, which arises from cash flows denominated in currencies other than the parent company currency. The position and compliance with these limits are presented monthly to the Finance Committee or the Capital and Liquidity Committee.

- **Product risks:**

a) The **credit risk**:

1. The **retail and corporate customer** risk is monitored from both the portfolio and new business perspectives. Its management is based on tracking the cost of risk in relation to set targets, with strong monitoring of underwriting and collection particularly under stressed conditions;
2. The **wholesale** risk is controlled by monitoring the financial situation of dealers, thus contributing to the control of credit risk on outstandings, while ensuring the sustainability of dealer networks;

For both these risks, the target is to keep the overall cost of risk at a consolidated level below or equal to 1% of outstandings.

b) The **residual value risk** is assessed and controlled in order to minimize potential losses on end-of-contracts sales. It has recently been adjusted to support the company's ambitions to develop its used vehicle and operational rental business. Specific monitoring and rules aim at mitigating the risk.

- **Operational risks** :

a) the **non-compliance risks** (legal, conduct, tax, AML/CFT, BRRD regulation, fraud, reputation, business continuity, IT, personal data protection, corruption, unethical behaviour etc.) are covered by a relevant risk mapping, specific procedures and controls, and are subject to monitoring by dedicated committees. Reporting at Board of Directors' Risk Committee and/or Executive Board level ensures compliance with alert thresholds and limits, set in order to minimize any risk of penalties or harm to the group's image and reputation.

b) **IT and business continuity risks** are subject to controls and regular tests, particularly in terms of IT security, to ensure that Mobilize F.S. Group is able to maintain its activities, and to limit losses in the event of a serious disruption. The results and implementation of remediation plans are subject to limits and are monitored by a dedicated committee.

External "interconnections" with third parties that provide significant services to Mobilize F.S group mainly concern: dealer networks, technical solution providers for Mobilize F.S. group's (retail) customer deposit systems, banking and insurance partners (through joint ventures or not), Renault for its IT infrastructure, etc. Essential outsourced services are based on strong contracts and partners, as well as the preparation of an alternative solution (supplier substitutability and/or service reversibility), which means that continuity of service would be maintained.

Internal "interconnections" concern two main areas:

- Financing: RCI Banque S.A acts as a central refinancing unit, borrowing on the markets and then making available to some of its subsidiaries and branches the funds they need to finance their business. At the same time, group entities that collect savings or carry out securitizations, as well as insurance companies, deposit their surpluses with RCI Banque SA.

- Information systems: internal IT solutions are provided by certain countries to RCI entities, such as Mobilize F.S France for the networks business management system and the accounting system.

4 - STRESS TESTS

Stress tests or what-if analyses are a favored measurement of the resilience of the group, its activities and portfolios, and form an integral part of its risk management. Stress tests are based on hypothetical, harsh yet plausible economic scenarios.

The stress tests process includes:

- An overall stress exercise as part of the ICAAP process (Internal Capital Adequacy Assessment Process) which is carried out as part of the regulatory exercise at the beginning of the year and on a quarterly basis for the rest of the year. It covers all of the group's activities and in 2023 was based on several main scenarios: a central scenario based on the budget trajectory, a macro-economic stress scenario, 2 idiosyncratic scenarios based in particular on transition risk (Climate scenario) and the risk of business interruption (Cyber-resilience scenario), a combined scenario that includes a combination of macroeconomic and idiosyncratic effects, and reverses stress test. Projections of potential losses in respect of the establishment's risks are estimated over a three-year period;

- Stress test framework includes liquidity stress test to ensure that the time horizon during which the Group can continue to operate is respected in a stressed market environment;
- Stress tests capturing the group's sensitivity to interest rate and foreign exchange risks. Interest rate risk is measured with the aid of yield curve translation and distortion scenarios;
- Stress tests designed by the EBA (European Banking Authority) or conducted within the supervisory framework of the ECB (European Central Bank) on the basis of a methodology common to the participating banks.

5 - REMUNERATION POLICY

EU REMA - Remuneration policy

The remuneration policy for individuals whose professional activities have a significant impact on Mobilize F.S.'s risk profile is presented to and approved by the Remuneration Committee and the Board of Directors.

The Remuneration Committee met six times in 2023. As of 31 December 2023, the members of the Remuneration Committee were G. de Ficchy, P. Buros et L. Poiron.

The fixed component of pay reflects the level of responsibility of the position held. The variable component of the pay is intended to reward the performance achieved. This variable component depends heavily on the consolidated financial and commercial results achieved by Mobilize F.S. group. In 2022, variable remuneration now includes Long Term Incentive payments. Variable remuneration is capped at a percentage of the fixed salary. This percentage is systematically less than or equal to 100% except for one person for whom agreement from the general meeting has been given the limit of 200% of the fixed part of the remuneration. The Mobilize FS group therefore complies with the regulations on variable remuneration.

The criteria used to measure the performance for the fiscal year 2023 are : the RORWA measured on a consolidated basis at the group , the commercial contribution divided by the number of immatriculations on a consolidated basis at the group and by country, the operating margin per country and on a consolidated basis at the group level, the amount of operating margin measured by country and in Group consolidated terms, the difference in the penetration rate of financing on registrations of between electric vehicles on the one hand and combustion and hybrid vehicles on the other (measured at Group level); the operating expenses as a % of Group Average Productive at the group level and by country, the NPS « Net Promoter Score » per country and on a consolidated basis at the group, the RCS "Risks/Compliance/Security" KPI, which measures the completion of actions related to Risks, Compliance and Security per country and on a consolidated basis, under the control of Corporate Internal Control Department ; the individual contribution to the objectives of various departments assessed by the employee's line manager.

In the fiscal year 2023, 107 individuals had significant impact on the risk profile. Their fixed remuneration in 2023 came to a total of 12,755,345 euros. Their variable remuneration in 2023 totaled to 5,482,105 euros, representing 43% of the total fixed remuneration, or 30% of the total fixed and variable remuneration.
Mobilize F.S.'s activities relate exclusively to car finance and services. It is a field of business in which sub-fields of business have no significant differences. In addition, remuneration policy is the same across the whole Mobilize F.S. perimeter. Consequently, it is not necessary to break down these amounts per field of business.

According to the type of position, these remunerations breaks down as follows:

- Executive Committee: total fixed remuneration= 2,189,100 euros; total variable remuneration = 2,133,382 euros
- Control functions: total fixed remuneration = 1,265,115 euros; total variable remuneration = 331,034 euros
- Corporate functions excluding Executive Committee and control: total fixed remuneration = 1,454,918 euros; total variable remuneration = 548,786 euros
- Other positions: total fixed remuneration = 7,272,013 euros; total variable remuneration = 2,271,903 euros

In 2023, the external directors of the Board of Directors received a remuneration for their duties of 316,000 euros.

In 2023, one employee received an annual remuneration exceeding 1,000,000 euros for the exercise of his duties.
Part of the variable remuneration awarded to the individuals whose professional activities have a significant impact on the risk profile of Mobilize F.S. is subject to a deferral, the duration of which has been updated starting the fiscal year 2021 from three to five years beyond the first payment, which itself is made at the end of the reference fiscal year. This policy of spreading the variable remuneration has been updated for the fiscal year 2021, in accordance with Directive (EU) 2019/878.

As a reminder, Mobilize F.S. introduced a policy of deferring variable remuneration as of the fiscal year 2016, with initial application in early 2017.

The policy of deferring variable remuneration only applies to the beneficiaries eligible for variable remuneration of more than 50,000 euros; 40% of the variable remuneration is then deferred over a period of five years as indicated above.

The deferred amount are acquired, provided that Mobilize F.S. has achieved a certain level of performance,

1/ expressed as a percentage of average performing outstanding:

> From the fiscal year 2018 to 2020, the amount paid up over each of the 3 years of deferred is paid in full by the payment of funds into a Subordinate Term Account.
> As from the fiscal year 2021, the amount released during each of the five years of deferral is paid in full by the payment of funds into a Subordinate Term Account

2/ expressed as a percentage of the average RORWA level :

From the 2022 financial year, the amount released during each of the 5 years of deferral is paid in full by the payment of RCI instruments (cash indexed to the evolution of the accounting equity of RCI Banque) except for the 3rd year of deferral, paid in Renault shares if the beneficiary has been awarded Renault shares. The level of acquisition and payment of Renault LTIs depends on the achievement of performance conditions specified in the regulations of the Renault performance share allocation plan. Any remuneration awarded in the form of RCI instruments is subject to a retention period of twelve months from its acquisition.

<u>Exercises 2019 to 2021:</u>

If a serious event affecting Mobilize F.S.'s solvency occurs, in accordance with current legislation and regulations, the beneficiary may see the value of the funds allocated to the Subordinated Term Account reduced to zero and the related remuneration definitively lost. In such an event therefore, withdrawal of funds at the end of the retention period is impossible, and no remuneration will be payable.

The Subordinated Term Account shall be fully cancelled, and its repayment value reduced to zero should any of the following events occur:

- If the CET1 solvency ratio, defined according to the terms of Article 92 (1) (a) of the CRR, is less than 7%;
- If the banking regulator starts resolution proceedings against Mobilize F.S..

Lastly, if the beneficiary is the subject of an investigation and/or disciplinary proceedings into a potential breach or action or misconduct that could have impacted directly or indirectly on Mobilize F.S.'s Pre-Tax Income or Operating Margin, or that might indicate a lack of fitness or propriety, allocation of the deferred amount shall be suspended until such time as the findings of the investigation or disciplinary proceedings are known. If no breach or misconduct is identified and no sanctions imposed, the beneficiary's eligibility for the deferred remuneration will be maintained. If a breach or misconduct is identified and sanctions imposed, then the beneficiary will no longer be eligible for that deferred remuneration.

<u>From 2022 exercises:</u>

The shares not yet paid in the variable compensation will be reduced to zero in the event of the occurrence of one of the events below: the CET1 Solvency Ratio, defined in accordance with the terms of article 92 (1) (a) of the CRR, is lower than the threshold defined for entry into the Recovery Plan, i.e. the regulatory requirement increased by the “shortfall” in AT1 & T2 + 5 bps when the banking regulator implements a Resolution Procedure against RCI Banque. A presence condition for the definitive acquisition of deferred shares has been introduced except in the event of retirement or death.

Thus, considering the internal organization of Mobilize F.S. Group and its nature, scope, and low complexity of its activities, Mobilize F.S. has put in place since 2016 a remuneration policy that guarantees a principle of deferred and conditional payment for individuals whose professional activities have a significant impact on the risk profile. This principle will be re-assessed on a regular basis if the exposure to risks changes.

As of fiscal year 2021, this policy for the spreading of variable compensation is updated to take into account the amendments made to Directive 2013/36/EU by Directive (EU) 2019/878, the transposition of which took effect on December 29, 2020.

At the end of 2023, with the application of the above provisions, the deferred remuneration situation is as follows:

- For the fiscal year 2019, deferred amounts determined in 2020 represented a total of 510,549 euros, spread over 2021, 2022 and 2023. Of that total, amounts that could be paid in 2023 conditional on confirmation were paid in full. There are no further amounts deferred beyond 2023 in respect of the fiscal year 2019 ;

- For the fiscal year 2020, amounts determined in 2021 represented a total deferred of 205,422 euros, spread over 2022, 2023 and 2024. Of this total, the amounts that can be paid in 2023 subject to confirmation have been confirmed and paid in full; they represent a subtotal of 68,474 euros. Amounts still to be deferred in respect of the fiscal year 2020 over the year 2024 amount to 68,474 euros.

- For the fiscal year 2021, amounts determined in 2023 represented a total deferred of 611,848 euros, spread over the years from 2023 to 2027. Of this total, the amounts that can be paid in 2023 subject to confirmation have been confirmed and paid in full; they represent a subtotal of 122,370 euros. Amounts still to be deferred in respect of the fiscal year 2020 over the years 2024 to 2027 amount to 489,478 euros.

- For the fiscal year 2022, amounts determined in 2023 represented a total deferred of 1,821,125 euros, spread over the years 2024 to 2029

- Thus, at the end of 2023, there remains no deferred amount for the fiscal year 2019, and for all the fiscal years 2020, 2021 and 2022, the amounts deferred over the years 2023 to 2029 represent a total of 2 480 428 euros.

2,535,853 euros of severance payments were made to those whose professional activities have a significant impact on the risk profile of Mobilize F.S. in 2023.

EU REM1 - Remuneration awarded for the financial year

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	9	3	8	87
2		Total fixed remuneration	119 000	852 731	1 336 369	10 447 245
3		Of which: cash-based	119 000	852 731	1 336 369	10 447 245
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7		Of which: other forms				
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff				
10		Total variable remuneration	197 000	1 212 918	920 464	3 151 723
11		Of which: cash-based	197 000	308 896	283 855	1 769 100
12		Of which: deferred				
EU-13a		Of which: shares or equivalent ownership interests				
EU-14a		Of which: deferred				
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments		860 896	477 046	1 093 685
EU-14y		Of which: deferred		595 125	238 383	595 263
15		Of which: other forms		43 125	159 563	288 938
16		Of which: deferred		43 125	159 563	288 938
17	Total remuneration (2 + 10)		316 000	2 065 648	2 256 833	13 598 968

EU REM2 - Special payments to staff whose professional activities have a material impact on institutions’ risk profile (identified staff)

	MB Supervisory function	Other identified staff
Guaranteed variable remuneration awards		
Guaranteed variable remuneration awards - Number of identified staff		
Guaranteed variable remuneration awards -Total amount		
Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap		
Severance payments awarded in previous periods, that have been paid out during the financial year		
Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff		
Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount		
Severance payments awarded during the financial year		
Severance payments awarded during the financial year - Number of identified staff		3
Severance payments awarded during the financial year - Total amount		2 535 853
Of which paid during the financial year		2 535 853
Of which deferred		
Of which severance payments paid during the financial year, that are not taken into account in the bonus cap		

EU REM3 - Deferred remuneration

		a	b	c	d	e	f	EU - g	EU - h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	MB Management function	968 769	131 093	837 676				131 093	
8	Cash-based								
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments	925 643	131 093	794 550				131 093	
12	Other forms	43 126		43 126					
13	Other senior management	499 810	46 188	453 621				46 188	
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments	205 754	46 188	159 566				46 188	
18	Other forms	294 055		294 055					
19	Other identified staff	1 372 875	183 745	1 189 131				183 745	
20	Cash-based								
21	Shares or equivalent ownership interests								
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments	1 083 933	183 745	900 189				183 745	
24	Other forms	288 942		288 942					
25	Total amount	2 841 454	361 026	2 480 428				361 026	

EU REM4 - Remuneration of 1 million EUR or more per year

	EUR	a Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	1
2	1 500 000 to below 2 000 000	0
3	2 000 000 to below 2 500 000	0
4	2 500 000 to below 3 000 000	0
5	3 000 000 to below 3 500 000	0
6	3 500 000 to below 4 000 000	0
7	4 000 000 to below 4 500 000	0
8	4 500 000 to below 5 000 000	0
9	5 000 000 to below 6 000 000	0
10	6 000 000 to below 7 000 000	0
11	7 000 000 to below 8 000 000	0
x	To be extended as appropriate, if further payment bands are needed.	0

EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										**107**
2	Of which: members of the MB	9	3	12							
3	Of which: other senior management							6	2		
4	Of which: other identified staff					38		12	11	27	
5	Total remuneration of identified staff	316 000	2 065 648	2 381 648		5 852 361		4 260 537	1 596 149	4 146 755	
6	Of which: variable remuneration	197 000	1 212 918	1 409 918		1 329 717		1 469 250	331 034	942 186	
7	Of which: fixed remuneration	119 000	852 731	971 731		4 522 644		2 791 287	1 265 115	3 204 569	

3- CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

1 - APPLICABILITY - PRUDENTIAL SCOPE

The prudential scope used to calculate the solvency ratio is the scope of consolidation described in the IFRS notes to the financial statements, with the exception of the exemptions described below in respect of CRR prudential consolidation methods.

The Mobilize F.S group has not opted for the so-called “conglomerates” option; therefore, the solvency ratio is calculated “exclusive of insurance”, eliminating the group insurance companies' contributions from the denominator.

Exemptions in respect of chapter 2 section 2 of the CRR (regulatory consolidation): Insurance companies based in Malta are recognized by the equity method, in accordance with Article 18.7 of the CRR.

Furthermore, entities consolidated for accounting purposes by the proportional consolidation method before application of IFRS 11 and now deemed consolidated for accounting purposes by the equity method, remain prudentially consolidated by the proportional consolidation method in accordance with Article 18.4 of the CRR. Information on these entities and their consolidation method for accounting purposes is presented in note 8 to the consolidated financial statements. The Turkish entity ORFIN as well as the British entity SVGH, acquired in November 2023, are consolidated by proportional consolidation within the regulatory scope (see table LI3).

With regard to liquidity ratios, only entities fully consolidated within the prudential scope are retained, in accordance with Article 18.1 of the CRR.

Both the accounting and prudential scopes of consolidation hold the same entities and the differences in methods of consolidation have no impact on the different entries in equity. Therefore, no difference is to be noticed between the two scopes of consolidation regarding the different items present in equity.

EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

	In millions of euros	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Carrying values of items subject to :				
				Credit risk framework	Counterparty credit risk framework	Securitisation framework	Market risk framework	Not subject or deduction from own funds
		a	b	c	d	e	f	g
	Assets							
1	Cash and balances at central banks	4 733	4 733	4 733				
2	Derivatives	225	252		252			
3	Financial assets at fair value through other comprehensive income	483	281	281				
4	Financial assets at fair value through profit or loss	143	117	117				
5	Financial assets at amortised cost							
6	Amounts receivable from credit institutions	1 539	1 528	1 528				
7	Loans and advances to customers	53 851	54 015	54 047				-32
8	Current tax assets	410	88	88				
9	Deferred tax assets	249	197	183				14
10	Insurance and reinsurance contrats asset	33						
11	Adjustment accounts & miscellaneous assets	1 583	1 896	1 851				45
12	Non-current assets held for sale							
13	Investments in associates and joint ventures	97	368	368				
14	Operating lease transactions	1 564	1 564	1 564				
15	Tangible and intangible non-current assets	150	151	108				43
16	Goodwill	136	153					153
15	**Total assets**	**65 196**	**65 344**	**64 869**	**252**			**223**
	Liabilities							
1	Central Banks	2 375	2 375					2 375
2	Derivatives	289	351					351
3	Financial liabilities at fair value through profit or loss	62						
4	Amounts payable to credit institutions	2 275	2 276					2 276
5	Amounts payable to customers	29 312	29 818	52				29 766
6	Debt securities	20 316	20 316					20 316
7	Current tax liabilities	189	61					61
8	Deferred tax liabilities	772	692					692
9	Adjustment accounts & miscellaneous liabilities	1 880	1 912	5				1 907
10	Non-current liabilities held for sale							
11	Provisions	151	151					151
12	Insurance and reinsurance contrats liabilities	182						
13	Subordinated debt - Liabilities	893	893					893
14	Equity	6 500	6 500					6 500
15	**Total liabilities**	**65 196**	**65 344**	**57**				**65 287**

EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	In millions of euros	Total	Items subject to :			
			Credit risk framework	Counterparty credit risk framework	Securitisation framework	Market risk framework
		a	b	c	d	e
1	Assets carrying value amount under the scope of prudential consolidation (as per template LI1)	65 121	64 869	252		
2	Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)	57	57			
3	**Total net amount under the scope of prudential consolidation**	**65 064**	**64 812**	**252**		
4	Off-balance-sheet amounts	3 106	3 106			
5	Differences in valuations	-1	-1			
6	Differences due to different netting rules, other than those already included in row 2					
7	Differences due to consideration of provisions	750	750			
8	Differences due to the use of credit risk mitigation techniques (CRMs)	-703	-703			
9	Differences due to credit conversion factors	-527	-527			
10	Differences due to Securitisation with risk transfer					
11	Other differences	334	-6	340		
12	**Exposure amounts considered for regulatory purposes**	**68 023**	**67 431**	**592**		

EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity)

Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
a	b	c	d	e	f	g	h
RCI Services Ltd	Full consolidation			X			Insurance Company
RCI Insurance Ltd	Full consolidation			X			Insurance Company
RCI Life Ltd	Full consolidation			X			Insurance Company
ORFIN Finansman Anonim Sirketi	Equity method		X				Credit institution
Select Vehicle Group Holding Limited	Equity method		X				Holding Company - financial and insurance sector

EU LIA - Explanations of differences between accounting and regulatory exposure amounts

Legal basis	Row number	Qualitative information	
Article 436(b) CRR	(a)	Differences between columns (a) and (b) in template EU LI1	The main differences between the two columns of the EU LI1 table come from the differences in the consolidation method of the Turkish JV and the insurance companies: The Turkish entity as well as the newly acquired British entity are accounted for under the equity method in the accounting scope and proportionally consolidated in the prudential scope, as both are on joint control. Insurance companies are accounted for using the equity method in the prudential scope but are fully consolidated in the accounting scope Therefore, loans and receivables to customers are higher within the prudential scope.
Article 436(d) CRR	(b)	Qualitative information on the main sources of differences between the accounting and regulatoy scope of consolidation shown in template EU LI2	The main differences come from the addition of off-balance sheet items (financing commitments given to customers) weighted by the CCF, credit risk mitigation techniques (see part 4-7) and the impairments not taken into account under the advanced method (art. 166) - On the "Other" line are essentially the additional exposures calculated within the framework of the SACCR

EU LIB - Other qualitative information on the scope of application

Legal basis	Row number	Qualitative information	
Article 436(f) CRR	(a)	Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group	Unless there are any occurrences of restrictions that may be imposed by local regulators, there is no impediment to the transfer of equity between subsidiaries. No impediment to the repayment of liabilities within the group.
Article 436(g) CRR	(b)	Subsidiaries not included in the consolidation with own funds less than required	There is no non-consolidated bank within the group.
Article 436(h) CRR	(c)	Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR	RCI Banque S.A and DIAC SA have both received a waiver to the application of prudential requirements on an individual basis.
Article 436(g) CRR	(d)	Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation	There is no non-consolidated bank within the group.

2 - SOLVENCY RATIO

SOLVENCY RATIO (OWN FUNDS AND REQUIREMENTS)

In September 2007 the French Prudential Supervision and Resolution Authority granted Mobilize F.S group individual exemptions from solvency ratio compliance for French credit institutions Diac SA and RCI Banque S.A., as the exemption conditions imposed by Article 4.1 of CRBF regulation 2000-03 were met by the group.

The switch to Directive 2013/36/EU does not call into question the individual exemptions granted by the French Prudential Supervision and Resolution Authority before 1st January 2014, on the basis of previous regulatory provisions.

The group still complies with the framework of requirements provided in Article 7.3 of the CRR:

- There is no impediment to the transfer of own funds between subsidiaries;
- The risk measuring and control systems within the meaning of the ministerial order of 3 November 2014 on internal control are implemented on a consolidated basis, subsidiaries included.

Accordingly, the Mobilize F.S group is exempted from compliance on an individual basis with the solvency ratio for each of its French finance companies. However, it monitors changes in this ratio at group consolidated level every month.

The overall solvency ratio lands at 16.05% at the end of 2023 (of which the CET1 ratio was 13.88%), compared to 16.84% at the end of December 2022 (of which the CET1 ratio was 14.47%).

These ratios include the interim profits at the end of December 2023, net of the share of the annual dividend that RCI Banque S.A. plans to distribute to its shareholder, in accordance with article 26.2 of the CRR and the conditions of ECB decision 2015/4 .

The drop in the overall ratio is explained by the increase in REA (+€3 222M) due largely to the increase in credit exposures on the corporate (+€1 447M) and retail customer (+€1 128M) segments as well as the application of IFRS17 to insurance companies (+€377 million).

This increase in REA is partially offset by an increase in CET1 equity (€247M) linked to the integration of the annual result deducted from the forecast dividend (€187M), the application of IFRS17 (+€151M) and the increase in the EL/PROV[2] netting -€70 million).

Prudential own funds are determined in accordance with Regulation (EU) 575/2013 (and subsequent changes) concerning prudential requirements applying to credit institutions and investment firms (CRR).

The group must apply the following capital buffers:

- A capital conservation buffer of 2.5% of total risk-weighted exposures;
- A countercyclical capital buffer (0.54% at the end of 2023) applied to some countries as described in CCyB1 table below.

Notification by the ECB of the Supervisory Review and Evaluation Process (SREP) decision

At the end of 2023, the European Central Bank has notified to Mobilize F.S group its decision regarding the level of additional capital requirement under Pillar 2 (P2R - "Pillar 2 Requirement") for the year 2024. It is set at 2,00%, applicable from 1st January 2024.

Minimum requirement for own funds and eligible liabilities (MREL)

The Mobilize F.S group received, in December 2023, the final notification from the ACPR of its binding minimum requirement for own funds and eligible liabilities (MREL) for RCI Banque S.A and DIAC SA. These are set at 10.00% of risk weight assets (TREA) and 3% of the leverage ratio exposure (LRE) for RCI Banque S.A, and these are set at 8% of risk weight assets (TREA) and 3% of the leverage ratio exposure for Diac SA. They apply individually. RCI Banque S.A and Diac SA comply with these MREL requirements.

[2] EL/PROV: Excess (CET1 impact) or insufficiency (T2 impact) of anticipated losses on value adjustments as described in Articles 158 & 159 of the CRR.

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	In Millions of euros	General credit exposures		Relevant credit exposures Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own funds requirements				Risk-weighted exposure amounts	Own funds requirement weights	Countercyclical capital buffer rate
		Exposure value under standardised approach	Exposure value under IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposure for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures - Market risk	Relevant credit exposures - Securitisation positions in the non-trading book	Total			
		a	b	c	d	e	f	g	h	i	j	k	l	m
010	**Breakdown by country**													
	Argentina	115					115	9			9	118	0,35%	
	Austria	671					671	42			42	523	1,54%	
	Belgium	294					294	23			23	284	0,84%	
	Brazil	1 793					1 793	109			109	1 359	4,01%	
	Swiss	1 025					1 025	63			63	791	2,33%	
	Czech Republic	185					185	11			11	131	0,39%	2,00%
	Germany	719	8 628				9 346	309			309	3 859	11,39%	0,75%
	Spain	435	4 221				4 656	215			215	2 683	7,92%	
	France	1 787	19 227				21 014	902			902	11 279	33,28%	0,50%
	Great-Britain	1 249	5 584				6 833	293			293	3 665	10,81%	2,00%
	Hungary	55					55	4			4	51	0,15%	
	Ireland	545					545	36			36	453	1,34%	1,00%
	India	37					37	7			7	93	0,27%	
	Italy	832	6 680				7 512	273			273	3 408	10,05%	
	South Korea	145	874				1 020	27			27	339	1,00%	
	Luxembourg	71					71	7			7	89	0,26%	0,50%
	Morocco	537					537	33			33	411	1,21%	
	Malta	314					314	61			61	768	2,26%	
	Netherlands	838					838	55			55	689	2,03%	1,00%
	Poland	1 082					1 082	64			64	798	2,35%	
	Portugal	702					702	48			48	594	1,75%	
	Romania	373					373	22			22	269	0,79%	1,00%
	Sweden	201					201	16			16	198	0,58%	2,00%
	Slovenia	221					221	13			13	161	0,48%	0,50%
	Slovakia	46					46	3			3	36	0,11%	1,50%
	Turkey	127					127	8			8	96	0,28%	
	Colombia	885					885	57			57	715	2,11%	
	Croatia	45					45	3			3	35	0,10%	1,00%
20	**Total all countries**	**15 329**	**45 214**				**60 543**	**2 711**			**2 711**	**33 890**	**100%**	

In accordance with the method used to calculate the countercyclical capital buffer, only the own funds requirements stipulated under Article 140(4) of CRD IV are included.

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

	In Millions of euros	Amounts
		a
1	Total risk exposure amount	39 752
2	Institution specific countercyclical capital buffer rate	0,54%
3	Institution specific countercyclical capital buffer requirement	213

RCI Banque S.A is not subject to the buffer required for systemically important institutions (Article 131 of the CRDV), nor to the systemic risk requirement (Article 133 of the CRD V).

3 - OWN FUNDS

COMMON EQUITY TIER ONE ("CET 1")

Common equity Tier 1 capital comprises share capital and the related share premiums, reserves, non-distributed net profit after tax and accumulated other comprehensive income and minority interests.

The amount of equity on the prudential scope of consolidation is identical to that of the accounting scope of consolidation.

This amount of own funds is diminished by the taking into account of the forecast dividend attributable to the profits of year 2023 of €600M.

The following is also deducted from own funds:

1/ The main prudential filters applying to the group:

- Exclusion of fair value reserves related to gains and losses on cash flow hedges;
- Exclusion of gains and losses recognized by the institution from valuing liabilities at fair value that are due to changes in the institution's credit standing;
- Prudential valuation adjustments (PVA). Total assets & liabilities valued at fair value represent less than €15 billion, therefore Mobilize F.S group applies the simplified method to calculate this additional adjustment, as the total amount of assets and liabilities evaluated at fair value amount to less than €15Bn

2/ Other Adjustments :

- As provided for in Article 84.2 of the CRR, the Mobilize F.S group has chosen not to perform the calculation provided for in Article 84.1 for the subsidiaries referred to in Article 81.1. Therefore, all minority interests are deducted from Common Equity Tier 1 capital;
- Deduction of deferred tax assets dependent on future profits linked to unused deficits netted by the corresponding deferred tax liabilities;
- goodwill;
- Intangible assets net of the corresponding deferred tax liabilities;
- Irrevocable payment commitments pledged to Single Resolution Funds and Deposit Guarantee and Resolution Funds ;
- IFB shortfall of credit risk adjustments to expected losses described in articles 158 and 159 (CRR)
- Insufficient coverage for non-performing exposures.

Interests greater than 10% in financial sector entities and IDAs dependent on future profits linked to temporary differences are each inferior to the individual threshold of 10% and the common threshold of 17.65% and therefore receive a weighting of assets by 250%.

No phase-in is applied.

RCI Banque S.A's CET1 core capital represents 86% of total capital.

ADDITIONAL TIER 1 CAPITAL ("AT1")

This comprises capital instruments, which are free of any repayment incentive or obligation (in particular jumps on yield), as described in Articles 51 and 52 of the CRR.

The Mobilize F.S group holds no such instruments.

TIER 2 ("T2")

This includes subordinated debt instruments with a minimum term of 5 years without advance repayment during these first 5 years, as described in Articles 62 and 63 of the CRR.

These instruments are written down during the five-year period preceding their term.

The Mobilize F.S group classified €7 million of Diac equity securities in this category, the subordinated bond issued in November 2019 for €850M, as well as the subordinated security issued by RCI Finance Maroc SA in December 2020 for €6m.

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

- Tier 1 equity instruments

	Qualitative or quantitative information
Issuer	RCI Banque S.A
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FR0000131906
Public or private placement	Private
Governing law(s) of the instrument	French law
Contractual recognition of write down and conversion powers of resolution authorities	N/A
Regulatory treatment	
Current treatment taking into account, where applicable, transitional CRR rules	N/A
Post-transitional CRR rules	N/A
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated
Instrument type (types to be specified by each jurisdiction)	Voting ordinary shares issued directly by public limited companies, private limited liability companies, limited partnership companies
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	814 MEUR
Nominal amount of instrument	Capital of 100 MEUR divided into 1 M shares of a nominal value of 100 EUR
Issue price	N/A
Redemption price	N/A
Accounting classification	Subscribed capital and related reserves
Original date of issuance	9 Aug 1974

Perpetual or dated	dated
Original maturity date	21 Aug 2073
Issuer call subject to prior supervisory approval	N/A
Optional call date, contingent call dates and redemption amount	N/A
Subsequent call dates, if applicable	N/A
Coupons / dividends	
Fixed or floating dividend/coupon	Dividend
Coupon rate and any related index	N/A
Existence of a dividend stopper	
Fully discretionary, partially discretionary or mandatory (in terms of timing)	Full discretionnary
Fully discretionary, partially discretionary or mandatory (in terms of amount)	Full Discretionnary
Existence of step up or other incentive to redeem	Non
Noncumulative or cumulative	cumulative
Convertible or non-convertible	non convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Write-down features	Yes
If write-down, write-down trigger(s)	Capital equity less than half of the registered capital of the Company (art. L 225-248 of the Frnech commercial code)
If write-down, full or partial	Partial
If write-down, permanent or temporary	Permanent
If temporary write-down, description of write-up mechanism	N/A
Type of subordination (only for eligible liabilities)	N/A
Ranking of the instrument in normal insolvency proceedings	1
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Deferred liabilities
Non-compliant transitioned features	No
If yes, specify non-compliant features	N/A
Link to the full term and conditions of the instrument (signposting)	N/A

- Tier 2 equity instruments

	Qualitative or quantitative information
Issuer	RCI Banque S.A.
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FR0013459765
Public or private placement	Public placement
Governing law(s) of the instrument	French law
Contractual recognition of write down and conversion powers of resolution authorities	Yes
Regulatory treatment	
Current treatment taking into account, where applicable, transitional CRR rules	Tier 2
Post-transitional CRR rules	Tier 2
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated
Instrument type (types to be specified by each jurisdiction)	CRR Article 63
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	850 MEUR
Nominal amount of instrument	100 000 EUR
Issue price	100%
Redemption price	N/A
Accounting classification	Liabilities - amortized cost
Original date of issuance	18/11/2019
Perpetual or dated	Dated
Original maturity date	18/02/2030
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	18/02/2025 100%
Subsequent call dates, if applicable	N/A
Coupons / dividends	
Fixed or floating dividend/coupon	Fixed till 18/02/25 then floating
Coupon rate and any related index	2,625% till 18/02/25, then EUR 5 year Mid Swap rate +2,85%
Existence of a dividend stopper	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory
Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory
Existence of step up or other incentive to redeem	No
Noncumulative or cumulative	No
Convertible or non-convertible	non-convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Write-down features	No write-down feature
If write-down, write-down trigger(s)	N/A
If write-down, full or partial	N/A
If write-down, permanent or temporary	N/A
If temporary write-down, description of write-up mechanism	N/A
Type of subordination (only for eligible liabilities)	Subordinated Securities
Ranking of the instrument in normal insolvency proceedings	2
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior unsecured
Non-compliant transitioned features	No
If yes, specify non-compliant features	N/A
Link to the full term and conditions of the instrument (signposting)	N/A

	Qualitative or quantitative information - Free format
Issuer	RCI Finance Maroc
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	MA0000094930
Public or private placement	Private placement
Governing law(s) of the instrument	Morroco
Contractual recognition of write down and conversion powers of resolution authorities	Yes
Regulatory treatment	
Current treatment taking into account, where applicable, transitional CRR rules	Tier 2
Post-transitional CRR rules	Tier 2
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
Instrument type (types to be specified by each jurisdiction)	CRR Article 63
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	68 MMAD
Nominal amount of instrument	100 000 MAD
Issue price	100%
Redemption price	N/A
Accounting classification	Liabilities - amortized cost
Original date of issuance	30/12/2020
Perpetual or dated	Dated
Original maturity date	30/12/2030
Issuer call subject to prior supervisory approval	Yes
Optional call date, contingent call dates and redemption amount	30/12/2025 100%
Subsequent call dates, if applicable	30/12/2026, 30/12/2027, 30/12/28, 30/12/29
Coupons / dividends	
Fixed or floating dividend/coupon	Floating
Coupon rate and any related index	52 weeks Morroco Treasury bond rate + 1,70%
Existence of a dividend stopper	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory
Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory
Existence of step up or other incentive to redeem	No
Noncumulative or cumulative	No
Convertible or non-convertible	non-convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Write-down features	No write-down feature
If write-down, write-down trigger(s)	N/A
If write-down, full or partial	N/A
If write-down, permanent or temporary	N/A
If temporary write-down, description of write-up mechanism	N/A
Type of subordination (only for eligible liabilities)	Subordinated Securities
Ranking of the instrument in normal insolvency proceedings	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior unsecured
Non-compliant transitioned features	No
If yes, specify non-compliant features	N/A
Link to the full term and conditions of the instrument (signposting)	N/A

	Qualitative or quantitative information - Free format
Issuer	DIAC S.A.
Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	FR0000047821
Public or private placement	Public placement
Governing law(s) of the instrument	French law
Contractual recognition of write down and conversion powers of resolution authorities	No
Regulatory treatment	
Current treatment taking into account, where applicable, transitional CRR rules	Tier 2
Post-transitional CRR rules	Tier 2
Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
Instrument type (types to be specified by each jurisdiction)	CRR Article 63
Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	7 MEUR
Nominal amount of instrument	1000 FRF / 152,45 EUR
Issue price	100%
Redemption price	N/A
Accounting classification	Liabilities - fair value
Original date of issuance	01/04/1985
Perpetual or dated	Perpetual
Original maturity date	N/A
Issuer call subject to prior supervisory approval	No
Optional call date, contingent call dates and redemption amount	N/A
Subsequent call dates, if applicable	N/A
Coupons / dividends	
Fixed or floating dividend/coupon	Floating
Coupon rate and any related index	TAM+0.40 [(last net result published/penultimate net result published)-1] minimum: 100% of TAM, floored at 6,50% maximum: 130% of TAM
Existence of a dividend stopper	No
Fully discretionary, partially discretionary or mandatory (in terms of timing)	mandatory
Fully discretionary, partially discretionary or mandatory (in terms of amount)	mandatory
Existence of step up or other incentive to redeem	No
Noncumulative or cumulative	No
Convertible or non-convertible	non-convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Write-down features	No write-down feature
If write-down, write-down trigger(s)	N/A
If write-down, full or partial	N/A
If write-down, permanent or temporary	N/A
If temporary write-down, description of write-up mechanism	N/A
Type of subordination (only for eligible liabilities)	Equity securities
Ranking of the instrument in normal insolvency proceedings	3
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated Securities
Non-compliant transitioned features	No
If yes, specify non-compliant features	N/A
Link to the full term and conditions of the instrument (signposting)	N/A

Under the advanced approach to credit risk, the negative difference between the balance of provisions and expected losses is deducted from CET1, when the amount of expected losses is less than the value adjustments and collective impairments, the balance is added to T2 capital within the limit of 0.6% of the weighted risks of the exposures processed using the “internal ratings” method.

No transitional filter is applied to Tier 2 equity for the Mobilize F.S group.

EU CC1 - Composition of regulatory own funds

In millions of euros

		a	b
	Common Equity Tier 1 (CET1) capital: instruments and reserves	**Amounts**	**Ref CC2**
1	Capital instruments and the related share premium accounts	814	A
	of which: Instrument type 1	*100*	
	of which: Instrument type 2	*714*	
	of which: Instrument type 3		
2	Retained earnings	2 145	B
3	Accumulated other comprehensive income (and other reserves)	2 753	C
EU-3a	Funds for general banking risk		
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		
5	Minority interests (amount allowed in consolidated CET1)		
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	187	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**5 899**	

	Common Equity Tier 1 (CET1) capital: regulatory adjustments	Amounts	Ref CC2
7	Additional value adjustments (- amount)	-1	
8	Intangible assets (net of related tax liability) (- amount)	-184	Part of E
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (- amount)	-14	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-52	
12	- amounts resulting from the calculation of expected loss amounts	-89	
13	Any increase in equity that results from securitised assets (- amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	4	D1
15	Defined-benefit pension fund assets (- amount)		
16	Direct and indirect holdings by an institution of own CET1 instruments (- amount)		
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (- amount)		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (- amount)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (- amount)		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
EU-20b	*of which: qualifying holdings outside the financial sector (- amount)*		
EU-20c	*of which: securitisation positions (- amount)*		
EU-20d	*of which: free deliveries (- amount)*		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38-(3) CRR are met) (- amount)		
22	Amount exceeding the 17,65% threshold (- amount)		
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*		
25	*of which: deferred tax assets arising from temporary differences*		
EU-25a	Losses for the current financial year (- amount)		
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (- amount)		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (- amount)		
27a	Other regulatory adjustments	-46	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-381**	
29	**Common Equity Tier 1 (CET1) capital**	**5 518**	

	Additional Tier 1 (AT1) capital: instruments	**Amounts**	**Ref CC2**
30	Capital instruments and the related share premium accounts		
31	*of which: classified as equity under applicable accounting standards*		
32	*of which: classified as liabilities under applicable accounting standards*		
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	*of which: instruments issued by subsidiaries subject to phase out*		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**		

	Additional Tier 1 (AT1) capital: regulatory adjustments	**Amounts**	**Ref CC2**
37	Direct and indirect holdings by an institution of own AT1 instruments (- amount)		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (- amount)		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (- amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (- amount)		
42	Qualifying T2 deductions that exceed the T2 items of the institution (- amount)		
42a	Other regulatory adjustments to AT1 capital		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**		
44	**Additional Tier 1 (AT1) capital**		

45	**Tier 1 capital (T1 = CET1 + AT1)**	**5 518**	

	Tier 2 (T2) capital: instruments	**Amounts**	**Ref CC2**
46	Capital instruments and the related share premium accounts	864	D2
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	*of which: instruments issued by subsidiaries subject to phase out*		
50	Credit risk adjustments		
51	**Tier 2 (T2) capital before regulatory adjustments**	**864**	

	Tier 2 (T2) capital: regulatory adjustments	Amounts	Ref CC2
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (- amount)		
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (- amount)		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (- amount)		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (- amount)		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (- amount)		
56b	Other regulatory adjustments to T2 capital		
57	**Total regulatory adjustments to Tier 2 (T2) capital**		
58	**Tier 2 (T2) capital**	**864**	

59	**Total capital (TC = T1 + T2)**	**6 382**	

60	**Total Risk exposure amount**	**39 752**	

	Capital ratios and requirements including buffers	Amounts	Ref CC2
61	Common Equity Tier 1 capital	13,88%	
62	Tier 1 capital	13,88%	
63	Total capital	16,05%	
64	Institution CET1 overall capital requirements	8,67%	
65	*of which: capital conservation buffer requirement*	*2,50%*	
66	*of which: countercyclical capital buffer requirement*	*0,54%*	
67	*of which: systemic risk buffer requirement*		
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement*		
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	*1,13%*	
68	Common Equity Tier 1 capital available to meet buffer (as a percentage of risk exposure amount)	6,04%	

	Amounts below the thresholds for deduction (before risk weighting)	Amounts	Ref CC2
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	340	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	183	

	Applicable caps on the inclusion of provisions in Tier 2	Amounts	Ref CC2
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	169	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	129	

	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)	Amounts	Ref CC2
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

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

	In millions of euros	Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Reference CC1
		a	b	c
	Assets			
1	Cash and balances at central banks	4 733	4 733	
2	Derivatives	225	252	
3	Financial assets at fair value through other comprehensive income	483	281	
4	Financial assets at fair value through profit or loss	143	117	
5	Financial assets at amortised cost			
6	Amounts receivable from credit institutions	1 539	1 528	
7	Loans and advances to customers	53 851	54 015	
8	Held-to-maturity financial assets			
9	Current tax assets	410	88	
10	Deferred tax assets	249	197	
11	Insurance and reinsurance contracts asset	33		
12	Adjustment accounts & miscellaneous assets	1 583	1 896	
13	Non-current assets held for sale			
14	Investments in associates and joint ventures	97	368	
15	Operating lease transactions	1 564	1 564	
16	Tangible and intangible non-current assets	150	151	
17	*of which other intangibles*	*42*	*43*	*E*
18	Goodwill	136	153	E
19	**Total assets**	**65 196**	**65 344**	
	Liabilities			
1	Central Banks	2 375	2 375	
2	Derivatives	289	351	
3	Financial liabilities at fair value through profit or loss	62		
4	Amounts payable to credit institutions	2 275	2 276	
5	Amounts payable to customers	29 312	29 818	
6	Debt securities	20 316	20 316	
7	Current tax liabilities	189	61	
8	Deferred tax liabilities	772	692	
9	Adjustment accounts & miscellaneous liabilities	1 880	1 912	
10	Non-current liabilities held for sale			
11	Provisions	182	151	
12	Insurance and reinsurance contracts liabilities	151		
13	Subordinated debt - Liabilities	893	893	
14	*of which Gains or losses on liabilities valued at fair value resulting from changes in own credit standing*	*869*	*869*	*D1*
15	*of which T2 Capital instruments and the related share premium accounts*	*4*	*4*	*D2*
16	**Total liabilities**	**58 696**	**58 844**	
	Shareholders' Equity			
1	Capital instruments and the related share premium accounts	814	814	A
2	Retained earnings	2 145	2 145	B
3	Accumulated other comprehensive income	2 753	2 753	C
4	Profit or loss attributable to owners of the parent	787	787	
5	Minority interests [Non-controlling interests]	1	1	
6	**Total shareholders' equity**	**6 500**	**6 500**	

EU PV1 — Prudent valuation adjustments (PVA)

In millions of euros

		Risk category					Category level AVA - Valuation uncertainty				
	Category level AVA	**Equity**	**Interest Rates**	**Foreign exchange**	**Credit**	**Commodities**	**Unearned credit spreads AVA**	**Investment and funding costs AVA**	**Total category level post-diversification**	**Of which: Total core approach in the trading book**	**Of which: Total core approach in the banking book**
		a	b	c	d	e	EU e1	EU e2	f	g	h
1	Market price uncertainty										
3	Close-out cost										
4	Concentrated positions										
5	Early termination										
6	Model risk										
7	Operational risk										
10	Future administrative costs										
12	**Total Additional Valuation Adjustments (AVAs)**								**1**		

4 - CAPITAL REQUIREMENTS

Prudential requirements are determined in accordance with transitional texts and arrangements applying from 1st January 2014 to credit institutions and investment firms, as published in the Official Journal of the European Union on 26 June 2013: Regulation (EU) 575/2013 and Directive 2013/36/EU, transposed by Order 2014-158 of 20 February 2014. Own Funds requirements varies according to evolution of TREA.

EU OV1 – Overview of total risk exposure amount

	In Millions of euros	Total risk exposure amounts (TREA)		Total own funds requirements
		12/2023	06/2023	12/2023
		a	b	c
1	Credit risk (excluding CCR)	34 796	34 164	2 784
2	*Of which the standardised approach*	*13 358*	*13 071*	*1 069*
3	*Of which the foundation IRB (FIRB) approach*	*139*	*146*	*11*
4	*Of which: slotting approach*			
EU 4a	*Of which equities under the simple riskweighted approach*			
5	*Of which the advanced IRB (AIRB) approach*	*21 299*	*20 947*	*1 704*
6	Counterparty Credit Risk - CRR	440	523	35
7	*Of which the standardised approach*	*80*	*92*	*6*
8	*Of which internal model method (IMM)*			
EU 8a	*Of which exposures to a CCP*	*90*	*123*	*7*
EU 8b	*Of which credit valuation adjustment - CVA*	*269*	*307*	*22*
9	*Of which other CCR*			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)			
17	*Of which SEC-IRBA approach*			
18	*Of which SEC-ERBA (including IAA)*			
19	*Of which SEC-SA approach*			
EU 19a	*Of which 1250%*			
20	Position, foreign exchange and commodities risks (Market risk)	1 150	1 078	92
21	*Of which the standardised approach*	*1 150*	*1 078*	*92*
22	*Of which IMA*			
EU 22a	Large exposures			
23	Operational risk	3 366	3 419	269
EU 23a	*Of which basic indicator approach*			
EU 23b	*Of which standardised approach*	*3 366*	*3 419*	*269*
EU 23c	*Of which advanced measurement approach*			
24	*Amounts below the thresholds for deduction (subject to 250% RW) For information*	*1307*	*1057*	*105*
29	**Total**	**39 752**	**39 184**	**3 180**

The ‘Amounts below the thresholds for deduction (subject to 250% RW)’ have been integrated into the ‘Credit Risk (excluding CCR)’ total, in accordance with the instructions of Regulation 2021/637.

5 - MANAGEMENT OF INTERNAL CAPITAL

EU OVC - ICAAP information

Legal basis	Row number	Free format	
Article 438(a) CRR	(a)	Approach to assessing the adequacy of the internal capital	The monitoring of the economic capital is insured by the Internal Capital Adequacy Assessment Process (ICAAP). It is conceived as a continuous process integrated into the overall governance and ensures the adequacy of own funds regarding the risks taken by the bank, based on its internal assessment. The ICAAP combines the following main processes: • Risk assessment process: RCI Banque S.A analyses all the risks exposures comprising the regulatory risks: credit risks, operational risks, market risks, and other risks, the capital need for which can be evaluated through quantitative or qualitative measures. The risk assessment process and results are consistent with the risk management framework. • Baseline and stressed scenarios definitions process: the group, in line with the budget process and its strategy, defines the assumptions of the baseline scenario and the stressed scenarios used for the forecasts. • Economic capital adequacy calculation process: the group, risk by risk, regularly evaluates needs in economic capital. The comparison is performed between the economic capital requirements and regulatory capital requirements. • Allocation process: the group ensures that the economic needs are respected on the relevant perimeter. • The process of analyzing the impact on the econonomic capital of any strategic investment
Article 438(c) CRR	(b)	Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process	NA

6 - LEVERAGE RATIO

The Basel III/CRD IV regulations introduce the leverage ratio, the main aim of which is to serve as an additional measure to capital requirement based on weighted risks in order to avoid excessive development of exposures in relation to own funds.

Article 429 of the capital requirements regulation (CRR) specifies the methods for calculating the leverage ratio; it has been modified and replaced with delegated regulation 2019/876 of the European Parliament and of the Council of 20 May 2019 (the "CRR2" Regulation). The leverage ratio shall be calculated as the ratio of the institution's Tier 1 capital to that of institution's total exposure, which includes balance sheet assets and off-balance sheet assets measured using a prudential approach.Since 1st January 2015, disclosure of the leverage ratio has been mandatory (Article 521-2a of the CRR) at least once a year (CRR a.433), together with the financial statements (BCBS270 Article 45).

The implementation of a 3% minimum regulatory requirement for the leverage ratio was endorsed with the adoption of the banking package (CRR2 / CRD V).

The Mobilize F.S group's leverage ratio, estimated according to CRR/CRD rules and factoring in the delegated regulation of October 2014, amounts to 8.16% at 31 December 2023.

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	In millions of euros	31/12/2023
		a
1	**Total assets as per published financial statements**	**65 196**
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	148
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustment for derivative financial instruments	413
9	Adjustment for securities financing transactions (SFTs)	
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	2 619
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-1
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	-736
13	**Total exposure measure**	**67 640**

The Mobilize F.S group has no unrecognized fiduciary assets, in accordance with Article 429a of the CRR.

EU LR2 - LRCom: Leverage ratio common disclosure

	In millions of euros - CRR leverage ratio exposures	31/12/2023	30/06/2023
		a	b
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	64 670	62 058
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	-337	-375
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**64 334**	**61 683**
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	384	544
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	303	310
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	**Total derivatives exposures**	**687**	**855**

	In millions of euros - CRR leverage ratio exposures	31/12/2023	30/06/2023
		a	b
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions		
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets		
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	**Total securities financing transaction exposures**		
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	3 110	4 168
20	(Adjustments for conversion to credit equivalent amounts)	-491	-503
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	**2 619**	**3 665**
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)		
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	**(Total exempted exposures)**		

	In millions of euros - CRR leverage ratio exposures	31/12/2023	30/06/2023
		a	b
	Capital and total exposure measure		
23	Tier 1 capital	**5 518**	**5 465**
24	Total exposure measure	**67 640**	**66 203**
	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)		
25	Leverage ratio (%)	**8,16%**	**8,25%**
EU-25	Leverage ratio (without the adjustment due to excluded exposures of public development banks - Public sector investments) (%)	8,16%	8,25%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	8,16%	8,25%
26	Regulatory minimum leverage ratio requirement (%)		
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	of which: to be made up of CET1 capital		
27	Leverage ratio buffer requirement (%)		
EU-27a	Overall leverage ratio requirement (%)		
	Choice on transitional arrangements and relevant exposures		
EU-27	Choice on transitional arrangements for the definition of the capital measure		
	Disclosure of mean values		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable		
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables		
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	67 640	66 203
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	67 640	66 203
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	8,16%	8,25%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	8,16%	8,25%

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	In millions of euros - CRR leverage ratio exposures	31/12/2023
		a
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**64 670**
EU-2	Trading book exposures	
EU-3	Banking book exposures, of which:	64 670
EU-4	*Covered bonds*	
EU-5	*Exposures treated as sovereigns*	*5 713*
EU-6	*Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns*	*41*
EU-7	*Institutions*	*1 610*
EU-8	*Secured by mortgages of immovable properties*	
EU-9	*Retail exposures*	*37 826*
EU-10	*Corporates*	*17 021*
EU-11	*Exposures in default*	*556*
EU-12	*Other exposures (eg equity, securitisations, and other non-credit obligation assets)*	*1 904*

EU LRA: Disclosure of LR qualitative information

Descriptions of the procedures used to manage the excessive leverage risk	Mobilize F.S. group monitors its leverage ratio on a monthly basis and keeps the Executive Committee informed thereof. The ratio is also stated in the balanced scorecard of risks provided quarterly to the Board of Directors' Risks Committee. An internal limit has been set and a warning system has been put in place.
Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	The Mobilize F.S group disclosed a Basel III leverage ratio of 8.16 % at the end of December 2023 against 8,25% at the end of June 2023. The ratio decreases due to the increasing risk exposure amount at 67,6 Bn€ (+1.4 Bn€ vs June 2023).

7 - MANAGEMENT OF THE LEVERAGE RATIO

Management of the leverage ratio consists both in calibrating "Tier 1" capital (the numerator of the ratio) and adjusting the group's leveraged exposure (denominator of the ratio) to meet the target ratio of 8% that the group has set, higher than the minimum of 3% endorsed with the adoption of the banking package (CRR 2 / CRD V). Monthly monitoring of the leverage ratio ensures that it is in line with the set target.

4- CREDIT RISK

EU CRA: General qualitative information about credit risk

Qualitative disclosures		
(a)	In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.	The Mobilize F.S group has set up an overall cost of credit risk limit at 1% of the average productive assets, for all activities. The type of financing provided to customers (loans allocated to the purchase of new or used vehicles) and the rigorous management framework for financing the dealer networks enable Mobilize F.S to record an average cost of risk of less than 0.5%. The Mobilize F.S group's business model, which aims to support the sales of Renault Group as well as of the Nissan and Mitsubishi brands manufacturers through attractive financing and service offers and a high quality of service, enables it to reach a premium clientele and a high intervention rate. The Mobilize F.S group also relies on its extensive knowledge of dealer networks to keep its risks in this category under control. The Mobilize F.S group's presence in certain countries or regions (Morocco, Latin America) slightly increases the group's credit risk.
(b)	When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.	Within the group credit risk policy, targets of each country for risk at origination & cost of risk in P&L are decided during the budget and review phases (annual budget process and two review processes each year). These objectives take into account market conditions, with pricing designed to achieve profitability objectives on weighted assets. Credit risk warning thresholds are based on budgetary commitments.
(c)	When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.	At Head Office level, the Credit & Data Management division is divided into six departments: • Regulatory Modeling (Design, monitoring and backtesting of A-IRB, acceptance, collection and IFRS9 impairment models. Presentation of models management twice a year to Senior Management, validation of A-IRB models according to the defined governance), • Credit Project & Data (Functional monitoring of the monthly calculation of RWA on A-IRB perimeter, IFRS9 ECL computation on all countries, and Anacredit on several countries. Projects steering through specific committees, like BCBS239, Loan Origination & Monitoring, Connected Customers) • Data department aims at creating added value from a better data usage by providing and developing a data governance framework in order to ensure Mobilize F.S data reliability and interoperability, by industrializing data treatment, and by disclosing Data science tools, methods and skills to the whole Mobilize F.S group. • Dealers funding and Large Fleets Commitment Department Control (review applications above subsidiaries delegations on Dealers and SME/Corporate, submit them to Group Commitment committee depending on DOA), manages and provides a policies framework for Wholesale credit risk.

		• Retail Credit & Scoring department The last two departments have in common to design Group management rules on credit risk including evolutions related to Regulatory and Compliance topics, assess credit risk on new products, monitor IFRS9 impairment, control RAF limits and validate action plans when risk is above alert threshold, report to senior management (through monthly group Credit Committees and quarterly Board of Directors' Risk Committees). The former is focusing on car dealers' and importers' business, the latter on Individuals and Companies. But Retail Credit & Scoring is also in charge of developing acceptance scorecards. At subsidiaries level, the usual organization is a division in charge of "Retail" credit (Individuals and Corporate other than dealers) and a Division in charge of Dealers and Importers financing. In large countries, an alternative organization can be found where there is a division in charge of loans origination for "Retail" and management of dealer financing and a division in charge of risk management of "Retail" and collection processes. The credit risk control function is organized and structured as described in Part II-2 Risk Control Organization and in section (d) of this table.
(d)	When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.	The Risk Control Division is in charge of the control of the consistency of risk policies with the Risk Appetite Framework, the efficiency of risk measurement, risk monitoring and risk management systems. It challenges the Credit division, as credit risk steering function, on their methodologies and on its decisions linked to risk taking. It ensures a second level of control on Credit Risk steering and its adequacy with RCI Risk Governance Policy and RAF. It has a central role in the supervision of the group compliance with prudential regulations (CRD, CRR, EBA Guidelines, reports to ECB and answers to ECB requests). Internal Audit Department (third level of control) includes in its yearly audit plans the review of main risks management devices and particularly credit risk management in subsidiaries and branchesas well as ICAAP, ILAAP and the A-IRB models. It reviews the operational effectiveness of the overall governance framework, including the risk governance framework, and compliance with internal policies and processes, and suggests improvements to existing arrangements. For credit risks internal model, please refer to 5 -Advanced Method a) Governance for futher details

EU CRB: Additional disclosure related to the credit quality of assets

Qualitative disclosures		
(a)	The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.	Since 01/01/2021, the Mobilize F.S group complies with the new definition of default as ruled by the Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013. Default for regulatory purpose is also applied for accounting purpose to define IFRS9 Stage 3 and non performing exposures.
(b)	The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.	Past due exposures (more than 90 days) are always considered to be impaired
(c)	Description of methods used for determining general and specific credit risk adjustments.	General credit risk adjustments: All financial instruments within the scope of IFRS9 standard are being impaired for expected credit losses, since their origination. • At origination, the instrument is impaired with a one year expected credit loss (Bucket 1) • In case of significant increase in credit risk since origination or restructuring, the instrument is impaired with a lifetime expected credit loss (Bucket 2) • For customers in default (Bucket 3), adjustments are based on the recovery rates given the maturity in default of the customer. Specific credit risk adjustments: Refer to the paragraph "individual analyzes" in the following pages
(d)	The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on default in accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.	The definition of restructured exposure is compliant with the point (d) of Article 178(3) CRR.

1 - EXPOSURE TO THE CREDIT RISK

The Mobilize F.S group uses three risk-classification levels for receivables and writes them down on an individual or collective basis. The valuation presentation and principles are described in part A of the notes to the consolidated financial statements.
These classification levels are:

- Bucket 1: no deterioration or insignificant deterioration in credit risk from origination;
- Bucket 2: significant deterioration of credit risk from origination or non investment grade financial counterparty;
- Bucket 3: classification of counterparty in default

Mobilize F.S group applies EBA/GL/2016/07 «Guidelines on the application of the definition of default» issued by the European Banking Authority (EBA) published on 01/18/2017 as well as EBA/RTS/2016/06 «Final draft RTS on materiality threshold of past due credit obligations» published on 09/28/2016.

The following sections describe the adjustments made by expert judgement.

Restructured loans

The gross value of restructured outstanding (including non-performing), following the measures and concessions to borrowers who run into financial difficulties or are about to run into financial difficulties, amounts to €225 million as of end of December 2023 versus €238 million as of end of December 2022. The amount of the impairment is €64 million as of end of December 2023 versus €78 million as of end of December 2022.

The treatment of restructured loans (forbearance) complies with the guidelines of the Basel Committee and the recommendations of the European Banking Authority.

Individual analyses

An adjustment following an individual review of SME & corporate counterparties (non wholesale) corresponds to an impairment amounts of €8,2 million as of end of 2023, vs €22,8 million as of end of 2022.

The adjustments were completed by an industry sector analysis: the sub-portfolios belonging to risky industry sectors due to the covid-19 crisis and to energy crisis and exposed to a short-term deterioration have been identified based on external macro-economic analysis. These sub-portfolios were not reclassified in bucket 2, but a specific “forward looking” provision was booked, this specific provision decreased 17 M€ , following the review of risk sectors and an adjustment of the methodology for provisioning these exposures. The methodology was revised because a study of transitions from B1 to B2 demonstrated that the payment behavior of companies and employees did not justify the previous provisioning rate.

Inflation

In a global context of stagflation, Mobilize F.S group has performed a sensitivity test on its retail portfolio under a prospective approach aiming at estimate the portion of customers that could suffer from payment difficulties towards Mobilize F.S group due to the decrease of their disposable income (reduction of spending power). Based on this sensitivity test, a €39 million collective provision has been posted in 2022, 19 million at the end of December 2023, due to lower inflation and lower energy prices. This provision intends to cover a not yet materialized credit risk but that could deteriorate if the economic context remains unfavorable.

Fragile customers

Accordingly to the EBA guidelines on Loan Origination & Monitoring, the Mobilize F.S group has implemented a framework of early warning indicators that aims at identifying fragile customers that are likely to face difficulties to fulfill their credit obligation towards Mobilize F.S group. The output of this framework is to classify customers into three levels of financial difficulties severity : low, medium, high. Customer management processes have therefore been adapted given the severity level. For medium and high severity levels and even if the credit risk is not yet occurred, the assets classified in IFRS9 Stage 1 are subject to an additional provision adjustment. In 2023, an allowance of €11 million has been booked.

EU CR1: Performing and non-performing exposures and related provisions

	In millions of euros	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures			Non-performing exposures				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
005	Cash balances at central banks and other demand deposits	**6 142**	**6 142**													
010	Loans and advances	**54 079**	**50 494**	**3 565**	**1 202**		**1 138**	**-483**	**-296**	**-186**	**-645**		**-616**		**22 100**	**261**
020	*Central banks*	*4*	*4*													
030	*General governments*	*97*	*68*	*28*	*15*		*15*	*-1*	*0*	*-1*	*-5*		*-5*		*12*	*3*
040	*Credit institutions*	*150*	*144*	*6*				*0*	*0*						*150*	
050	*Other financial corporations*															
060	*Non-financial corporations*	*21 658*	*20 134*	*1 511*	*412*		*376*	*-118*	*-66*	*-52*	*-192*		*-178*		*15 940*	*196*
070	*Of which SMEs*	*9 022*	*8 229*	*792*	*349*		*323*	*-75*	*-41*	*-34*	*-168*		*-156*		*2 405*	*109*
080	*Households*	*32 170*	*30 143*	*2 019*	*775*		*747*	*-364*	*-230*	*-133*	*-449*		*-433*		*5 998*	*61*
090	Debt securities	**354**	**310**	**45**				**0**	**0**							
100	*Central banks*	*104*	*104*					*0*	*0*							
110	*General governments*	*176*	*132*	*45*				*0*	*0*							
120	*Credit institutions*															
130	*Other financial corporations*	*74*	*74*													
140	*Non-financial corporations*															
150	Off-balance-sheet exposures	**3 427**	**3 414**	**13**	**10**		**6**	**-7**	**-6**	**0**	**-2**		**-2**			
160	*Central banks*															
170	*General governments*	*23*	*23*	*0*	*0*		*0*	*0*	*0*	*0*	*0*		*0*			
180	*Credit institutions*	*200*	*200*	*0*				*0*	*0*	*0*						
190	*Other financial corporations*															
200	*Non-financial corporations*	*1 665*	*1 654*	*11*	*8*		*5*	*-5*	*-5*	*0*	*-2*		*-2*			
210	*Households*	*1 538*	*1 537*	*1*	*2*		*1*	*-2*	*-1*	*0*	*0*		*0*			
220	**Total**	**64 003**	**60 359**	**3 623**	**1 212**		**1 144**	**-490**	**-303**	**-186**	**-647**		**-618**		**22 100**	**261**

EU CR2: Changes in the stock of non-performing loans and advances

	In millions of euros	Gross carrying amount
		a
010	**Initial stock of non-performing loans and advances**	**1 030**
020	Inflows to non-performing portfolios	624
030	Outflows from non-performing portfolios	452
040	Ow : Outflows due to write-offs	136
050	Ow : Outflow due to other situations	316
060	**Final stock of non-performing loans and advances**	**1 202**

EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

Not applicable as non-performing exposures are less than 5% of total exposure.

EU CQ1: Credit quality of forborne exposures

	In millions of euros	Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne	Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		ow on NPE with forbearance measures
		a	b	c	d	e	f	g	h
005	Cash balances at central banks and other demand deposits								
010	Loans and advances	**112**	**113**	**113**	**113**	**-3**	**-60**	**2**	
020	*Central banks*								
030	*General governments*								
040	*Credit institutions*								
050	*Other financial corporations*								
060	*Non-financial corporations*	*8*	*11*	*11*	*11*	*0*	*-8*	*0*	
070	*Households*	*104*	*103*	*103*	*103*	*-3*	*-53*	*2*	
080	Debt securities								
090	Loan commitments given								
100	**Total**	**112**	**113**	**113**	**113**	**-3**	**-60**	**2**	

EU CQ2: Quality of forbearance

Not applicable as non-performing exposures are less than 5% of total exposure.

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

	In millions of euros	Gross carrying amount / Nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days and ≤ 90 days		Unlikely to pay or past due ≤90 days	Past due > 90 and ≤ 180 days	Past due > 180 and ≤ 365 days	Past due > 1 and ≤ 2 years	Past due > 2 and ≤ 5 years	Past due > 5 and ≤ 7 years	Past due > 7 years	Of which defaulted
		a	b	c	d	e	f	g	h	i	j	k	l
005	Cash balances at central banks and other demand deposits	**6 142**	**6 142**										
010	Loans and advances	**54 079**	**54 039**	**40**	**1 202**	**956**	**71**	**73**	**54**	**47**			**1 202**
020	*Central banks*	*4*	*4*										
030	*General governments*	*97*	*97*		*15*	*13*	*0*	*1*	*1*				*15*
040	*Credit institutions*	*150*	*150*										
050	*Other financial corporations*												
060	*Non-financial corporations*	*21 658*	*21 631*	*27*	*412*	*313*	*28*	*18*	*23*	*29*			*412*
070	*Of which SMEs*	*9 022*	*9 001*	*20*	*349*	*257*	*26*	*16*	*20*	*29*			*349*
080	*Households*	*32 170*	*32 157*	*13*	*775*	*630*	*43*	*55*	*30*	*18*			*775*
090	Debt securities	**354**	**354**										
100	*Central banks*	*104*	*104*										
110	*General governments*	*176*	*176*										
120	*Credit institutions*												
130	*Other financial corporations*	*74*	*74*										
140	*Non-financial corporations*												
150	Off-balance-sheet exposures	**3 427**			**10**								**10**
160	*Central banks*												
170	*General governments*	*23*			*0*								*0*
180	*Credit institutions*	*200*											
190	*Other financial corporations*												
200	*Non-financial corporations*	*1 665*			*8*								*8*
210	*Households*	*1 538*			*2*								*2*
220	**Total**	**64 003**	**60 536**	**40**	**1 212**	**956**	**71**	**73**	**54**	**47**			**1 212**

EU CQ4: Quality of non-performing exposures by geography

	In millions of euros	Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in FV due to credit risk on non-performing exposures
			Of which non-performing		Ow subject to impairment			
				Of which defaulted				
		a	b	c	d	e	f	g
10	**On balance sheet exposures**	**55 635**	**1 202**	**1 202**	**55 562**	**-1 129**		
20	*France*	*18 532*	*419*	*419*	*18 532*	*-348*		
30	*Germany*	*8 625*	*75*	*75*	*8 625*	*-80*		
40	*Italy*	*6 962*	*86*	*86*	*6 962*	*-84*		
50	*Great-Britain*	*6 062*	*43*	*43*	*6 062*	*-137*		
60	*Spain*	*4 532*	*88*	*88*	*4 532*	*-107*		
70	*Brazil*	*2 018*	*104*	*104*	*2 018*	*-72*		
80	*South Korea*	*1 091*	*30*	*30*	*1 091*	*-41*		
90	*Poland*	*1 062*	*46*	*46*	*1 062*	*-25*		
100	*Colombia*	*954*	*160*	*160*	*952*	*-111*		
110	*Swiss*	*952*	*28*	*28*	*952*	*-8*		
120	*Netherland*	*757*	*3*	*3*	*757*	*-3*		
130	*Other countries*	*4 089*	*118*	*118*	*4 018*	*-114*		
140	**Off balance sheet exposures**	**3 437**	**10**	**10**			**-8**	
150	*France*	*1 715*	*9*	*9*			*-6*	
160	*Germany*	*440*	*1*	*1*			*-1*	
170	*Italy*	*343*	*0*	*0*			*0*	
180	*Great-Britain*	*203*	*0*	*0*			*0*	
190	*Spain*	*70*	*0*	*0*			*0*	
200	*Brazil*	*119*						
210	*South Korea*	*1*					*0*	
220	*Poland*	*218*	*0*	*0*			*0*	
230	*Colombia*	*43*					*-1*	
240	*Swiss*	*44*	*0*	*0*			*0*	
250	*Netherland*	*64*						
260	*Other countries*	*179*	*0*	*0*			*0*	
270	**Total**	**59 073**	**1 212**	**1 212**	**55 562**	**-1 129**	**-8**	

EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

	In millions of euros	Gross carrying amount				Accumulated impairment	Accum. - changes in FV due to credit risk on non-perf. Expo.
			Of which non-performing		ow loans & advances subject to impairment		
				Of which defaulted			
		a	b	c	d	e	f
010	Agriculture, forestry and fishing	86	3	3	86	-3	
020	Mining and quarrying	9	0	0	9	0	
030	Manufacturing	962	25	25	962	-22	
040	Electricity, gas, steam and air conditioning supply	94	1	1	94	-1	
050	Water supply	91	2	2	91	-2	
060	Construction	1 416	49	49	1 416	-39	
070	Wholesale and retail trade	14 832	144	144	14 832	-121	
080	Transport and storage	543	34	34	543	-15	
090	Accommodation and food service activities	173	9	9	173	-5	
100	Information and communication	181	6	6	181	-5	
110	Real estate activities	155	11	11	155	-7	
120	Financial and insurance actvities	11	1	1	11	-1	
130	Professional, scientific and technical activities	730	35	35	730	-23	
140	Administrative and support service activities	1 429	44	44	1 429	-30	
150	Public adm. and defense, compulsory social security	212	11	11	212	-7	
160	Education	162	8	8	162	-6	
170	Human health services and social work activities	470	12	12	470	-9	
180	Arts, entertainment and recreation	84	4	4	84	-4	
190	Other services	429	14	14	429	-9	
200	**Total**	**22 070**	**412**	**412**	**22 070**	**-310**	

EU CQ6: Collateral valuation - loans and advances

Not applicable as non-performing exposures are less than 5% of total exposures.

EU CQ7: Collateral obtained by taking possession and execution processes

	In millions of euros	Value at initial recognition	Accumulated negative changes
		a	b
010	Property, plant and equipment (PP&E)		
020	Other than PP&E		
030	*Residential immovable property*		
040	*Commercial Immovable property*		
050	*Movable property (auto, shipping, etc.)*		
060	*Equity and debt instruments*		
070	Other collateral		
080	**Total**		

EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown

Not applicable as non-performing exposures are less than 5% of total exposures.

2 CREDIT RISK MANAGEMENT PROCESS

For both Wholesale and non-Wholesale businesses, the credit risk prevention policy aims to ensure that the cost of risk target of each country and main segments is reached.

The Mobilize F.S group uses advanced scoring systems, and external databases whenever the information is available, to assess the capacity of individual and business customers to meet their commitments. An internal rating system is also used to assess loans to Dealers. The Mobilize F.S group constantly monitors its underwriting policy to consider the economic environment situation.

CREDIT RISK MANAGEMENT – RETAIL CUSTOMERS

The environment has remained uncertain and contrasted since 2022. The Ukrainian and energy crises led to inflationary shocks in Europe. Economic activity has begun to weaken and inflation to slow under the influence of monetary policy, the gradual elimination of supply shocks and falling energy prices.

Quality of New Production

The year 2023 was marked by a precarious economic situation - slowing growth and high inflation - and by geopolitical tensions (war in Ukraine). As a result, the Group's acceptance policy for new financing was cautious, resulting in stable credit risk on new financing.

In addition, group Mobilize F.S has strengthened its framework of rules and policies regarding loan origination & monitoring, in compliance with EBA loan origination & monitoring guidelines.

Collection of unpaid debt

The stock of non-performing loans rose to 2.1% in 2023, reaching 1,202 million euros at the end of 2023, compared with 1,030 million euros at the end of 2022. This increase is mainly due to the rise in non-performing loans in Colombia (+89 million euros) and France (+53 million euros). In Colombia, high inflation has seriously damaged the ability of households to repay their debts. Thus, depreciation on loans to Colombian households has increased significantly for the banking sector.

Collective depreciation excluding statistical models

In 2023, the Mobilize F.S Group has reviewed - in view of the economic context described above - the two types of collective impairment on its portfolio of performing retail receivables to prevent a probable increase in the likely credit risk relating to :

- A rise of consumer prices higher than the wages
- The difficulty of some households to face their credit obligation towards MFS due to their financial fragility.

These two approaches were described in section 1. Exposure to credit risk. The adjustments also cover some portfolios identified as fragile customers thanks to decision trees, scorecards or external data (like in UK, Spain and Italy). This approach was extended in 2023 to new countries such as Brazil and France.

In the particular context in this exercise, all additional adjustments (excluding models) represents a stock of €23.8 million at the end of 2023, excluding forward-looking coverage.

At the level of the corporate customer portfolio, the Retail Credit & Scoring department monitors together with the local MFS entities the cost of risk, ensures that it is well understood and analyzed, and monitors the action plans to achieve the targets. The underwriting policies are subject to strict central rules, and the outstanding in collection is deeply monitored. The performances of the subsidiaries regarding the approval quality and efficiency of collection are monitored in the framework of the monthly risk reporting and are presented to Corporate by the subsidiaries during committee meetings, the frequency of these committees is based accordingly to the level of risk and highlights in each entity.

A follow-up and a summary are carried out during the monthly Group Credit Committees, which is under MFS CEO supervision and leaded by Credit & Data Management Division Officer. These committees also include Risk Division officer, Accounting and Performance Control Division Officer, Commercial and Strategy Division Officer, Finance and Treasury Division Officer.

CREDIT RISK MANAGEMENT – NETWORK OF DEALERS AND IMPORTERS

At the level of each subsidiary and centrally, Network and importers customers are periodically monitored using a set of risk indicators that make it possible to assess the quality of each counterparty's credit risk in the short and medium term. A credit risk grading system classifies counterparties into three statuses (incidental, pre-alert and doubtful), which triggers appropriate treatment and remediation plans. These credit risk reduction actions are defined within a committee at entity level; it brings together the local managers of the manufacturers and the Mobilize F.S group in relation to the network.

RESULT AT THE END OF DECEMBER 2023 FOR RETAIL BUSINESS

The IFRS9 provisioning standards have been applied since 1st January 2018 in the scope of all entities within the Mobilize F.S group. Two distinct methodologies have been implemented depending on the size of the entity:

- a method based on internal models such as behavior scorecards and loss given default (for France, Germany, Spain, Italy, United Kingdom, South Korea and Brazil), in which the Stage 1/Stage 2 exposures are staged according to the rating from behavior models, and its evolution since the origination. Restructured loans are classified in Stage 2, while Stage 3 corresponds to customers in default. The discounted provision is determined in accordance with point-in-time risk parameters that are subject to a forward-looking adjustment

- for other entities using the standard method, provisions are calculated using transition matrices applied to the portfolio's aged balances. In this context, the Stage 2 corresponds to the receivables with past due more than 30 days at the closing date, or that encountered a past due amount in the last 12 months, and also to restructured loans.

The cumulative Cost of Risk reaches 0.38% of average productive assets in 2023, compared to 0.55% in 2022.

It is mainly explained by:

• Net recovery write-off at €127M (vs. €100M in 2022), or 0.31% of average outstandings

• An allocation to defaulted Bucket 3 outstandings of €67M (vs. €27M in 2022), strongly impacted by Colombia (severe inflation weighing on customer solvency).

• A reversal of provision of €29M on performing outstandings (vs. an allocation of €81M in 2022) including:

  o An allocation due to increases in outstandings €38M
  o An allocation for the evolution of the bucket mix and risk parameters of €10M
  o A takeover of €21M of expertise on risk parameters
  o A reversal of €20M under forward-looking
  o A reversal of €15M of expertise concerning inflation risk
  o A reversal of €6M of expertise concerning fragile customers
  o A reversal of €14M of expertise from individual risks.

DEALER AND IMPORTER BUSINESS RESULTS AT END OF DECEMBER 2023

The Mobilize F.S group maintained its policy of supporting manufacturers and their distribution networks by providing appropriate financing solutions. In this respect, the management of inventories in conjunction with manufacturers and their adequacy with market situations remained a priority. After the Covid-19 crisis in 2020 and the semiconductor crisis in 2021, invoicing the end of 2022 marked by the increase of manufacturer invoicing. In 2023, the outstanding returned to pre-Covid-19 levels.

In 2023, the Mobilize F.S group stabilised its international presence and supported the development of the Renault Group as well as of the Nissan and Mitsubishi brands and their networks. In addition, in several countries, the group continues the development of financing importers.

Outstanding network loans across the entire scope of intervention increased by €1.2bn compared to 12/2022 to reach €11.6bn at 12/2023.

The 2023 cost of risk of financing networks and importers is an income of €8.98m, or 0.09% of average earning assets, and is explained in particular by :

- release of provisions on non-performing outstanding following the improvement in the Bucket 3 portfolio mix, with less exposure on long-maturity counterparties in default

- release of provisions on performing outstanding following the improved mix of outstandings by risk class, and the update of PD and LGD parameters.

Non-performing loans increased from €50m at the end of December 2022 to €64m at the end of December 2023, their share of total loans decreasing from 0.5% to 0.6% in one year.

In 2023, the amount of write-offs net of recoveries is only €2.4m (notably in France €1.3m and Germany €0.8m), which confirms the good control of the risk on Network financing.

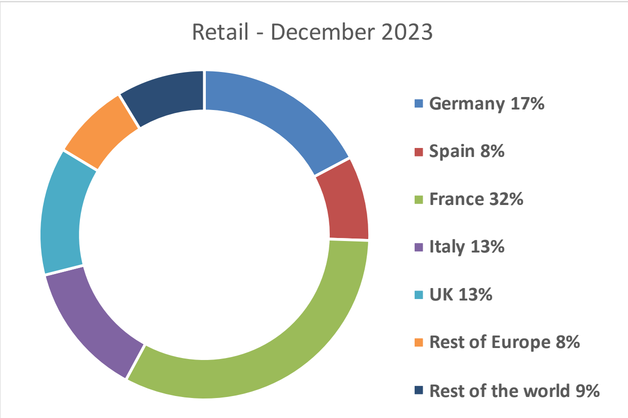
Restructured loans outstanding amounted to only €2.4m, a level decreasing slightly by €0.1m versus last year.

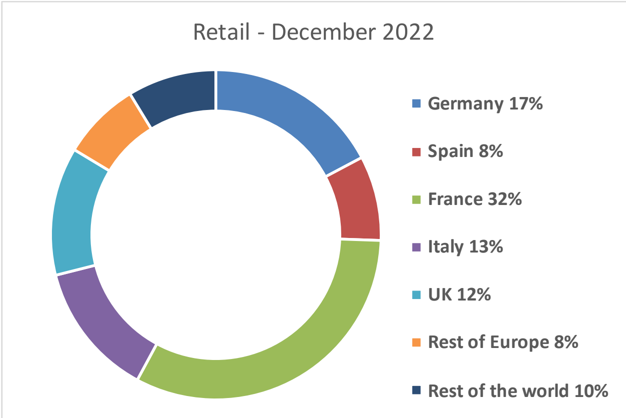
3 - DIVERSIFICATION OF CREDIT RISK EXPOSURE

Retail performing assets at end December 2023 are increasing compared to end of December 2022 at 42.6 billion euros. It is driven by the improving average financed amount impacting positively the new financings. They are spread over 21 countries, with Europe well represented for 91% of the total. Group subsidiaries using IRB methodology (France, Italy, Germany, Spain, UK and South Korea) represent 86% of the total assets. Group subsidiaries in France, UK and Latin America countries are the ones with the strongest growth. Retail productive assets of the Korean subsidiary decrease by -33.3%. The weight of the 7 main countries where Mobilize F.S. is operating (IRB approved subsidiaries mentioned above plus Brazil) remains quite stable at 89% of total in 2023.

In terms of the breakdown of Retail business by product, credits represented 57% of outstandings at 2023, financial leases 39%, up 2 point, and operating leases (including battery leases) 4%, stable.

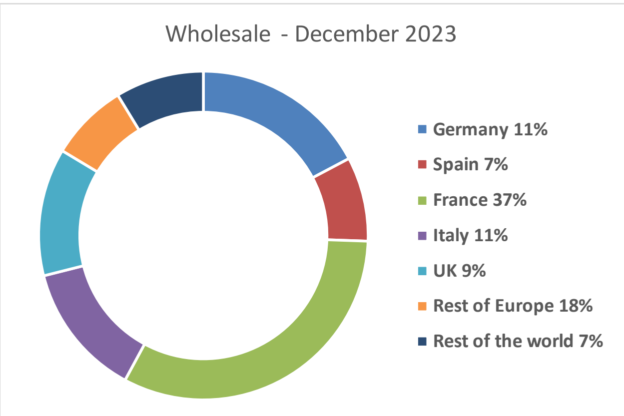
Retail credit risk exposure

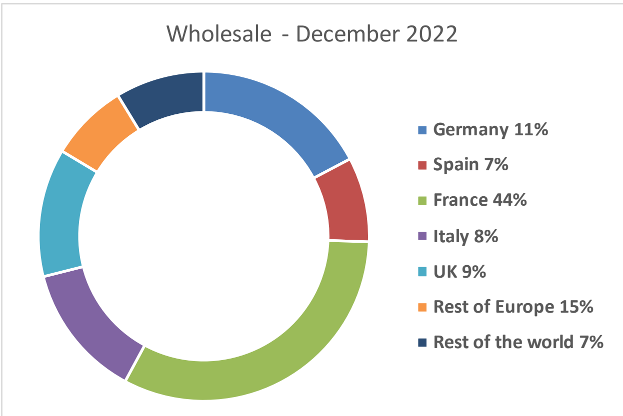




The outstanding network loans are spread over 24 consolidated countries with a strong preponderance of Europe. The overall network assets represents 11.6 billion euros. The breakdown of outstandings by country is relatively stable except in France with a 7 pts decrease and in Italy with a 3 pts increase.

Wholesale credit risk exposure





4 - RISK-WEIGHTED ASSETS

The Mobilize F.S group uses the advanced method to measure credit risk for customer outstandings in the following countries: France, Germany, Spain, Italy, South Korea and the United Kingdom. For all other exposures and risks, Mobilize F.S group uses the standardized method.

5 - ADVANCED METHOD

The Mobilize F.S group has adopted the most advanced methods proposed by the reform known as Basel II/III to measure and monitor its credit risks, all parameters are therefore estimated internally. The values thus measured are applied to calculate exposure risks on the Retail, Corporate and Dealer customers. Six big countries (Germany, Spain, France, Italy, South Korea and United Kingdom[3]) are treated using the advanced approach based on internal ratings.

For all of these scopes, the Mobilize F.S group has obtained the following authorizations:

- For France, Germany, Italy and Spain, approved in January 2008;
- For the United Kingdom, approved in January 2010;
- For Korea, approved in June 2011.

Following the agreement of the supervisor, the corporate portfolios (excluding the network) in Germany, Italy and Spain have been treated using the standard method since 2021.

The credit risk models applied within the group are subject to on-site supervisor inspections, giving rise to obligations and/or recommendations and, where applicable, the establishment of temporary additional margins on the parameters estimated by the Bank.

a) Governance

The internal credit risk models are part of the Risk management Governance and are managed by a Governance procedure that sets out the roles and responsibilities of each stakeholder and involved in ensuring the independence of the various levels of control. This procedure is validated by the Risk Committee, which is the institution's highest decision-making body with regard to internal models.

The first level of control is carried out by the teams of the Credit & Data Management division in charge of :

- the quality of the data from the subsidiaries
- modelling methodologies
- the development and implementation of models
- operational insertion of models
- monitoring the performance and relevance of models through backtesting and recalibration exercises.

The second level of control is carried out by the Risk Control Department of the Risk and Banking Regulations Department of Risk Control Division, which independently reviews the elements carried outby the Credit & Data Management division. These reviews are governed by a validation procedure and its conclusions are presented during a Validation Committee meeting and are summarized in a validation report. During second-level validation missions, the Credit & Data Management division teams are required to justify their assumptions and their methodological choices with arguments and audit trails.

Changes made to the models and recurring monitoring exercises are communicated to the Supervisor in line with an internal procedure that complies with the requirements of Delegated Regulation (EU) No. 529/2014 of 20 May 2014 for extensions and changes to the internal rating approach.

This procedure foresees, depending on the materiality of the change made, to communicate to the Supervisor:

- an application package for approval
- a notification prior to the change (ex ante)
- a notification after the change (ex post).

Internal Governance provides prior to each communication with the Supervisor, a validation by the various decision-making bodies, depending on its materiality.

In addition, the Governance provides recurrent reporting to the Management bodies where the risk levels, the conclusions of recurrent exercises as well as independent reviews, the follow-up of internal and external recommendations, etc. are presented.

[3] For these 6 countries, some portfolios are in standard approach (examples: Corporates in the United Kingdom, Large Corporates outside France). Furthermore, RCI Korea is not concerned by the dealer financing activity.

Finally, the Internal Audit Department provides the third level of control and assesses, through periodic inspections, the efficiency and compliance of the management and governance system for internal models.

b) Information system

The centralized database of risks (BCR) stores credit risk data coming from acceptance, management and accounting applications, on the three markets and for the most significant countries.

This database provides input data for decision-makers to assess risks, and the Banking Cloud software package calculates the solvency ratio. Banking Cloud is also fed by data from the refinancing system and consolidation tool.

The data collected and calculated in these information systems is controlled technically and functionally throughout the production line, from gathering information from upstream systems to the end results. These quality controls are monitored monthly at the level of the production chain according to the criticality of the data.

Further to an analysis of these controls, action plans have been put in place.

The information system in place provides the analitycal tools need to explain changes in the weighted asset ratio. Thus, monthly statements show the components of weighted assets in respect of the advanced method (probability of default, loss given default, exposures, expected losses, etc.) according to several criteria:

- Sound outstandings and defaulted outstandings broken down by type of financing;
- A separation between balance sheet and off-balance sheet exposures;
- A breakdown by country;
- A breakdown by customer category (individuals, self- employed persons, small companies, medium-sized and large companies according to turnover, very big corporations and the dealership network);
- A distribution according to customer characteristics (age of the customer or company, line of business, etc.), according to the characteristics of the financing plan (initial term, amount paid up front, etc.) and according to the characteristics of the property financed (new or used vehicle, models, etc.).

These data dimensions are also used for the monthly analysis of the management cost of risk.

c) Segmentation of exposures by the advanced method

All figures relating to credit risk exposures concern gross exposures, i.e. before application of Credit Conversion Factors and Credit Risk Mitigation techniques.

The RWA density (weighted risks/exposures) totals 44% for the Retail portfolio and 56% for the overall Corporate portfolio using the advanced internal rating method and 122% for the foundation internal rating method.

The amount of the FCEC (Credit Exposure Conversion Factor) percentages is set at 100% for the advanced method.

EU CRE – Qualitative disclosure requirements related to IRB approach

Legal basis	Row number	Qualitative informations	
Article 452(a) CRR	(a)	The competent authority's permission of the approach or approved transition	Part 4- 5 Advanced Method
Article 452(c) CRR	(b)	(c) The control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on : (i) the relationship between the risk management function and the internal audit function ; (ii) the rating system review ; (iii) procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models ; (iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models	i) Part 4-5 a) Governance ii) Part 4-5-h) Procedures for monitoring internal ratings iii) Part 4-5 a) Governance iv) Part 4-5 a) Governance
Article 452(d) CRR	(c)	The role of the functions involved in the development, approval and subsequent changes of the credit risk models	iv) Part 4-5 a) Governance
Article 452(e) CRR	(d)	The scope and main content of the reporting related to credit risk models	iv) Part 4-5 a) Governance
Article 452(f) CRR	(e)	A description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering: (i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods; (ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure; (iii) where applicable, the definitions, methods and data for estimation and validation of credit conversion factors, including assumptions employed in the derivation of those variables.	i) Part 4-5-d)i)Description of the internal rating process ii) Part 4-5-e)Transaction data dimension – Loss given default parameter iii) Part 4-5-f)Credit conversion factor

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

In Millions of euros PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	EAD post CRM and post-CCF	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWEA after supporting factors	RWEA density amount	Expected loss amount	Value adjustments and provisions
a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB Corporate												
0.00 to <0.15	78			78	0,06%	3	16,93%	1,0	4	5,09%	0	0
0.00 to <0.10	*78*			*78*	*0,06%*	*3*	*16,93%*	*1,0*	*4*	*5,09%*	*0*	*0*
0.10 to <0.15												
0.15 to <0.25												
0.25 to <0.50	128	10	1,0	138	0,41%	52	19,15%	1,0	29	21,24%	0	0
0.50 to <0.75	1 080	48	1,0	1 128	0,59%	1 284	17,90%	1,2	387	34,27%	1	-1
0.75 to <2.50	5 612	467	1,0	6 079	1,51%	3 886	24,80%	1,4	3 652	60,07%	24	-13
0.75 to <1.75	*3 804*	*153*	*1,0*	*3 957*	*1,24%*	*1 992*	*18,29%*	*1,2*	*1 633*	*41,26%*	*9*	*-5*
1.75 to <2.50	*1 808*	*315*	*1,0*	*2 122*	*2,00%*	*1 894*	*36,92%*	*1,9*	*2 019*	*95,14%*	*15*	*-8*
2.50 to <10.00	2 284	134	1,0	2 418	3,65%	1 339	20,31%	1,3	1 499	61,99%	18	-9
2.50 to <5.00	*2 091*	*119*	*1,0*	*2 210*	*3,35%*	*1 094*	*20,46%*	*1,2*	*1 315*	*59,50%*	*15*	*-7*
5.00 to <10.00	*193*	*15*	*1,0*	*208*	*6,86%*	*245*	*18,72%*	*1,6*	*184*	*88,49%*	*3*	*-2*
10.00 to <100.00	402	20	1,0	422	15,25%	358	21,94%	1,4	463	109,81%	14	-6
10.00 to <20.00	*313*	*17*	*1,0*	*330*	*11,89%*	*323*	*21,89%*	*1,4*	*348*	*105,31%*	*9*	*-4*
20.00 to <30.00	*87*	*3*	*1,0*	*89*	*27,14%*	*33*	*22,19%*	*1,2*	*113*	*126,42%*	*5*	*-2*
30.00 to <100.00	*2*			*2*	*36,22%*	*2*	*19,25%*	*1,0*	*2*	*111,35%*	*0*	*0*
100.00 (Default)	58	4	1,0	62	100,00%	171	28,85%	1,6	48	77,69%	14	-18
Sub-Total A-IRB Corporate	**9 642**	**684**	**1,0**	**10 325**	**3,03%**	**7 093**	**22,76%**	**1,4**	**6 082**	**58,90%**	**72**	**-45**
A-IRB Corporate SME												
0.00 to <0.15	5			5	0,04%	5	19,04%	1,0	0	2,71%	0	0
0.00 to <0.10	*5*			*5*	*0,04%*	*5*	*19,04%*	*1,0*	*0*	*2,71%*	*0*	*0*
0.10 to <0.15												
0.15 to <0.25												
0.25 to <0.50	47	1	1,0	48	0,38%	172	19,89%	1,1	7	14,67%	0	0
0.50 to <0.75	685	29	1,0	714	0,61%	371	18,57%	1,2	189	26,54%	1	0
0.75 to <2.50	428	26	1,0	453	1,54%	603	19,83%	1,3	187	41,19%	1	-1
0.75 to <1.75	*253*	*23*	*1,0*	*276*	*1,23%*	*163*	*18,91%*	*1,4*	*125*	*45,33%*	*1*	*-1*
1.75 to <2.50	*174*	*2*	*1,0*	*177*	*2,03%*	*440*	*21,28%*	*1,1*	*61*	*34,72%*	*1*	*0*
2.50 to <10.00	412	15	1,0	427	4,39%	385	19,57%	1,2	208	48,77%	4	-2
2.50 to <5.00	*286*	*2*	*1,0*	*288*	*3,29%*	*295*	*19,77%*	*1,1*	*113*	*39,14%*	*2*	*-1*
5.00 to <10.00	*126*	*13*	*1,0*	*138*	*6,67%*	*90*	*19,15%*	*1,5*	*95*	*68,85%*	*2*	*-1*
10.00 to <100.00	170	5	1,0	175	20,78%	147	18,39%	1,1	124	71,22%	7	-3
10.00 to <20.00	*65*	*3*	*1,0*	*69*	*12,59%*	*83*	*18,62%*	*1,3*	*47*	*68,42%*	*2*	*-1*
20.00 to <30.00	*91*	*1*	*1,0*	*93*	*24,69%*	*51*	*17,87%*	*1,1*	*66*	*71,30%*	*4*	*-1*
30.00 to <100.00	*13*	*0*	*1,0*	*13*	*35,64%*	*13*	*20,79%*	*1,0*	*11*	*85,00%*	*1*	*-1*
100.00 (Default)	20	0	1,0	20	100,00%	37	66,86%	1,1	16	80,96%	12	-8
Sub-Total A-IRB Corporate SME	**1 765**	**75**	**1,0**	**1 840**	**4,68%**	**1 720**	**19,65%**	**1,2**	**732**	**39,75%**	**25**	**-15**

In Millions of euros PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	EAD post CRM and post-CCF	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWEA after supporting factors	RWEA density amount	Expected loss amount	Value adjustments and provisions
a	b	c	d	e	f	g	h	i	j	k	l	m
A-IRB Retail SME												
0.00 to <0.15	0			0	0,05%	34	46,80%		0	6,36%	0	0
0.00 to <0.10	*0*			*0*	*0,05%*	*34*	*46,80%*		*0*	*6,36%*	*0*	*0*
0.10 to <0.15												
0.15 to <0.25												
0.25 to <0.50	312	25	1,0	337	0,34%	11 235	46,20%		72	21,27%	1	-1
0.50 to <0.75	224	14	1,0	238	0,60%	12 955	44,75%		69	28,77%	1	0
0.75 to <2.50	1 751	227	1,0	1 978	1,65%	79 564	38,95%		743	37,58%	13	-10
0.75 to <1.75	*1 172*	*152*	*1,0*	*1 325*	*1,27%*	*53 152*	*38,51%*		*460*	*34,76%*	*6*	*-5*
1.75 to <2.50	*579*	*75*	*1,0*	*654*	*2,42%*	*26 412*	*39,85%*		*283*	*43,29%*	*6*	*-5*
2.50 to <10.00	686	77	1,0	763	5,15%	29 876	39,17%		361	47,32%	16	-11
2.50 to <5.00	*331*	*45*	*1,0*	*376*	*4,03%*	*16 035*	*35,44%*		*157*	*41,83%*	*5*	*-5*
5.00 to <10.00	*355*	*32*	*1,0*	*387*	*6,23%*	*13 841*	*42,78%*		*204*	*52,63%*	*10*	*-6*
10.00 to <100.00	249	22	1,0	271	21,63%	9 671	35,92%		173	63,73%	21	-16
10.00 to <20.00	*95*	*11*	*1,0*	*106*	*10,65%*	*3 631*	*34,15%*		*51*	*48,12%*	*4*	*-3*
20.00 to <30.00	*136*	*10*	*1,0*	*146*	*25,77%*	*4 839*	*37,24%*		*108*	*73,65%*	*14*	*-10*
30.00 to <100.00	*18*	*1*	*1,0*	*19*	*51,76%*	*1 201*	*35,76%*		*14*	*74,88%*	*3*	*-3*
100.00 (Default)	111	2	1,0	113	100,00%	6 494	74,35%		70	62,20%	79	-63
Sub-Total A-IRB Retail SME	**3 334**	**367**	**1,0**	**3 701**	**6,65%**	**149 829**	**40,89%**		**1 488**	**40,20%**	**130**	**-101**
A-IRB Retail no SME												
0.00 to <0.15	1 082	215	1,0	1 297	0,10%	298 925	39,42%		139	10,76%	1	-1
0.00 to <0.10	*474*	*10*	*1,0*	*484*	*0,08%*	*77 352*	*35,68%*		*37*	*7,74%*	*0*	*0*
0.10 to <0.15	*607*	*206*	*1,0*	*813*	*0,12%*	*221 573*	*41,65%*		*102*	*12,55%*	*0*	*0*
0.15 to <0.25	965	141	1,0	1 106	0,22%	107 594	37,03%		199	18,02%	1	-2
0.25 to <0.50	5 773	264	1,0	6 036	0,38%	503 386	39,52%		1 611	26,69%	9	-11
0.50 to <0.75	4 561	101	1,0	4 663	0,67%	312 274	42,78%		1 854	39,75%	13	-9
0.75 to <2.50	10 608	465	1,0	11 073	1,35%	760 546	40,77%		5 478	49,47%	62	-47
0.75 to <1.75	*8 087*	*335*	*1,0*	*8 422*	*1,09%*	*576 881*	*40,33%*		*3 871*	*45,96%*	*38*	*-28*
1.75 to <2.50	*2 521*	*130*	*1,0*	*2 651*	*2,15%*	*183 665*	*42,19%*		*1 608*	*60,65%*	*24*	*-20*
2.50 to <10.00	3 319	68	1,0	3 388	4,62%	298 534	41,24%		2 236	66,01%	65	-61
2.50 to <5.00	*2 196*	*51*	*1,0*	*2 247*	*3,49%*	*192 194*	*40,77%*		*1 432*	*63,76%*	*32*	*-29*
5.00 to <10.00	*1 123*	*18*	*1,0*	*1 141*	*6,85%*	*106 340*	*42,17%*		*804*	*70,45%*	*33*	*-32*
10.00 to <100.00	1 163	15	1,0	1 179	24,25%	100 250	40,40%		1 134	96,26%	116	-138
10.00 to <20.00	*456*	*7*	*1,0*	*463*	*12,44%*	*40 868*	*41,08%*		*379*	*81,79%*	*24*	*-42*
20.00 to <30.00	*463*	*6*	*1,0*	*470*	*23,37%*	*34 280*	*39,20%*		*464*	*98,89%*	*43*	*-39*
30.00 to <100.00	*244*	*2*	*1,0*	*246*	*48,13%*	*25 102*	*41,44%*		*291*	*118,46%*	*49*	*-57*
100.00 (Default)	490	1	1,0	492	100,00%	59 995	75,67%		345	70,18%	345	-319
Sub-Total A-IRB Retail no SME	**27 963**	**1 271**	**1,0**	**29 234**	**3,90%**	**2 441 504**	**41,26%**		**12 998**	**44,46%**	**612**	**-588**
Total A-IRB	**42 703**	**2 397**	**1,0**	**45 100**	**3,96%**	**2 600 146**	**36,11%**	**1,3**	**21 299**	**47,23%**	**838**	**-749**

In Millions of euros PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	EAD post CRM and post-CCF	Exposure weighted average PD	Number of obligors	Exposure weighted average LGD	Exposure weighted average maturity (years)	RWEA after supporting factors	RWEA density amount	Expected loss amount	Value adjustments and provisions
a	b	c	d	e	f	g	h	i	j	k	l	m
F-IRB Corporate												
0.00 to <0.15												
0.00 to <0.10												
0.10 to <0.15												
0.15 to <0.25												
0.25 to <0.50												
0.50 to <0.75												
0.75 to <2.50	100			100	1,91%	12	45,00%	2,5	120	120,03%	1	-1
0.75 to <1.75	*4*			*4*	*1,54%*	*1*	*45,00%*	*2,5*	*5*	*112,82%*	*0*	*0*
1.75 to <2.50	*95*			*95*	*1,93%*	*11*	*45,00%*	*2,5*	*115*	*120,36%*	*1*	*-1*
2.50 to <10.00	14			14	3,25%	3	45,00%	2,5	19	139,26%	0	0
2.50 to <5.00	*14*			*14*	*3,25%*	*3*	*45,00%*	*2,5*	*19*	*139,26%*	*0*	*0*
5.00 to <10.00												
10.00 to <100.00												
10.00 to <20.00												
20.00 to <30.00												
30.00 to <100.00												
100.00 (Default)												
Total F-IRB Corporate	**114**			**114**	**2,07%**	**15**	**45,00%**	**2,5**	**139**	**122,38%**	**1**	**-1**

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

	In Millions of euros	Exposure value art 166 CRR for exposures subject to IRB approach	Exposures subject to the Standardised and to the IRB approach	% of exposure value subject to the permanent partial use of the SA	% of total exposure value subject to a roll-out plan	% of total exposure in IRB Approach
		a	b	c	d	e
1	Central governments and central banks		5 541	100,00%		
1,1	Of which Regional governments or local authorities					
1,2	Of which Public sector entities					
2	Institutions		2 324	100,00%		
3	Corporates	12 279	18 023	29,09%	2,77%	68,13%
3,1	*Of which Corporates - Specialised lending, excluding slotting approach*					
3,2	*Of which Corporates - Specialised lending under slotting approach*					
4	Retail	32 935	41 083	16,39%	3,44%	80,17%
4,1	*of which Retail – Secured by real estate SMEs*					
4,2	*of which Retail – Secured by real estate non-SMEs*					
4,3	*of which Retail – Qualifying revolving*					
4,4	*of which Retail – Other SMEs*		*6 116*	*36,25%*	*3,23%*	*60,52%*
4,5	*of which Retail – Other non-SMEs*		*34 967*	*12,92%*	*3,48%*	*83,60%*
5	Equity		32	100,00%		
6	Other non credit obligation assets		2 353	100,00%		
7	**Total**	**45 214**	**69 353**	**32,05%**	**2,76%**	**65,19%**

d) Borrower data dimension - Probability of Default (PD) parameter

Monthly revaluation of customer risks is based on:

- A model for ranking the risk of default;
- A method for quantifying the related probability of default.

i) Description of the internal ratings process

The table below provides a description of the internal rating process for each exposure types.

Exposure class	Country	Scope	Définition	PD estimation method	Data	Validation	Adequacy between PD and defautl rate
Retail	Germany	Retail Individuals	The definition of default conforms to Guidelines EBA GL 2016 07 Final Report on Guideline on default definition.	The estimation is based on a long run average of default rate at 12 months, added of conservatism margins of type A, B, C which based on historic data reflecting the likely range of variability of default rates, contains an adequat mix of better or worst years.	Since 2008	Models have been approved by the ECB within the scope of the 2020 inspection on the new definition of default.	Conservative PD with respect to long-term observed default rates.
	Germany	Retail SME*			Since 2008		
	Spain	Retail Individuals			Since 2008		
	Spain	Retail SME			Since 2008		
	Italy	Retail Individuals			Since 2008		
	Italy	Retail SME			Since 2008		
	UK	Retail Individuals			Since 2010		
	Korea	Retail			Since 2011		
	France	Retail Individuals			Since 2008		
	France	Retail SME			Since 2008		
Wholesale	Germany	Wholesale R1**			Since 2010		
	Germany	Wholesale R2***					
	Spain	Wholesale R1					
	Italy	Wholesale R1					
	UK	Wholesale R1					
	France	Wholesale R1					
Corporate	France	Very large corporate			Since 2008		
	France	Corporate other			Since 2008		

* SME : Small and medium enterprises

** R1 : Primary dealers

*** R2 : Secondary dealers

ii) Risk ranking model

The ranking of counterparty risk results from a score that includes both the customer's characteristics and the latter's payment record. The methodology is adjusted to each customer typology to factor in the nature of the available information generally used by business experts to assess the risks.

The table in paragraph below shows the mapping of the models developed.

iii) Allocation to a class of risk and quantification of the PD related to each class

The rating scales feature a number of classes adjusted to the granularity of the portfolio. Retail customers are divided into ten classes for the sound portfolio and one default class; Corporate and Dealer portfolios are divided into seven classes.

The required degree of reliability for internal rating has nonetheless meant that each “country/customer segment” portfolio has been broken down in a specific manner: for a given segment, the risk attached to a particular class in France, measured by its representative PD, is different from the risk attached to the same class in Spain.

The PD associated with each class is calculated by factoring in historically observed default rates.

It is specified that new PD Retail models for all countries were put into production in 2020, following their validation by the ECB. Pd’s of this new models have been recalibrated following the new definition of default (conforms to EBA Guideline : EBA GL 2016 07 Final Report on Guideline on default definition) and this PD were put into production in 2021 December. In addition, in November 2022, a new model on the Italy Corporate portfolio was put into production following the ECB's approval of the Retail package application submitted in June 2021. The PD of this new model and the recalibrated PD of the other Retail portfolios (excluding UK) were also put into production that same month. Concerning the calibration of PDs on the UK Retail portfolio, these were put into production in February 2023.

Segmentation of exposures by the advanced method and average PD by country

Category of exposure	IRBA countries	Average sound portfolio PD at 31/12/2023
Retail customers	Germany	1,41%
	Spain	2,02%
	France	2,95%
	Italy	1,99%
	United Kingdom	2,64%
	South Korea	1,06%
Small and medium-sized companies	Germany	2,00%
	Spain	3,98%
	France	4,07%
	Italy	4,56%
	United Kingdom	3,14%
	South Korea	1,56%
Large corporations	Germany	2,06%
	Spain	6,00%
	France	2,31%
	Italy	3,81%
	United Kingdom	2,62%

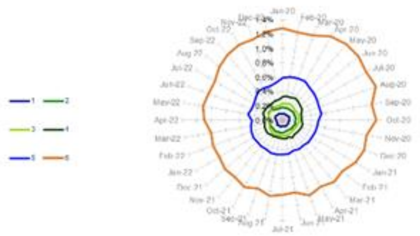
iv) Testing PD models

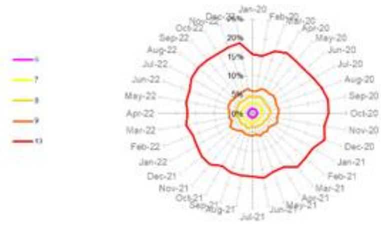
The figures disclosed in this section come from the backtesting databases, which are in line with the modeling databases. The figures given in the previous sections correspond to the use of parameters, and so there may be differences in management rules. For example, the default rates and PDs derived from the backtesting are based solely on the performing portfolio. In addition, in backtesting, if a counterparty belongs to a consolidation group whose annual sales exceed 50 million euros, the exposure class for the'group's components will not be impacted, which can cause volume and allocation differences.

In many countries, backtesting of PD models has underlined that the models can effectively prioritize risks but that they also overestimate PDs per class. It should be noted that the internal backtesting procedures focus on calibrations by class of risk over time and not by class of exposure with PD averages in numbers and not in outstandings.

This is illustrated in the following graphs.

History of default rates per class

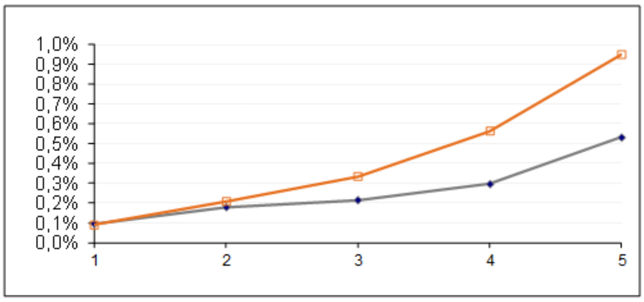




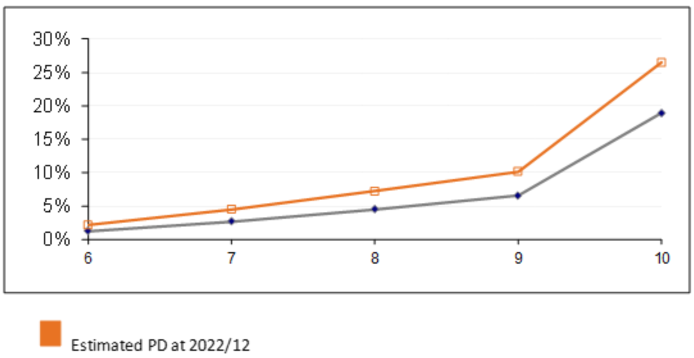
Since the curves by rating class are concentric, the two graphs above enable to conclude that the model is discriminant.

Backtesting of Consumer PD model for Germany at end-December 2023

Class 1 to 5



Class 6 to 10



The amber curve of calibrated PDs for the range of ratings under consideration is strictly above the actual default rate observed. The German Consumer PD model for the December 2022 portfolio, with defaults observed at the end of December 2023, shows a sufficiently conservative calibration.

When external ratings are available (i.e. for the very big French corporations), a migration matrix between internal and external ratings is calculated for backtesting exercises. An annual match rate is calculated according to the following two scenarios: without a rating difference and with a rating difference in absolute value (nearly 99%).

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

A-IRB

Exposure class	PD range	Number of obligors at the end of previous year	Of which number of obligors which defaulted in the year	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
a	b	c	d	e	f	g	h
COCOR	0.00 to <0.15	7	0	0,00%	0,06%	0,06%	0,67%
	0.00 to <0.10	7	0	0,00%	0,06%	0,06%	0,67%
	0.10 to <0.15			0,00%			
	0.15 to <0.25						0,00%
	0.25 to <0.50	48	0	0,00%	0,41%	0,40%	0,85%
	0.50 to <0.75	1255	7	0,56%	0,59%	0,64%	0,22%
	0.75 to <2.50	3665	35	0,95%	1,49%	1,54%	1,23%
	0.75 to <1.75	1989	16	0,80%	1,25%	1,10%	1,15%
	1.75 to <2.5	1676	19	1,13%	1,99%	2,01%	0,90%
	2.50 to <10.00	1294	30	2,32%	3,65%	3,95%	2,04%
	2.5 to <5	958	22	2,30%	3,35%	3,48%	1,51%
	5 to <10	336	8	2,38%	6,86%	6,14%	3,30%
	10.00 to <100.00	310	23	7,42%	15,17%	12,78%	6,01%
	10 to <20	280	20	7,14%	11,86%	11,56%	5,12%
	20 to <30	23	3	13,04%	27,21%	23,05%	12,01%
	30.00 to <100.00	7	0	0,00%	36,22%	36,22%	4,45%
	100.00 (Default)	182	182	100,00%	100,00%	100,00%	99,34%
COSME	0.00 to <0.15	12	0	0,00%	0,04%	0,04%	0,39%
	0.00 to <0.10	12		0,00%	0,04%	0,04%	0,39%
	0.10 to <0.15		0	0,00%			
	0.15 to <0.25						3,33%
	0.25 to <0.50	253	0	0,00%	0,38%	0,36%	0,23%
	0.50 to <0.75	392	1	0,26%	0,61%	0,62%	0,05%
	0.75 to <2.50	494	0	0,00%	1,54%	1,84%	0,42%
	0.75 to <1.75	134	0	0,00%	1,23%	1,19%	0,56%
	1.75 to <2.5	360	0	0,00%	2,03%	2,07%	0,29%
	2.50 to <10.00	395	4	1,01%	4,40%	4,08%	1,62%
	2.5 to <5	274	0	0,00%	3,30%	3,16%	0,30%
	5 to <10	121	4	3,31%	6,67%	7,09%	3,30%
	10.00 to <100.00	166	9	5,42%	20,76%	19,04%	8,29%
	10 to <20	87	2	2,30%	12,60%	11,43%	6,64%
	20 to <30	60	2	3,33%	24,70%	25,56%	4,35%
	30.00 to <100.00	19	5	26,32%	35,70%	35,73%	17,00%
	100.00 (Default)	22	22	100,00%	100,00%	100,00%	99,09%
RESME	0.00 to <0.15	33	0	0,00%	0,05%	0,05%	0,00%
	0.00 to <0.10	33	0	0,00%	0,05%	0,05%	0,00%
	0.10 to <0.15		0	0,00%			
	0.15 to <0.25						
	0.25 to <0.50	11216	29	0,26%	0,30%	0,34%	0,20%
	0.50 to <0.75	13766	41	0,30%	0,74%	0,59%	0,45%
	0.75 to <2.50	79457	938	1,18%	1,45%	1,67%	0,99%
	0.75 to <1.75	52094	436	0,84%	1,40%	1,30%	0,79%
	1.75 to <2.5	27363	502	1,83%	2,42%	2,43%	1,40%
	2.50 to <10.00	31126	1169	3,76%	4,28%	5,18%	3,26%
	2.5 to <5	16574	533	3,22%	2,63%	4,08%	2,65%
	5 to <10	14552	636	4,37%	8,20%	6,44%	4,40%
	10.00 to <100.00	9837	1645	16,72%	30,72%	22,60%	16,00%
	10 to <20	3966	229	5,77%	10,65%	11,05%	8,47%
	20 to <30	4836	968	20,02%	25,76%	23,94%	17,64%
	30.00 to <100.00	1035	448	43,29%	37,38%	52,09%	40,73%
	100.00 (Default)	5751	5751	100,00%	100,00%	100,00%	100,00%
REIND	0.00 to <0.15	347928	286	0,08%	0,05%	0,11%	0,06%
	0.00 to <0.10	93009	72	0,08%	0,05%	0,07%	0,05%
	0.10 to <0.15	254919	214	0,08%	0,12%	0,12%	0,08%
	0.15 to <0.25	114384	235	0,21%	0,22%	0,22%	0,17%
	0.25 to <0.50	502431	982	0,20%	0,30%	0,36%	0,28%
	0.50 to <0.75	294932	684	0,23%	0,74%	0,67%	0,30%
	0.75 to <2.50	752852	4422	0,59%	1,41%	1,36%	0,83%
	0.75 to <1.75	572389	2741	0,48%	1,40%	1,11%	0,63%
	1.75 to <2.5	180463	1681	0,93%	2,15%	2,15%	1,29%
	2.50 to <10.00	309677	6332	2,04%	4,37%	4,69%	3,12%
	2.5 to <5	204589	3119	1,52%	2,54%	3,50%	2,34%
	5 to <10	105088	3213	3,06%	8,60%	6,85%	4,79%
	10.00 to <100.00	96898	13400	13,83%	35,48%	24,75%	16,63%
	10 to <20	40953	2696	6,58%	12,44%	12,73%	9,23%
	20 to <30	32227	4570	14,18%	23,37%	22,79%	17,56%
	30.00 to <100.00	23718	6134	25,86%	36,96%	47,34%	27,71%
	100.00 (Default)	56484	56484	100,00%	100,00%	100,00%	100,00%

F-IRB

Exposure class	PD range	Number of obligors in the end of previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15						2,92%
	0.00 to <0.10						2,92%
	0.10 to <0.15						
	0.15 to <0.25						
	0.25 to <0.50						1,85%
	0.50 to <0.75	1	0	0,00%	0,64%	0,64%	0,00%
	0.75 to <2.50	12	0	0,00%	1,91%	1,86%	0,49%
	0.75 to <1.75	1	0	0,00%	1,54%	1,54%	0,62%
COCOR	1.75 to <2.5	11	0	0,00%	1,93%	1,89%	0,00%
	2.50 to <10.00	1	0	0,00%	3,25%	3,25%	2,08%
	2.5 to <5	1	0		3,25%	3,25%	2,78%
	5 to <10						0,00%
	10.00 to <100.00						25,00%
	10 to <20						25,00%
	20 to <30						
	30.00 to <100.00						
	100.00 (Default)						100,00%
	0.00 to <0.15						
	0.00 to <0.10						
	0.10 to <0.15						
	0.15 to <0.25						
	0.25 to <0.50						
	0.50 to <0.75	2	0	0,00%	0,64%	0,64%	0,00%
	0.75 to <2.50						0,00%
	0.75 to <1.75						0,00%
COSME	1.75 to <2.5						
	2.50 to <10.00				6,04%	6,04%	
	2.5 to <5						
	5 to <10				6,04%	6,04%	
	10.00 to <100.00						
	10 to <20						
	20 to <30						
	30.00 to <100.00						
	100.00 (Default)						
	0.00 to <0.15						
	0.00 to <0.10						
	0.10 to <0.15						
	0.15 to <0.25						
	0.25 to <0.50						
	0.50 to <0.75						0,00%
	0.75 to <2.50	1	0	0,00%			0,00%
	0.75 to <1.75						0,00%
RESME	1.75 to <2.5	1	0	0,00%			0,00%
	2.50 to <10.00						0,00%
	2.5 to <5						0,00%
	5 to <10						
	10.00 to <100.00						0,00%
	10 to <20						
	20 to <30						0,00%
	30.00 to <100.00						
	100.00 (Default)						

In accordance with group practice, the historical average captures maximum historical depth and is therefore not restricted solely to the last five years.

Across all exposure class, PDs are greater than the default rate. Moreover, quarterly backtesting of PD models, are used to ensure the quality of each model in terms of the stability and the performance of models and the conservatism of PD levels.

CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)

No Mobilize F.S models associates or maps its internal grades to the scale used by an ECAI to calibrate its PD.

e) Transaction data dimension – Loss given default (LGD) parameter

Economic losses are estimated using discounted recovery flows for Retail Customers and Corporates, or debt write- offs for the car dealers, on the basis of historical data generally going back at least 7 years. Recovery costs are factored in according to the management phases involved. After analysis, transactions have been grouped into segments representing homogeneous loss levels.

The quantifying of these losses per segment results from a statistical model the main vectors of which are a generational analysis of recoveries and the speed of collection.

The table below provides a description of the estimation of the loss for each exposure types.

<table>
<tr><th>Exposure class</th><th>Country</th><th>Scope</th><th>Définition</th><th>LGD estimation method</th><th>LGD downturn estimation method</th><th>Time to work out</th><th>Data</th><th>Validation</th></tr>
<tr><td rowspan="18">Retail</td><td>Germany</td><td>LGD</td><td rowspan="24">The definition of default conforms to Guidelines EBA GL 2016 07 Final Report on Guideline on default definition.</td><td rowspan="24">The estimation is based on a long run average of the net discounted loss rates, added of the conservatism margins of type A, B, C and downturn.</td><td rowspan="24">LGD downturn is estimated in accordance with the LGD Downturn Guideline EBA/GL/2019/03</td><td rowspan="24">- 42 months for Germany Retail model and UK Retail model
- 108 months for Credit's bukets on the France Retail model
- 48 months for others models</td><td>Since 2008</td><td rowspan="18">LGD values have been approved in October 2022 following the retail inspection mission of 2021.</td></tr>
<tr><td>Germany</td><td>LGD in default</td><td>Since 2008</td></tr>
<tr><td>Germany</td><td>ELBE</td><td>Since 2008</td></tr>
<tr><td>Spain</td><td>LGD</td><td>Since 2008</td></tr>
<tr><td>Spain</td><td>LGD in default</td><td>Since 2008</td></tr>
<tr><td>Spain</td><td>ELBE</td><td>Since 2008</td></tr>
<tr><td>Italy</td><td>LGD</td><td>Since 2008</td></tr>
<tr><td>Italy</td><td>LGD in default</td><td>Since 2008</td></tr>
<tr><td>Italy</td><td>ELBE</td><td>Since 2008</td></tr>
<tr><td>France</td><td>LGD</td><td>Since 2008</td></tr>
<tr><td>France</td><td>LGD in default</td><td>Since 2008</td></tr>
<tr><td>France</td><td>ELBE</td><td>Since 2008</td></tr>
<tr><td>UK</td><td>LGD</td><td>Since 2010</td></tr>
<tr><td>UK</td><td>LGD in default</td><td>Since 2010</td></tr>
<tr><td>UK</td><td>ELBE</td><td>Since 2010</td></tr>
<tr><td>Korea</td><td>LGD</td><td>Since 2011</td></tr>
<tr><td>Korea</td><td>LGD in default</td><td>Since 2011</td></tr>
<tr><td>Korea</td><td>ELBE</td><td>Since 2011</td></tr>
<tr><td rowspan="3">Wholesale</td><td>DE-ES-IT-FR-UK</td><td>LGD</td><td rowspan="3">Since 2010</td><td rowspan="6">LGD parameters have been approved by the ECB within the scope of the 2020 inspection on the new definition of default.</td></tr>
<tr><td>DE-ES-IT-FR-UK</td><td>LGD in default</td></tr>
<tr><td>DE-ES-IT-FR-UK</td><td>ELBE</td></tr>
<tr><td rowspan="3">Corporate</td><td>France</td><td>LGD</td><td>Since 2008</td></tr>
<tr><td>France</td><td>LGD in default</td><td>Since 2008</td></tr>
<tr><td>France</td><td>ELBE</td><td>Since 2008</td></tr>
</table>

Segmentation of exposures by the advanced method and average LGD by country

Category of exposure	IRBA countries	Population group segmentation	Average sound portfolio LGD	Average loss computed at the last backtesting
Retail individuals SME	France	Credit with ratio Exposition amount / Funding Amount >= 1	52,67%	36,80%
		Credit with ratio Exposition amount / Funding amount < 1 and Duration before funding ends <= 36 months	31,74%	19,52%
		Credit with ratio Exposition amount / Funding amount < 1 and Duration before funding ends > 36 months	41,03%	32,74%
		Leasing with duration before funding ends <= 45 months	33,38%	18,59%
		Leasing with duration before funding ends > 45 months	45,80%	31,02%
	Germany	Credit with duration before funding ends <= 34 months	27,43%	20,24%
		Credit with duration before funding ends > 34 months and downpayment rate > 8.57%	37,51%	30,13%
		Credit with duration before funding ends > 34 months & downpayment rate <= 8.57% or Leasing	48,45%	35,28%
	Spain	Duration before funding ends <= 24 months	33,14%	17,92%
		24 < Duration before funding ends <= 35 months	51,30%	25,28%
		35 < Duration before funding ends <= 56 months	60,86%	33,25%
		Duration before funding ends > 56 months	73,14%	43,62%
	Italy	Leasing	19,64%	11,14%
		Credit with duration before funding ends <= 26 months	31,37%	22,64%
		Credit with 26 < duration before fundung ends <= 51 months	47,33%	35,44%
		Credit with durantion before funding ends > 51 months and ratio Maturity in management / Forecast duration > 0	53,75%	42,92%
		Credit with duration before funding ends > 51 months and ratio Maturity in management / Forecast duration = 0	82,72%	57,95%
	United Kingdom(**)	Ratio Duration before funding ends / Forecast duration <= 65,3%	56,29%	35,10%
		Ratio Duration before funding ends / Forecast duration > 65,3%	36,62%	25,67%
	South Korea	Collateral(1) <= 15 301 795 krw or Collateral(1)]15 301 795 ; 21 499 925] & Collateral coefficient(2) <= 86,64%	35,99%	28,83%
		Collateral(1) > 21 499 925 krw or Collateral(1)]15 301 795 ; 21 499 925] & Collateral coefficient(2) > 86,64%	50,47%	37,00%
Corporate	France	Credit	37,44%	5,45%
		Leasing	34,88%	16,23%
Dealers	G5(*)	R1 VN	16,30%	5,01%
		R1 others	26,22%	14,03%

(*) G5 : France, Germany, Spain, Italy, United Kingdom

1) This is quantitative data calculated to suit the vehicle's price and the maturity in management

2) This is quantitative data calculated to suit the maturity in management

(**)As regards the rate of loss calculated at the last backtesting session for the United Kingdom, the data is not available for the December 2023 order. The data shown is for June 2022.

The LGDs are updated yearly to factor in the most recent information when estimating the parameter. The principle of LGD backtesting is to compare the long run average of loss rate and the LGD calibrated in the previous year.

Generally speaking, the regulatory LGDs are higher than observed loss rates. It should be noted that, following data anomalies observed on the Corporate France perimeter, the backtesting exercise could not be carried out according to the usual procedures: the figures reported in the Corporate segment come from observed loss rates deducated, in particular, from debt write-offs.

LGD's of these new models have been recalibrated following the new definition of default (conforms to EBA Guideline : EBA GL 2016 07 Final Report on Guideline on default definition) and this LGD were put into production in 2021 December. In addition, in November 2022, new LGD Retail models went into production following ECB approval of the Retail package application submitted in June 2021.

The average loss given defaults on the healthy portfolio is 40.67% for Retail Customers and 27.15% for the Corporate segment, the latter breaking down as 37.87% for non-Dealer companies and 18.92% for the Dealers.

Individuals and Corporate customers expected loss (EL) increased by 5.88% compared to December 2022 (€43.44 million), as a result of an increase of the EL Default by 5.63%: driven by the increase of exposure in default (€600.4 million in December 2022 vs €666.5 million in December 2023).

EL for the Dealers decreased by €3.5 M (-6%) compared to December 2022, under the effect of the decrease in exposures in default (-€8.3 M, i.e. a decrease of 39%).

f) Credit conversion factor

Credit conversion factor are set to 100% for the whole Mobilize F.S advanced method portfolio.

g) Operational use of internal ratings

i) Customers

- Granting policy

Customers applying for financing plans are systematically rated by acceptance specific scoring; this situation, which pre-dated the "Basel" ratings, allow to set the initial direction of the application in the decision-making process, the study process concentrating on "intermediary and high" risks. Consistency between the acceptance rating and the Basel rating is ensured both in the construction of the rating models and in backtesting exercises. Beyond the operational process, the acceptance policy is regularly adjusted according to default rates and a break-even analysis by level of probability of default and loss given default.

- Debt collection

The statistical models used to calculate weighted risks and expected loss enable probability of default determined at the time of granting to be updated monthly by factoring in the customer's payment record. This updating, which provides a clear vision of expected loss of the portfolio as part of the "budget process" is also a tool used to forward plan the activity of out-of-court and disputed debt collection platforms. On the basis of the same customer information, "recovery scores" have been deployed in Spain and South Korea to make the process more efficient.

ii) Dealers

In the Dealers segment, all counterparties are systematically rated. All the rating components, or the rating itself, are included in the key operational processes of acceptance, management and monitoring of the activity and the risks.

Provisioning for the Wholesale financing activity is based on a categorization of the counterparties, individually, and on the basis of an examination of objective impairment indicators. The internal rating is the basis for this differentiation.

h) Procedures for monitoring internal ratings

The results of the internal rating process, the performance of the models and the main data items making it up are monitored quarterly by the modeling teams. At least once a year, observed changes lead to a formal analysis according to a standard protocol described in a procedure. Differences between the models' forecasts and the actual figures are analyzed and summarized in a report that also includes a quantification of the impact on the capital requirement. Elements of the performance of the rating models are also reported yearly to the Executive Committee during a dedicated presentation and to the Risk Committee of the Executive Board.

Regulatory changes with a significant impact on the models are monitored and analyzes in detail by the modeling teams. This is notably the case for the EBA Regulatory Technical Standards (RTS) on the new definition of default for which two packages was sent to the ECB in 2020 and for which the group has obtained the ECB's approval. Furthermore in 2021 three new packages was sent to the supervisor on the following perimeters : Corporate (in 2021 March), Retail (in 2021 June) and Wholesale (in 2021 December). For the retail perimeter, ECB IMI mission took place in the second semester of 2021, the decision of which enabled the implementation of parameters in November 2022 and in February 2023 for the UK portfolio. Another EBC IMI mission started in the second semester 2022 concerning the Corporate perimeter and another IMI mission on the PD and LGD wholesale perimeter is planned for 2024. However, the start date of the mission has not yet been communicated.

The different elements of internal models and the first level of controls produced by Credit & Data Management division are reviewed in a second level of control by the validation team of Risk Control Unit.

These independent controls are governed by a procedure and reported to dedicated validation committees. The resulting points for improvement are the subject of action plans proposed by the teams and validated and monitored by the validation unit.

As part of its periodic controls, the Internal Audit reviews the process of internal models and the first and second levels of controls to assess their adequacy and conformity.

Eventually, the whole process including first, second and third level of controls is regularly controlled by ECB inspections.

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

The purpose of this section is to depict the root cause of RWA variation by quarterly step.

	In Millions of euros	Risk weighted exposure amount	Risk weighted exposure amount
		12/2023	09/2023
		a	b
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**20 631**	**21 093**
2	Asset size (+/-)	885	-557
3	Asset quality (+/-)	-62	113
4	Model updates (+/-)		
5	Methodology and policy (+/-)		
6	Acquisitions and disposals (+/-)		
7	Foreign exchange movements (+/-)	-16	-17
8	Other (+/-)		
9	**Risk weighted exposure amount as at the end of the reporting period**	**21 438**	**20 631**

Changes in asset size are mainly due to the cyclicality of dealer financing activity, which peak in June and December.

Between September 2023 and December 2023, the level of RWAs has increased due to the rise in outstandings.

6 - STANDARDIZED METHOD

EU CRD – Qualitative disclosure requirements related to standardised model

Legal basis	Row number	Qualitative information - Free format	
Article 444 (a) CRR	(a)	Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) nominated by the institution, and the reasons for any changes over the disclosure period;	The Mobilize F.S group uses Moody's as external rating agency
Article 444 (b) CRR	(b)	The exposure classes for which each ECAI or ECA is used;	The Mobilize F.S group uses ECAI ratings for sovereign, international organization, institutions and corporate investments
Article 444 © CRR	(c)	A description of the process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book;	The Mobilize F.S group complies with the standard association published by the EBA
Article 444 (d) CRR	(d)	The association of the external rating of each nominated ECAI or ECA (as referred to in row (a)) with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR (except where the institution complies with the standard association published by the EBA).	The Mobilize F.S group complies with the standard association published by the EBA

The credit risk exposures treated using the standardized method comprise financed sales outstandings of subsidiaries not treated using the advanced method, debts to credit institutions and central banks, and all other consolidated assets that are not credit obligations.

In order to calculate the capital requirement for credit risk under the standardized method, the Mobilize F.S group uses Moody’s, the external credit rating agency, for sovereigns, international organizations, institutions and corporate investments. Reconciliation of these ratings with the credit quality steps provided for under the regulations complies with the supervisor's requirements. Beyond this framework, there is no use of any external rating that cannot be applied directly. As regards unrated exposures, the Mobilize F.S group applies the regulatory weightings in accordance with the CRR.

For hedge transactions, the values of counterparty credit risk exposures on interest-rate or forex derivatives are determined by the market price method, adding, to the current replacement cost, the potential future credit exposure based on the remaining term. Such transactions still concern countries not covered by EMIR regulations.

EU CR4 – standardised approach – Credit risk exposure and CRM effects

	In Millions of euros	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
		On-Balance-sheet exposures	Off-balance sheet exposures	On-Balance-sheet exposures	Off-balance sheet exposures	RWEA	RWEA density
		a	b	c	d	e	f
1	Central governments or central banks	5 713	7	5 713	3	485	8,48%
2	Regional government or local authorities	41	11	41	5	9	20,08%
3	Public sector entities						
4	Multilateral development banks						
5	International organisations						
6	Institutions	1 610	34	1 610	23	443	27,11%
7	Corporates	5 612	316	5 382	27	4 982	92,10%
8	Retail	7 437	332	7 436	120	5 303	70,17%
9	Secured by mortgages on immovable property						
10	Exposures in default	282	3	269	1	305	112,59%
11	Exposures associated with particularly high risk						
12	Covered bonds						
13	Institutions and corporates with a short-term credit assessment	140	6	140	1	52	37,17%
14	Collective investment undertakings	73		73		112	153,49%
15	Equity	371		371		880	237,24%
16	Other items	1 459	0	1 459	0	786	53,84%
17	**Total**	**22 738**	**710**	**22 496**	**182**	**13 358**	**58,90%**

CRM: Credit Risk Mitigation

CCF: Credit Conversion Factor

The percentage applied to CCF is 0% on most of the off-balance sheet exposures towards companies, the credit lines being unconditionally cancellable at any time without notice in case of a deterioration of the borrower's creditworthiness.

EU CR5 – Standardised approach

In Millions of euros — **Risk weight**

	Exposure classes	**0%**	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**	**Total**	**of which unrated**
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	5 502				0		13			11	6	183				5 716	
2	Regional government or local authorities					46		0									46	46
3	Public sector entities																	
4	Multilateral development banks																	
5	International organisations																	
6	Institutions					1 486		3			144						1 633	1 630
7	Corporates										5 370	40					5 410	5 410
8	Retail exposures									7 557							7 557	7 557
9	Exposures secured by mortgages on immovable property																	
10	Exposures in default										203	68					271	265
11	Exposures associated with particularly high risk																	
12	Covered bonds																	
13	Exposures to institutions and corporates with a short-term credit					122		0				19					141	19
14	Units or shares in collective investment undertakings														2	71	73	73
15	Equity exposures										32		340				371	371
16	Other items	0				550					193					717	1 459	1 459
17	**TOTAL**	**5 502**				**2 205**		**16**		**7 557**	**5 952**	**132**	**523**		**2**	**788**	**22 677**	**16 829**

7 - CREDIT RISK MITIGATION TECHNIQUES

The Mobilize F.S group does not use netting agreements to reduce the commercial credit risk.
Mitigation techniques are allowed only in the form of cash and used solely according to the two agreements below in order to hedge the credit risk specific to the manufacturers' distribution network.

For exposures treated by the internal rating method, the capital requirements in respect of credit risk take into account financial collateral (in the form of a cash pledge agreement) amounting to €600m granted by manufacturer Renault and protecting the Mobilize F.S group against the risk of the Renault subsidiaries defaulting on inventory financing. This protection is spread evenly over each exposure in the relevant scope by Banking Cloud's data processing. After application of the discount relating to the asymmetry of currencies, the residual exposure is €495m.

With the standardized method, capital requirements in respect of credit risk include financial collateral (in the form of Letras de Cambio and guarantee funds) protecting Brazilian subsidiary Banco RCI Brasil against the risk of default of its network of dealerships, for a total of €208m. This protection is allocated individually to each exposure concerned.

EU CRC – Qualitative disclosure requirements related to CRM techniques

Legal basis	Row number	Qualitative informations	
Article 453 (a) CRR	(a)	A description of the core features of the policies and processes for on- and off-balance sheet netting and an indication of the extent to which institutions make use of balance sheet netting;	For Retail and Corporate financing activities, including Wholesale financing activity, the Mobilize F.S group do not use balance sheet netting.
Article 453 (b) CRR	(b)	The core features of policies and processes for eligible collateral evaluation and management;	For Corporate financing activities, the Mobilize F.S group do not take collaterals to mitigate credit risk. For its Network and importers business, the Mobilize F.S group has a framework procedure for taking out guarantees and signed agreements allowing for the evaluation and management of eligible collateral.
Article 453 (c) CRR	(c)	A description of the main types of collateral taken by the institution to mitigate credit risk;	For Corporate financing activities, the Mobilize F.S group do not take collaterals to mitigate credit risk. For its Network and importers business, the Mobilize F.S group uses collaterals such as a cash pledge (to reduce exposure to dealerships owned by the Renault Group) and a guarantee fund and the pledge of letras de cambio (to reduce exposure to independent dealerships in Brazil).
Article 453 (d) CRR	(d)	For guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purposes of reducing capital requirements, excluding those used as part of synthetic securitisation structures;	For Retail and Corporate financing activities, the Mobilize F.S group do not use credit protection, such as guarantors and credit derivative, in order to reduce capital requirements.
Article 453 (e) CRR	(e)	Information about market or credit risk concentrations within the credit mitigation taken;	For Retail and Corporate financing activities, the Mobilize F.S group do not use such credit risk mitigation techniques.

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

	In millions of euros	Unsecured carrying amount	Secured carrying amount	*Of which secured by collateral*	*Of which secured by financial guarantees*	*ow secured by credit derivatives*
		a	b	*c*	*d*	*e*
1	Loans and advances	39 062	22 361	*814*	*21 547*	
2	Debt securities	354				
3	**Total**	**39 416**	**22 361**	***814***	***21 547***	
4	*Of which Non-performing exposures*	*941*	*261*		*261*	
5	*Of which defaulted*	*941*	*261*		*261*	

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

	In Millions of euros	Pre-credit derivatives RWEA	Actual RWEA
		a	b
1	**Exposures under FIRB**	**139**	**139**
2	Central governments and central banks		
3	Institutions		
4	Corporates	139	139
4,1	*of which Corporates - SMEs*		
4,2	*of which Corporates - Specialised lending*		
5	**Exposures under AIRB**	**21 299**	**21 299**
6	Central governments and central banks		
7	Institutions		
8	Corporates	6 814	6 814
8,1	*of which Corporates - SMEs*	*732*	*732*
8,2	*of which Corporates - Specialised lending*		
9	Retail	14 485	14 485
9,1	*of which Retail – SMEs - Secured by immovable property collateral*		
9,2	*of which Retail – non-SMEs - Secured by immovable property collateral*		
9,3	*of which Retail – Qualifying revolving*		
9,4	*of which Retail – SMEs - Other*	*1 488*	*1 488*
9,5	*of which Retail – Non-SMEs- Other*	*12 998*	*12 998*
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**21 438**	**21 438**

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

	In Millions of euros		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
		Total exposures	% of exposures covered by Financial Collaterals	% of exposures covered by Other eligible collaterals	% of exposures covered by Immovable property Collaterals	% of exposures covered by Receivables	% of exposures covered by Other physical collateral	% of exposures covered by Other funded credit protection	% of exposures covered by Cash on deposit	% of exposures covered by Life insurance policies	% of exposures covered by Instruments held by a third party	% of exposures covered by Guarantees	% of exposures covered by Credit derivatives	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
	Exposures under AIRB														
1	Central governments and central banks														
2	Institutions														
3	Corporates	12 165	4,46%											6 814	6 814
3,1	Of which Corporates – SMEs	1 840												732	732
3,2	Of which Corporates – Specialised lending														
3,3	Of which Corporates – Other	10 325	4,46%											6 082	6 082
4	Retail	32 935												14 485	14 485
4,1	Of which Retail – Immovable property SMEs														
4,2	Of which Retail – Immovable property non-SMEs														
4,3	Of which Retail – Qualifying revolving														
4,4	Of which Retail – Other SMEs	3 701												1 488	1 488
4,5	Of which Retail – Other non-SMEs	29 234												12 998	12 998
5	**Total**	**45 100**	**1,02%**											**21 299**	**21 299**
	Exposures under FIRB														
1	Central governments and central banks														
2	Institutions														
3	Corporates	114												139	139
3,1	Of which Corporates – SMEs														
3,2	Of which Corporates – Specialised lending														
3,3	Of which Corporates – Other	114												139	139
4	**Total**	**114**												**139**	**139**

8 - COUNTERPARTY CREDIT RISK

EU CCRA – Qualitative disclosure related to CCR

		Flexible format disclosure
(a)	**Article 439 (a) CRR** Description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties	Counterparty risk is managed by a limit system in line with counterparty risk appetite. Calibration of RCI Banque S.A.'s limits is based in particular on the level of own equity, results, external rating and internal assessment of the quality of the counterparty taking into account ownership, market position, franchise diversification. Limits with central counterparties are assigned based the credit quality of the host country (central banks) or stressed margin requirement on cleared derivatives (clearing house). Compliance with limits is monitored daily, and all control results are notified monthly to the RCI Banque S.A.'s financial committee. Exposure on banks is included in Groupe Renault consolidated counterparty risk monitoring.
(b)	**Article 439 (b) CRR** Description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves	The Mobilize F.S group uses interest rate and forex derivatives to hedge financial risks. For a large portion of its portfolio, it has implemented risk mitigation techniques to protect the company against the risks of counterparty default. Derivative transactions are executed under ISDA agreement or equivalent and thereby provide to the group's entitieswith a legally enforceable right in case of default of the counterparty (see Note 20 to the consolidated financial statements: Netting agreements and other similar commitments). In 2012 the EMIR (European Market Infrastructure Regulation) regulation published a series of standards designed to improve the stability and transparency of the derivatives market. The main measure concerns the use of clearing houses or bilateral exchange of collateral between counterparties. In Europe, the Mobilize F.S group. books interest-rate swap transactions in clearing houses and posts cash as collateral as initial margin and regular exchanges cash collateral (that can be paid or received) in respect of variation margins. Foreign exchange derivatives uncollateralized are subject to bilateral margin call. Outside Europe interest rate swaps are subject to bilateral exchanges of collateral in Brazil.
(c)	**Article 439 (c) CRR** Description of policies with respect to Wrong-Way risk as defined in Article 291 of the CRR	The Mobilize F.S group has no particular mechanism for managing correlation risk.
(d)	**Article 431 (3) and (4) CRR** Any other risk management objectives and relevant policies related to CCR	Not applicable
(e)	**Article 439 (d) CRR** The amount of collateral the institution would have to provide if its credit rating was downgraded	In the event of a deterioration in its credit rating, Mobilize F.S. group may be required to set up additional reserves as part of its securitization transactions. On 31 December 2023, the cash outflows required to fund additional securitization reserves in case of a 3 notch rating downgrade totaled €213 million.

EXPOSURE TO COUNTERPARTY CREDIT RISK

EU CCR1 – Analysis of CCR exposure by approach

	In Millions of euros	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
		a	b	c	d	e	f	g	h
EU1	EU - Original Exposure Method (for derivatives)				1,4				
EU2	EU - Simplified SA-CCR (for derivatives)				1,4				
1	SA-CCR (for derivatives)	45	57		1,4	142	142	142	80
2	IMM (for derivatives and SFTs)								
2a	*Of which securities financing transactions netting sets*								
2b	*Of which derivatives and long settlement transactions netting sets*								
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)								
5	VaR for SFTs								
6	**Total**					**142**	**142**	**142**	**80**

CCR1 – this table only includes derivative exposures that do not go through CCPs.

RWAs on counterparty credit risk are based on exposure on derivatives, to which an add-on is allocated. The exposure is then weighted by risk in accordance with the standard method – based on counterparties’ credit quality.

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

	In Millions of euros	Risk weight											
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total
		a	b	c	d	e	f	g	h	i	j	k	l
1	Central governments or central banks												
2	Regional government or local authorities												
3	Public sector entities												
4	Multilateral development banks												
5	International organisations												
6	Institutions					468	59			18			545
7	Corporates									25			25
8	Retail												
9	Institutions and corporates with a short-term credit assessment					22					0		22
10	Other items												
11	**Total exposure value**					**490**	**59**			**43**	**0**		**592**

EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

	In Millions of euros PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	EW average maturity (years)	RWEA	Density of RWEA
		a	b	c	d	e	f	g
	Exposure class X							
1	0.00 to <0.15							
2	0.15 to <0.25							
3	0.25 to <0.50							
4	0.50 to <0.75							
5	0.75 to <2.50							
6	2.50 to <10.00							
7	10.00 to <100.00							
8	100.00 (Default)							
10	**Sub-Total exposure class X**							
	Exposure class Y							
1	0.00 to <0.15							
2	0.15 to <0.25							
3	0.25 to <0.50							
4	0.50 to <0.75							
5	0.75 to <2.50							
6	2.50 to <10.00							
7	10.00 to <100.00							
8	100.00 (Default)							
10	**Sub-Total exposure class Y**							
11	**Total (all CCR relevant exposure classes)**							

EU CCR5 – Composition of collateral for CCR exposures

In Millions of euros		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
		a	b	c	d	e	f	g	h
1	Cash – domestic currency								
2	Cash – other currencies								
3	Domestic sovereign debt								
4	Other sovereign debt								
5	Government agency debt								
6	Corporate bonds								
7	Equity securities								
8	Other collateral								
9	**Total**								

The Mobilize F.S group undertakes transactions towards Central Counterparties in line with the EMIR regulation. Collateral is obtained and paid in the form of cash.

However, these transactions do not enter into the calculation of the exposure to counterparty credit risk because the netting agreements have not yet been recognized by the competent authorities in accordance with Article 296 of the CRR.

EU CCR6 – Credit derivatives exposures

In Millions of euros		Protection bought	Protection sold
		a	b
	Notionals		
1	Single-name credit default swaps		
2	Index credit default swaps		
3	Total return swaps		
4	Credit options		
5	Other credit derivatives		
6	**Total notionals**		
	Fair values		
7	Positive fair value (asset)		
8	Negative fair value (liability)		

The Mobilize F.S group has no credit derivatives.

EU CCR7 – RWEA flow statements of CCR exposures under the IMM

	RWEA
RWEA as at the end of the previous reporting period	
Asset size	
Credit quality of counterparties	
Model updates (IMM only)	
Methodology and policy (IMM only)	
Acquisitions and disposals	
Foreign exchange movements	
Other	
RWEA as at the end of the current reporting period	

Mobilize F.S. group treats counterparty credit risk exposures using the standard method. No CCR exposure is in IMM method.

EU CCR8 – Exposures to CCPs

	In Millions of euros	**Exposure value**	**RWEA**
		a	b
1	**Exposures to QCCPs (total)**		**90**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); ow	450	90
3	*(i) OTC derivatives*	*450*	*90*
4	*(ii) Exchange-traded derivatives*		
5	*(iii) SFTs*		
6	*(iv) Netting sets where cross-product netting has been approved*		
7	Segregated initial margin		
8	Non-segregated initial margin		
9	Prefunded default fund contributions		
10	Unfunded default fund contributions		
11	**Exposures to non-QCCPs (total)**		
12	Exposures for trades at non-QCCPs (ex initial margin and default fund contributions) ow		
13	*(i) OTC derivatives*		
14	*(ii) Exchange-traded derivatives*		
15	*(iii) SFTs*		
16	*(iv) Netting sets where cross-product netting has been approved*		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

5- CREDIT VALUATION ADJUSTMENT RISK

For all over-the-counter derivatives, if derivatives recognized as credit protection are not used, the Mobilize F.S group determines a capital requirement for “Credit valuation adjustment” (CVA) risk.

This capital charge is designed to cover losses in the event of downgraded quality of the counterparty, entailing a decrease in the value of the derivatives.

The requirement is calculated by the standardized method defined in Article 384 of regulation (EU) 575/2013.

EU CCR2 – Transactions subject to own funds requirements for CVA risk

	In Millions of euros	Exposure value a	RWEA b
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3×multiplier)		
3	(ii) Stressed VaR component (including the 3×multiplier)		
4	Transactions subject to the Standardised method	592	269
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	**Total transactions subject to own funds requirements for CVA risk**	**592**	**269**

6- SECURITIZATION

EU-SECA - Qualitative disclosure requirements related to securitisation exposures

Legal basis	Row number	Qualitative information - Free format	
Article 449(a) CRR	(a)	Description of securitisation and re-securitisation activities; including institutions' risk management and investment objectives in connection with those activities, their role in securitisation and re-securitisation transactions whether they use the Simple Transparent and Standardised (STS) securitisation framework and the extent to which they use securitisation transactions to transfer the credit risk of the securitised exposures to third parties with, where applicable, a separate description of their synthetic securitisation risk transfer policy	The Mobilize F.S group uses securitization as a funding instrument. All securitized assets remain in the consolidated balance sheet. RCI Banque S.A does not invest in special purpose vehicles whose underlying obligations are originated by non-group companies. The group securitizes pools of receivables granted to individual customers or companies. Securities created from such transactions are sold to third party investors or self-subscribed to generate eligible collateral used for Central bank funding or liquidity reserve.
Article 449(b) CRR	(b)	The type of risk that institutions are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions, providing a distinction between STS and non-STS positions and: i) risk retained in own-originated transactions; ii) risk incurred in relation to transactions originated by third parties	The Mobilize F.S group not used securitization to transfer risk. Special Purpose vehicles carrying securitized assets are consolidated by the Group that remain exposed to most of the risks and benefits attached to securitized receivables. The group's securitization transactions all meet the economic capital retention requirement of not less than 5% mentioned in Article 405 of European Directive (EU) 575/2013 and Article 6 of the Regulation (EU) 2017/2402. RCI Banque S.A does not invest in special purpose vehicles backed by receivables originated by non-group companies.
Article 449(c) CRR	(c)	Institutions' approaches to calculating the risk-weighted exposure amounts that they apply to their securitisation activities, including the types of securitisation positions to which each approach applies with a distinction between STS and non-STS positions	The Mobilize F.S does not invest on securitisation positions as described in Article 2, 1) of (EU) 2017/2402 of 12 December 2017. Therefore, RCI Banque S.A does not have any exposure linked to such position. The receivables securitised by RCI Banque S.A are prudentially consolidated and the risk-weighted assets are calculated as if assets had not been securitized.
Article 449(d) CRR	(d)	A list of SSPEs falling into any of the following categories, with a description of types of institution's exposures to those SSPEs, including derivatives contracts: (i) SSPEs which acquire exposures originated by the institutions; (ii) SSPEs sponsored by the institutions; (iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services; (iv) SSPEs included in the institutions' regulatory scope of consolidation	The Mobilize F.S group acts as an originator / servicer for the following SSPEs. (Swap) indicates RCI also acts as a swap counterparty. - *FCT Cars Alliance Auto Loans France Master* - *FCT Cars Alliance Auto Leases France Master* - *FCT Cars Alliance Auto Leases France Master Residual Value* - *FCT Cars Alliance Auto Leases France V2020-1 (swap)* - *FCT Cars Alliance Auto Loans France V2022-1 (swap)* - *FCT Cars Alliance Auto Leases France V2023-1 (swap)* - *FCT Cars Alliance DFP France* - *FCT Cars Alliance Auto Loans Germany Master* - *FCT Cars Alliance Auto Loans Germany V2019-1 (swap)* - *FCT Cars Alliance Auto Loans Germany V2021-1 (swap)* - *FCT Cars Alliance Auto Loans Germany V2023-1 (swap)* - *FCT Cars Alliance Auto Lease Germany (swap)* - *Cars Alliance DFP Germany 2017* - *Cars Alliance Auto Loans Italy 2015 SRL* - *Cars Alliance UK 2015 Ltd* - *Cars Alliance UK 2021 Ltd* - Cars Alliance Auto Loans Spain 2022
Article 449(e) CRR	(e)	A list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three CRR	The group does not provide support (as defined in CRR article 248) to securitization transactions. Mobilize F.S group acts as originator, asset servicer for all SSPEs listed in point (e) and swap provider for some of these SSPEs.

Article 449(f) CRR	(f)	A list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions	The Mobilize F.S group does not invest in securitizations for which capital requirement is calculated based on the securitization position and always accounts for the underlying receivables when assessing own funds requirements. The group retains the most junior tranches of the securitization in which it acts as originator to meet its economic capital retention requirements. RCI Banque SA has invested in the senior pieces of securitizations in which one of its subsidiary or branch acts as originator. Such assets can be used as collateral for Central Bank Funding. Similar scheme also exists in the UK where RCI Bank UK has subscribed ABS notes backed by receivables originated by RCI FS UK.
Article 449(g) CRR	(g)	A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions	The Mobilize F.S group has not used securitization to transfer risk. Special Purpose vehicles carrying securitized assets are consolidated by the Group that remain exposed to most of the risks and benefits attached to securitized receivables that remain in the consolidated balance sheet.
Article 449(h) CRR	(h)	The names of the ECAIs used for securitisations and the types of exposure for which each agency is used	Auto-ABS: Moody's (EUR) , S&P (EUR & GBP), DBRS (EUR), Fitch (EUR & GBP) SME (Dealer Floor Plan): Moody's, DBRS
Article 449(i) CRR	(i)	Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three CRR including the structure of the internal assessment process and the relation between internal assessment and external ratings of the relevant ECAI disclosed in accordance with point (h), the control mechanisms for the internal assessment process including discussion of independence, accountability, and internal assessment process review, the exposure types to which the internal assessment process is applied and the stress factors used for determining credit enhancement levels	Not applicable no investment (exposure) in ABCP program.

The sales refinancing receivables retained in the balance sheet totaled €14,822m on 31 December 2023 (€13,926m on 31 December 2022), namely:

- for securitizations placed on the market: €3,404m
- for self-subscribed securitizations: €8,800m
- for private securitizations: €2,618m

The stock of securitized assets is itemized in Note 13 of the consolidated financial statements. At 31 December 2023, funding secured through private securitizations totaled €1,489m, and funding secured through public securitizations placed on the markets totaled €3,165m.

EU-SEC1 - Securitisation exposures in the non-trading book

	En millions d'euros	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS	*of which SRT*	Non-STS	*of which SRT*		*of which SRT*		STS	Non-STS			STS	Non-STS		
		a	*b*	c	*d*	e	*f*	g	h	i	j	k	l	m	n	o
1	**Total exposures**															
2	**Retail (total)**															
3	residential mortgage															
4	credit card															
5	other retail exposures															
6	re-securitisation															
7	**Wholesale (total)**															
8	loans to corporates															
9	commercial mortgage															
10	lease and receivables															
11	other wholesale															
12	re-securitisation															

Mobilize F.S. group has no securitization exposure in the trading book. Table EU-SEC2 - Securitisation exposures in the trading book is therefore not applicable.

Furthermore, as indicated in table EU-SEC1, the group does not act as an originator, sponsor or investor in securitization transactions involving risk transfer (SRT) and therefore does not have any associated exposure in the non-trading book.

Therefore, templates EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor and EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor are not applicable.

EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

	In millions of euros	Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Specific credit risk adjustments made during the period
			Of which exposures in default	
		a	b	c
1	**Total exposures**	**15 287**	***65***	
2	**Retail (total)**	**13 346**	***65***	
3	residential mortgage			
4	credit card			
5	other retail exposures	13 346	65	
6	re-securitisation			
7	**Wholesale (total)**	**1 941**		
8	loans to corporates	1 941		
9	commercial mortgage			
10	lease and receivables			
11	other wholesale			
12	re-securitisation			

7- MARKET RISK

EU MRA: Qualitative disclosure requirements related to market risk

	Flexible format disclosure
Points (a) and (d) of Article 435 (1) CRR A description of the institution's strategies and processes to manage market risk, including: - An explanation of management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution's market risks - A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges	In the absence of a trading book, all the market risk arises from the group's foreign exchange position. The risk on exchange position can be broken down into: - Structural currency position, which results from the Group's long-term investments in the equity of its foreign subsidiaries. - Since 2022, the Mobilize F.S group has a capital allocation covering its structural currency risk exposure. The Group benefits from an ECB waiver for the five most significant currencies (GBP, BRL, KRW, CHF and MAD) allowing it, for these currencies, to take into account only the excess of capital over the average Group CET1. - Structural currency risk is included in the Mobilize Financial Services risk appetite framework, and the Group's position in all currencies is monitored monthly at the Capital and Liquidity Committee and reported quarterly to the Supervisor.Transactional foreign exchange position, which arises from cash flows denominated in currencies other than the patrimonial currency is bound by limits. Sum of Absolut values of positions expressed in different currency pairs amounted to €17.9 million as of December end 2023 The goals and strategies pursued by the Mobilize F.S group in connection with market risk are described in the part entitled “Consolidated financial statements – financial risks” – Appendix 2.
Point (b) of Article 435 (1) CRR A description of the structure and organization of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.	The supervision of transactional FX risk and the compliance with limits is placed under the supervision of RCI Banque S.A.'s Financing and Group Treasury division that run the funding center positions and oversees the management of subsidiaries. Group limits are approved by the Board of Directors and periodically updated. The Financial Risks Team, reporting to the Risk and Banking Regulation Department (Risk Control Division), issues a daily report and monitors the group's exposure to market risks. A list of authorized products, approved by RCI Banque S.A.'s Financial Committee, specifies the foreign exchange instruments and currencies that can be used for market risk management purposes and the authorized currencies.
Point (c) of Article 435 (1) CRR Scope and nature of risk reporting and measurement systems	At Mobilize F.S. group level, the foreign exchange position is calculated using an asset and liability approach which consist in computing the foreign exchange position from the accounting balance sheet and off-balance sheet balances by currency. This is referred to as the "accounting foreign exchange position". The monitoring perimeter for transactional foreign exchange risk has been validated, distinguishing two categories of subsidiaries: - Multi-currency subsidiaries whose transactional foreign exchange risk must be monitored by the entity on a daily basis. The entity must report to the Financial Risk Department the daily position in case of breach. The Financial Risk Team is responsible for ensuring compliance with limits - Other subsidiaries whose transactional foreign exchange risk are monitored on a monthly basis. The Financial Risk team is responsible for ensuring compliance with limits The consolidated transactional FX position and compliance with limits are reported to the Financial Committee on a monthly basis.

Taking into account the elements mentioned in the above EU-MRA table in response to Article 435(1)(a) and (d) of the CRR, the following tables are not applicable:

- Table EU MRB: Qualitative disclosure requirements for institutions using the internal Market Risk Models
- Template EU MR2-A - Market risk under the internal Model Approach (IMA)
- Template EU MR2-B - RWA flow statements of market risk exposures under the IMA
- Template EU MR3 - IMA values for trading portfolios
- Template EU MR4 - Comparison of VaR estimates with gains/losses.

EU MR1 - Market risk under the standardised approach

		a
	In Millions of euros	**RWEA**
	Outright products	**1 150**
1	Interest rate risk (general and specific)	
2	Equity risk (general and specific)	
3	Foreign exchange risk	1 150
4	Commodity risk	
	Options	
5	Simplified approach	
6	Delta-plus method	
7	Scenario approach	
8	**Securitisation (specific risk)**	
9	**Total**	**1 150**

8- INTEREST-RATE RISK FOR PORTFOLIO POSITIONS

EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities

Qualitative information - free format		Legal basis
A description of how the institution defines IRRBB for purposes of risk control and measurement	Interest rate risk in the banking book (IRRBB) refers to the risk to the bank’s capital and earnings arising from adverse movements in interest rates that affect the bank’s banking book positions The objective of Mobilize F.S. group is to mitigate this risk as far as possible. The specific interest rate risk control process is part of the Mobilize F.S group's overall internal control process and uses sensitivity indicators to measure impacts from adverse rate shocks (yield curve translation or rotation for example) on future earnings for which limits are associated.	Article 448(1), point (e)
A description of the institution's overall IRRBB management and mitigation strategies	The Finance and Group Treasury Division refinances group entities that are eligible for centralized refinancing. It borrows the funds needed to ensure the continuity of business (bond and negotiable debt instrument issues, securitizations, interbank loans, etc.), balances assets and liabilities and adjusts the cash position of group companies, while managing and minimizing exposure to portfolio interest rate risk by using appropriate hedging instruments (interest rate swaps, cross-currency swaps and spot and forward exchange transactions). The principles of financial policy extend to all Mobilize F.S. group consolidated subsidiaries and are adapted in locally refinanced subsidiaries. The latter are subject to the same financial risk monitoring requirements as the group's other subsidiaries. In order account for the difficulty of precisely adjusting the structure of assets and liabilities limited flexibility is accepted in interest rate risk management for each entity, to which sensitivity limits are assigned by the Financial Committee. Consolidated IRRBB position measured as the sum of the absolute value of sensitivities of sensitivity position in all currencies is bound by limits set by Mobilize F.S.'s Board of Directors. A group management system performs a daily calculation of each entity's balance sheet sensitivity to variations in yield curve. The Financial Risks Team controls group exposure as measured by this system and observance of the sensitivity limits assigned to each entity.	Article 448(1), point (f)
The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB	Interest rate risk is monitored on a daily basis: a sensitivity calculation per currency, per management entity and per asset portfolio verifies that each entity complies with the individual limits assigned to it. This sensitivity to interest rate risk is measured using an earning-based methodology common to the entire Mobilize F.S. group. The process keeps overall group exposure and the exposure of each entity at a low level.	Article 448(1), points (e) (i) and (v); Article 448(2)
A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable)	**INTERNAL INDICATORS** Two indicators are monitored internally for interest rate risk: - EV sensitivity (Economic Value) measures at a given point in time (t) the impact of a change in interest rates on the present value of future earnings. The economic value is determined by discounting future cash flows at market rates. This measurement is used to set the limits that apply to the group's entities. Two scenarios are embedded with this indicator. • A parallel up scenario • A rotation scenario: below 1y down by rotation shocks, linearly interpolated until 2y, 2y rates unchanged, linearly interpolated until 3y, above 3y up by rotation shocks. - Net Interest Income sensitivity measures the impact of a change in interest rates on undiscounted future earnings. It is calculated over a 12-month time-horizon and on a lifetime time-horizon with limits associated to those two indicators. Currency adjusted shocks used to calculate Interest rate risk indicators are summarized in the table below and subject to periodic review.	Article 448(1), point (e) (iii); Article 448(2)

<table>
<tr>
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<tr><th>Currency</th><th>Parallel up</th><th>Rotation</th></tr>
<tr><td>EUR</td><td>100</td><td>25</td></tr>
<tr><td>GBP</td><td>150</td><td>37,5</td></tr>
<tr><td>KRW</td><td>100</td><td>25</td></tr>
<tr><td>BRL</td><td>350</td><td>87,5</td></tr>
<tr><td>CHF</td><td>100</td><td>25</td></tr>
<tr><td>PLN</td><td>300</td><td>75</td></tr>
<tr><td>MAD</td><td>100</td><td>25</td></tr>
<tr><td>RON</td><td>300</td><td>75</td></tr>
<tr><td>SEK</td><td>150</td><td>37,5</td></tr>
<tr><td>ARS</td><td>500</td><td>125</td></tr>
<tr><td>COP</td><td>300</td><td>75</td></tr>
<tr><td>HUF</td><td>250</td><td>62,5</td></tr>
<tr><td>DKK</td><td>100</td><td>25</td></tr>
<tr><td>CZK</td><td>200</td><td>50</td></tr>
<tr><td>RUB</td><td>500</td><td>125</td></tr>
</table>
Consolidated Interest Rate Risk Sensitivity is calculated as the sum of the absolute value of the sensitivity to currency adjusted shocks described above and is bound by a limit set at €70m by the Board of Directors.
REGULATORY INDICATORS
Changes in Economic Value of Equity (EVE) and Net Interest Margin (NII) in case of interest rates shocks are the two regulatory IRRBB indicators defined in EBA Guidelines. They are computed quarterly on a consolidated regulatory perimeter based on scenarios displayed in the EBA Guidelines on IRRBB
Both indicators are bound by internal limits validated by the Risk Committee of the Board Risk Committee.
</td>
<td></td>
</tr>
<tr>
<td>A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)</td>
<td>
Calculations are based on average monthly asset and liability gaps (gap excluding interest amounts) which incorporate fixed-rate transactions and floating rate transactions until their next review date.
Maturities of outstanding are determined by taking into account the contractual characteristics of operations and the results of the modeling of historical customer behavior patterns (early repayments) for which the Group has defined a common methodology. This methodology is based on constant prepayment rate assumptions based on moving averages.
Deposits are modeled as 6 successive fixed-rate resources with an initial maturity of 3 months. The instantaneous duration is therefore approximately 1.5 months.
Measurements of NII sensitivity to calculate internal indicators, also take into account an allocation of entity equity and stable working capital requirement to the financing of the longest-term commercial assets for low-rate volatility currencies or 50 % long term 50 % short term for currencies with high-rate volatility.
</td>
<td>Article 448(1), point (e) (ii); Article 448(2)</td>
</tr>
<tr>
<td>A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable)</td>
<td>There is no proprietary trading within Mobilize F.S. Group. All transactions in financial instruments carried out by RCI Banque S.A., acting as central treasury, or its locally funded subsidiaries aim at refinancing its activity and investing temporary excess of cash while maintaining financial risks below internal limits in order to protect its commercial margin.</td>
<td>Article 448(1), point (e) (iv); Article 448(2)</td>
</tr>
</table>

	Sensitivity to interest rate fluctuations is managed with interest rate swaps. Fixed rate receiving swaps are executed when the Bank issues fixed rate debt and wants to reduce its exposure to interest rate going down. Fixed rate paying swaps are executed from time to time to hedge the origination of fixed rate assets. Mobilize F.S. uses principles of IFRS 9 accounting to classify derivatives that hedge Interest Risk. - Fair value hedge (FVH) hedging relationships intend to hedge changes in value of all or part of a recognized asset or liability, attributable to a particular risk (e.g. risk of rate on fixed rate debt). The hedged item and then the hedging derivative are valued at their fair value. Changes in the fair value of the derivative and the hedged item are recorded in the income statement. RCI swaps booked as fair value hedge are made of fixed receiver swaps hedging issuance of fixed rate liabilities. Valuations of the hedging instrument are calculated by discounting future cash flows. As hedging derivatives do not hedge the entire rate but only the risk-free part, only the part of the debt relating to the risk-free rate will have to be valued. Debt valuation excludes the effect of the credit spread (including the accrued interest portion of the "credit spread" effect). The variation in derivative fair value and the variation in hedged debt fair value are recorded in the Income Statement. The FVH test is realized on a monthly basis in order to measure the effectiveness of the micro-hedging. - Cash Flow Hedge (CFH) hedging relationship intends to hedge the changes in future cash flows associated with a recognized or future asset or liability and attributable to a particular risk (e.g. future interest payments on floating rate). RCI swaps booked as fair cash flow hedge are fixed paying swaps hedging floating rate liabilities or the floating rate leg of a swap booked in FVH. To be recognized as CFH, the floating rate of the hedging instrument should show high correlation with the floating rate of the hedged item. Changes in the fair value of the derivative are accounted in a special equity account (balance sheet / equity impact). Restatement in income is realized at the same frequency as the item covered through accrued interest. This relation between variable-rate debt / fair value hedged debts and cash flow hedge swaps is tracked at least quarterly via a macro-hedging test. The test aims at ensuring that the nominal value of CFH swaps does not exceed the total amount of variable-rate liabilities at any time. In practice, two tests are carried out separately: the first one for floating rate debt, and the second one for fixed rate debts that were initially hedged with a fixed rate receiving swap booked in FVH. - Fair Value portfolio: financial instruments that do not meet IFRS9 hedge accounting criteria cannot be considered as hedges and despite their hedging intention are classified as fair value instruments. The change in the fair value of these instruments is recognized in the income statement. A portion of the fixed rate paying swaps intends to hedge non-maturity deposits, that are modelled as floating rate liabilities repricing within 3 months. As correlation between customer deposit rate and market risk free rate is low, such hedges do not qualify as hedge accounting and are booked as trading instruments.	
A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable)	Key modelling assumptions used for IRRBB measured in template EU IRRBB1 are similar to internal assumptions described above for prepayment and modelling of non-maturity deposits. Parametric assumptions are derived from article 115 of the IRRBB Guidelines (cap on positive sensitivity values, floor on IR curves...) and appendices (Annex III) for IR shocks. Mobilize F.S. calculates EVE sensitivity to changes in interest rates on a perimeter including EUR and GBP (significant currencies) as well as BRL and KRW. Altogether, assets in those currencies exceed the 90 % of Group total assets threshold set in article 115(l) of the IRRBB Guidelines.	Article 448(1), point (c); Article 448(2)
Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	**INTERNAL INDICATORS** *Indicators* Two monitoring indicators are used internally for interest rate risk:	Article 448(1), point (d)

(1) Sensitivity (economic value - EV), which consists in measuring at a point in time t the impact of a change in interest rates on the market value of an entity's balance sheet flows. The market value is determined by discounting future flows at market rates at time t. This measure is used to set limits for the group's management entities.

(2) Net Interest Income (NII) is a measure of a gain or loss from an income statement perspective. It is presented as the difference in future interest income over a defined horizon. The particularity of sensitivity in the NII view, compared to the actuarial view of sensitivity, is the linearization of the impact of new operations. This measure is both tracked over a 12-month horizon and a full horizon.

Results
Over the year 2023, the Mobilize F.S. group' consolidated Interest Rate Risk Sensitivity and NII (calculated as described above) remained below the limit set by the group at €70m

(1) Consolidated Interest Rate Risk Sensitivity (EV) based on internal IRR perimeter, calculated as the sum of the absolute values of sensitivities to currency-adjusted shocks in all currencies amounted to €10.9m as of December end 2023, compared to €7.0m at the end of 2022.

(2) Consolidated Interest Rate risk of the sensitivity to NII based on internal IRR perimeter, calculated as the sum of the absolute values of sensitivities to currency-adjusted shocks in all currencies amounted to €9.9m as of December end 2022, compared to €5.7m at the end of 2022.

Breakdown by main currencies of the sensitivity to NII following a currency differentiated rise in rates (in kEUR) at December end 2023 in relative value:

CURRENCY	K€
ARS	1
BRL	213
CHF	224
COP	231
CZK	260
EUR	-5 408
DKK	-7
GBP	-1 279
HUF	87
KRW	631
MAD	745
PLN	-569
SEK	17
RON	311

REGULATORY INDICATORS
EVE result
Changes in Economic Value of Equity ("EVE") calculated according to EBA IRRBB Guidelines represent 5.62% of Own Funds in the context of Standard shock and 7% of CET1 in the context of differentiated shocks per currency, below regulatory limits.
The most binding scenario is the parallel up of the currency differentiated shock with an impact of €-386 m at December 2023 end against €-449 m in the previous year.

NII result

The EBA/RTS/2022/10 which defines the methodology for calculating the regulatory net interest income indicator (Article 5) did not come into force in 2023 and is awaiting the publication of a delegated regulation by the European Commission. Consequently, Mobilize F.S. group has chosen to use, for regulatory purposes, its total internal

	consolidated NIM, calculated on the basis of the consolidated regulatory banking perimeter.Consolidated Interest Rate Risk Sensitivity of the NII calculated as the sum of the absolute values of sensitivities to currency-adjusted shocks in all currencies amounted to €9.9 m (*see EU IRRBB 1 table – Changes of the Net Interest Income*) as of December end 2023, compared to €5.7 m at the end of 2022. Sum of absolute value expresses the worst case as the interest rate risk position per currency is not compensated.	
Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)	None	
Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	To calculate interest rate risk measurement indicators, deposits are modeled as successive fixed-rate liabilities with an initial maturity of 3 months. Longest repricing maturity is therefore 3 months while average repricing duration is approximately 1.5 month.	Article 448(1), point (g)

EU IRRBB1 - Interest rate risks of non-trading book activities

Supervisory shock scenarios (in K€)		a	b	c	d
		Changes of the economic value of equity		Change of the net interest income	
		Current period 31/12/2023	Last period 31/12/2022	Current period 31/12/2023	Last period 31/12/2022
1	Parallel up	-386 487	-449 825	9 982	5 673
2	Parallel down	211 081	245 003		
3	Steepener	14 128	14 682		
4	Flattener	-105 853	-117 290		
5	Short rates up	-217 682	-248 011		
6	Short rates down	114 651	129 892		

The above calculations are based on the standard assumptions published by the EBA in its guidelines on interest rate risk management (IRRBB Guidelines). Pursuant to the methodology, the positive impacts of each interest rate scenario are weighted 50% and the negative impacts taken at 100%. The Year on Year change on EVE is explained by the integration of sundry assets and liabilities (ie. Net Stable Working Capital) in the regulatory indicators.

The impact of an adverse interest rate movement on the total net interest margin is low, in line with the company's prudent management objectives. It is as a result significant for the Economic Value of Equity or EVE, an indicator which by definition does not take own funds into account, unlike the daily operational asset-liability management of interest rate risk.

9- LIQUIDITY RISK

EU LIQA - Liquidity risk management

Row number	Qualitative information - Free format	
(a)	Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding,	The Liquidity Risk Management function is responsible to ensure liquidity risk is understood, monitored, and reported. The Mobilize F.S group's ILAAP and associated limits intend to: • Ensure the bank meets its regulatory liquidity ratio with an appropriate buffer • Ensure the bank funds its business with diversified sources of funding, • Ensure the bank maintains liabilities with adequate duration to support its business, • Ensure the bank liquidity reserve is sufficient to face various stress scenario assuming impaired access to market funding and stress deposit runoff during a certain period of time.
(b)	Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).	The Mobilize F.S group's liquidity risk management is under the responsibility of the Finance and Treasury (« F&T ») Direction. F&T proposes liquidity indicators and associated limits, that are challenged by the CRO and its team, validated by the Group Financial Committee, reviewed by the Risk Committee before final approval by the Board of Directors. Internal liquidity indicators are calculated by the F&T team, regulatory liquidity ratios are calculated by the Regulatory Reporting unit. Those liquidity indicators are controlled by the Financial Risk Control Unit (part of the Risk Control Division), reported monthly to the Financial Committee and quarterly (immediately if an alert threshold is breached) to the Board Risk Committee.
(c)	A description of the degree of centralisation of liquidity management and interaction between the group's units	RCI Banque SA acts as a Central Treasury center for group entities belonging to the « Central Funding Perimeter », that includes most of the European entities. Entities in this perimeter borrow the liabilities they need to support their business to the Central Treasury or deposit their liquidity surplus. RCI Banque S.A and Centrally Funded entities liquidity position is managed as a pool. There is no subsidiary-to-subsidiary lending or borrowing. Other entities are locally funded. Their liquidity position is managed by the local CFOs under the operational supervision of the F&T Direction. Indicators used for liquidity monitoring are controlled by the Risk Control Unit. Some locally funded entities may benefit from partial and limited liquidity support from central treasury. In such situation, Central Treasury accounts for subsidiary liquidity shortfall in its stress scenario.
(d)	Scope and nature of liquidity risk reporting and measurement systems.	RCI Banque SA. liquidity risk measurement system is based on two types of indicators. Business continuity indicators measure the time during which the bank can support its business in various stress scenarios while maintaining appropriate matching between asset and liabilities duration. Liquidity Reserve indicators measure the bank secured sources of funding that can be used to counter-balance outflows. Liquidity risk indicators are calculated on an aggregated basis for RCI Banque S.A and its subsidiaries and branches included in the « Central Refinancing perimeter » or on a stand-alone basis for « Locally Funded entities ». The bank also monitors funding concentration, asset encumbrance, as well as regulatory ratios LCR and NSFR
(e)	Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	The Mobilize F.S group main policies for mitigating liquidity risk use static and dynamic indicators. Static liquidity position, representing the difference between remaining liabilities and remaining assets on a given time bucket. It shall always be

		positive, meaning that current assets in balance sheet are funded with liabilities with similar or higher duration. Dynamic liquidity indicators measure the time during which the bank would survive using its liquidity reserve to balance outflows generated by non-renewal of market debt, stressed outflows on deposits. Dynamic liquidity indicators are bound by a set of limits and early warning indicators.
(f)	An outline of the bank`s contingency funding plans.	The Mobilize F.S group's Liquidity Contingency Plan is part of its ILAAP. It includes contingency funding plans as well as business contingency plans. Contingency funding plan includes various options that can be broken down in two categories: - Monetizing components of the liquidity reserve, by drawing on committed credit lines, increasing central bank funding and selling financial assets - Raising liquidity from alternative funding sources, like securitizing a new portfolio or increasing the size of an existing securitization, launching a syndicated bank loan, issuing debt issuance in USD, deploying our deposit business in a new country in partnership with a deposit fintech to accelerate time to market.
(g)	An explanation of how stress testing is used.	The Mobilize F.S group's business continuity indicators are calculated under various stress scenarios. Scenarios with the highest probability are associated with limits. Alternative scenarios intend to inform management on consequences of certain events and are not associated with limits. A reverse stress test completes those scenarios.
(h)	A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.	The board of directors ofMobilize F.S group has approved the group liquidity risk management framework and its associated procedures. It believes indicators monitored provide a good overview of the bank funding and liquidity risk and that associated limits are conservative and appropriate given the risk appetite for liquidity risk.
(i)	A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body. These ratios may include: · Concentration limits on collateral pools and sources of funding (both products and counterparties) · Customised measurement tools or metrics that assess the structure of the bank's balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank · Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity · Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps	The Mobilize F.S group 's funding and liquidity risk management is described in ILAAP procedures that are reviewed by the board risk committee and validated by the board of directors. ILAAP and associated limits, calibrated according to the risk appetite for liquidity risk, intend to: • Ensure the bank meets its regulatory liquidity ratio with an appropriate buffer • Ensure the bank funds its business with diversified sources of funding • Ensure the bank maintains liabilities with adequate duration to support its business • Ensure the bank liquidity reserve is sufficient to face various stress scenario (market-wide and idiosyncratic) assuming impaired access to market funding and stressed deposit runoff during a certain period of time. As of 31/12/2023 the Mobilize F.S group's main sources of funds where deposits (51%), bonds (27%), secured funding (12%) and loans from commercial banks (4%). The Mobilize F.S group manages liquidity on an aggregated basis for RCI Banque SA (acting as a Central Treasury Center) and the branches and subsidiaries entities included in the Central Funding Perimeter (most of European countries), and on a stand-alone basis for other entities. On the Central Funding perimeter, the €14,6bn Liquidity reserve allows to maintain business continuity during more than 12 months in a scenario assuming stable commercial assets, no access to new market funds and a stressed runoff of its deposits. All locally funded entities business continuity were above early warning indicators. In 2023, the Central Funding perimeter and our locally funded entities maintained positive liquidity gaps, demonstrating that assets were funded with longer dated liabilities. The bank has a strong mix of stable funding, highlighted by a NSFR at 128% and a high HQLA buffer (average LCR at 448 % on the 12 months ending 31/12/2023). Its low asset encumbrance at 16 % allows flexibility in funding options.

REGULATORY RATIOS AND CHARGES ON ASSETS

EU LIQB on qualitative information on LCR, which complements template EU LIQ1

Qualitative information - Free format	
Explanations on the main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	See Liquidity Coverage Ratio (LCR) section below
Explanations on the changes in the LCR over time	See Liquidity Coverage Ratio (LCR) section below
Explanations on the actual concentration of funding sources	The Bank has a diversified funding structure made of deposits (451 % of financial indebtedness as of 31/12/2023 vs 49% as of 31/12/2022), bonds (27% as of 31/12/2023 vs 29% as of 31/12/2022), secured funding (12% as of 31/12/2023 vs 14% as of 31/12/2022) and commercial banks (4% as of 31/12/2023 and 31/12/2022). Since 2022, deposits are more competitive than market funding has. Consequently, the bank deployed actions to increase its deposits in its funding mix.
High-level description of the composition of the institution`s liquidity buffer.	During the 12-month period ending on 31 December 2023,the Mobilize F.S group's HQLA liquidity buffer stood at € 5.6billion in average. The share of HQLA in EUR represented 83.6% and mostly consisted of deposits with the European Central Bank. HQLA in GBP represented 13.9% (deposits with the Bank of England and UK Treasury Bills)
Derivative exposures and potential collateral calls	RCI Banque S.A. uses the Historical Look Back Approach ("HLBA") to measure cash outflows related to margin calls on derivatives. RCI's derivative exposures consist of interest rate swaps (mainly EUR and GBP) and foreign exchange or currency swaps. The liquidity requirement related to these derivatives transactions is limited and represents insignificant amounts (less than €100m).
Currency mismatch in the LCR	EUR and GBP HQLA represent respectively 83.6% and 13.9% of total HQLA while GBP mix in Net Cash Outflows was 37.95%. As EUR is the reporting currency of our central treasury, we tend to hold our liquidity reserve exceeding the level required for LCR compliance in this currency.
Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	NA

Control of the group's liquidity also aims to meet regulatory liquidity coverage ratios (LCRs) and charges on assets (encumbered and unencumbered assets).

Liquidity Coverage Ratio (LCR)

The Liquidity Coverage Ratio (LCR) sets a minimum standard for bank liquidity. It is intended to ensure that a bank has an adequate level of unencumbered High Quality Liquid Assets (HQLA), which can be converted into cash to enable it to meet its liquidity needs for 30 calendar days in a stress scenario. The LCR is thus defined as the ratio of HQLAs to net cash outflows over the next 30 days. Net outflows represent the expected outflows less expected inflows or 75% of expected outflows, whichever is the lower.

The Mobilize F.S group's liquidity is managed by the Finance and Treasury Division that centralizes funding for European entities and oversees balance sheet management for all group entities throughout the world.

For each quarter, the table EU LIQ1 (see below) shows the average values of HQLAs, Inflows and Outflows calculated as the simple average of month-end observations over the twelve months preceding the end of each quarter.

The bank's average HQLA during the 12-month period ending on 31 December 2023 was €5 571m. It amounted to €6 018m on average during the 12-month period ending on 30 September 2023. They mainly consisted of deposits with the European Central Bank, the Bank of England and securities issued by governments or supranationals. On 31 December 2023, the average duration of the bond portfolio was below 1 year.

In addition, the group also invested in a fund whose assets are made of debt securities issued by European agencies, sovereigns and supranational issuers. Its average exposure to credit risk is six years with a limit at nine years. The fund is aiming a very low exposure to the interest rate risk with a maximum of two years.

Over the 12-month period ending on 31 December 2023, EUR and GBP denominated HQLA represented on average 83.6% and 13.9% of total HQLA respectively. The weight of EUR denominated HQLA increase compared to the averages of the 12-month period ending on September 2023, which were 85% for EUR and 14% for GBP.

Mobilize F.S group's inflows mainly come from commercial and financial assets, while Outflows are mostly explained by debt repayment and the deposit run-off factor.

The liquidity requirement linked to derivative transactions is limited and represents non-material amounts.

The average LCR over the 12-month period ending on 31 December 2023 came at 448%, compared to 445% on average over the 12-month period ending on 30 September 2023.

EU LIQ1 - Quantitative information of LCR

	In millions of euros	Total unweighted value (average)				Total weighted value (average)			
EU 1a	**Quarter ending on**	**31/03/2023**	**30/06/2023**	**30/09/2023**	**31/12/2023**	**31/03/2023**	**30/06/2023**	**30/09/2023**	**31/12/2023**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
		a	b	c	d	e	f	g	h
	HIGH-QUALITY LIQUID ASSETS								
1	**Total high-quality liquid assets (HQLA)**					**7 295**	**6 768**	**6 018**	**5 571**
	CASH - OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	17 569	17 893	18 309	18 538	1 881	1 912	1 953	1 976
3	*Stable deposits*								
4	*Less stable deposits*	*17 562*	*17 886*	*18 301*	*18 529*	*1 875*	*1 905*	*1 945*	*1 966*
5	Unsecured wholesale funding	1 164	1 118	1 167	1 125	935	884	930	881
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks								
7	Non-operational deposits (all counterparties)	*529*	*546*	*569*	*600*	*301*	*312*	*332*	*356*
8	Unsecured debt	*635*	*572*	*598*	*525*	*635*	*572*	*598*	*525*
9	Secured wholesale funding					53	56	50	41
10	Additional requirements	820	793	783	763	316	323	342	348
11	*Outflows related to derivative exposures and other collateral requirements*	*264*	*274*	*297*	*306*	*264*	*274*	*297*	*306*
12	*Outflows related to loss of funding on debt products*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*
13	*Credit and liquidity facilities*	*555*	*517*	*484*	*455*	*50*	*47*	*43*	*41*
14	Other contractual funding obligations	1 036	1 094	1 124	1 148	455	504	528	552
15	Other contingent funding obligations	4 102	4 136	4 023	3 795	658	620	566	500
16	**TOTAL CASH OUTFLOWS**					**4 298**	**4 298**	**4 370**	**4 299**
	CASH - INFLOWS								
17	Secured lending (e.g. reverse repos)								
18	Inflows from fully performing exposures	3 796	4 083	4 380	4 607	2 261	2 426	2 635	2 781
19	Other cash inflows	389	417	421	457	382	413	420	456
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	**TOTAL CASH INFLOWS**	**4 185**	**4 500**	**4 802**	**5 064**	**2 643**	**2 839**	**3 055**	**3 237**
EU-20a	*Fully exempt inflows*								
EU-20b	*Inflows Subject to 90% Cap*								
EU-20c	*Inflows Subject to 75% Cap*	*4 185*	*4 500*	*4 802*	*5 064*	*2 643*	*2 839*	*3 055*	*3 237*
	TOTAL ADJUSTED VALUE								
21	LIQUIDITY BUFFER					7 295	6 768	6 018	5 571
22	TOTAL NET CASH OUTFLOWS					1 663	1 483	1 401	1 289
23	**LIQUIDITY COVERAGE RATIO**					**473%**	**472%**	**445%**	**448%**

Net stable funding ratio (NSFR)

The NSFR is a one-year liquidity ratio. It provides a framework to limit banks' transformation on maturities by requiring that stable assets are funded by a minimum amount of stable liabilities. Stable funding requirements and available stable funding are calculated by multiplying assets, liabilities and off-balance sheet exposures with coefficients reflecting their residual maturity and stability characteristics.

The Group's NSFR at the end of December 2023 is 128%, compared to 126% at the end of December 2022. This level is significantly higher than the regulatory minimum and reflects a prudent liquidity risk management policy.

EU LIQ2: Net Stable Funding Ratio

	In millions of euros	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	> 1 year	
		a	b	c	d	e
	Available stable funding (ASF) Items					
1	Capital items and instruments	5 855			864	6 719
2	*Own funds*	*5 855*			*864*	*6 719*
3	*Other capital instruments*					
4	Retail deposits		20 512	3 152	4 513	25 810
5	*Stable deposits*					
6	*Less stable deposits*		*20 512*	*3 152*	*4 513*	*25 810*
7	Wholesale funding:		4 906	5 166	16 454	19 305
8	*Operational deposits*					
9	*Other wholesale funding*		*4 906*	*5 166*	*16 454*	*19 305*
10	Interdependent liabilities					
11	Other liabilities:	99	1 244	285	1 683	1 825
12	*NSFR derivative liabilities*	*99*				
13	*All other liabilities and capital instruments not included in the above categories*		*1 244*	*285*	*1 683*	*1 825*
14	**Total available stable funding (ASF)**					**53 659**
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					4
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:		18 351	9 681	27 322	38 112
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*					
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*1 556*	*32*	*97*	*269*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which :*		*16 694*	*9 628*	*26 984*	*37 540*
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*					
22	*Performing residential mortgages, of which:*					
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*					
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*101*	*21*	*241*	*304*
25	Interdependent assets					
26	Other assets:		2 645	110	2 538	3 650
27	*Physical traded commodities*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*					
29	*NSFR derivative assets*					
30	*NSFR derivative liabilities before deduction of variation margin posted*		*351*			*18*
31	*All other assets not included in the above categories*		*2 295*	*110*	*2 538*	*3 632*
32	Off-balance sheet items		3 157	47	234	182
33	**Total RSF**					**41 947**
34	**Net Stable Funding Ratio (%)**					**128%**

(Un) encumbered assets

EU AE4 - Accompanying narrative information

Qualitative information - Free format	
General narrative information on asset encumbrance	See (Un) encumbered assets section below
Narrative information on the impact of the business model on assets encumbrance and the importance of encumbrance to the institution's business model, which provides users with the context of the disclosures required in Template EU AE1 and EU AE2.	See (Un) encumbered assets section below

An asset is deemed “encumbered” if it serves as a guarantee or is used to securitize, collateralize or improve a transaction from which it cannot be separated. In contrast, an “unencumbered” asset is not subject to any legal, regulatory or contractual restriction limiting the institution's ability to do what it wants with it.

By way of example, the following types of contracts match the definition of encumbered assets:

- Assets sold to securitization vehicles when the said assets have not been derecognized by the company. The assets underlying self-subscribed securitizations are not considered encumbered, unless the securities are used as security or to guarantee another transaction in any manner (financing in its dealings with the central bank for instance),
- The collateral designed to reduce the counterparty risk on derivatives registered in a clearing house or bilaterally negotiated,
- Secured financing.

Disclosure on encumbered and unencumbered assets in the following three tables is calculated in accordance with regulation 2021/637. Reported figures are the median values of quarterly data on a rolling basis over the previous twelve months. Over the period ending on 31 December 2023, the median amount of assets encumbered in the form of disposals to a securitization vehicle or guarantee given is €10,107m, making up 16% of total assets.

EU AE1 - Encumbered and unencumbered assets

In millions of euros		Carrying amount of encumbered assets	ow notionally elligible EHQLA and HQLA	Fair value of encumbered assets	ow notionally elligible EHQLA and HQLA	Carrying amount of unencumbered assets	ow notionally elligible EHQLA and HQLA	Fair value of unencumbered assets	ow notionally elligible EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the disclosing institution**	**10 107**				**52 681**	**4 113**		
030	Equity instruments	36		36		16		16	
040	Debt securities	3		3		365	250	365	250
050	*ow: covered bonds*								
060	*ow: securitisations*								
070	*ow: issued by general governments*	*3*		*3*		*192*	96	*192*	*96*
080	*ow: issued by financial corporations*					*73*	71	*73*	*71*
090	*ow: issued by non-financial corporations*								
120	Other assets	10 064				52 273	3 875		

Median of the amounts at the end of each quarter

EU AE2 - Collateral received and own debt securities issued

In millions of euros		FV of encumbered collateral received or own debt securities issued	ow notionally elligible EHQLA and HQLA	FV of collateral received or own debt securities issued available for encumbrance	ow notionally elligible EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the disclosing institution**			**963**	
140	Loans on demand			893	
150	Equity instruments				
160	Debt securities				
170	*ow: covered bonds*				
180	*ow: securitisations*				
190	*ow: issued by general governments*				
200	*ow: issued by financial corporations*				
210	*ow: issued by non-financial corporations*				
220	Loans and advances other than loans on demand				
230	Other collateral received			68	
240	**Own debt securities issued other than own covered bonds or securitisations**				
241	**Own covered bonds and securitisations issued and not yet pledged**				
250	**Total assets, collateral received and own debt securities issued**	**10 107**			

Collateral received reported as “on demand” as the guarantee can be activated immediately after default.

Median of the amounts at the end of each quarter

EU AE3 - Sources of encumbrance

	In millions of euros	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	**7 135**	**10 107**

The amounts shown are the median values at the end of each quarter.

10- OPERATIONAL AND NON-COMPLIANCE RISKS

EU ORA - Qualitative information on operational risk

Legal basis	Row number	Qualitative information - Free format	
Points (a), (b), (c) and(d) of Article 435(1) CRR	(a)	Disclosure of the risk management objectives and policies	-strategies and processes: 2-1 Risk governance policy – Risk appetite framework -structure and organisation of risk management function for operational risk: Part 2-2Organization of risk control -risk measurements and control : Part 10-2 Measurement of operational risks and monitoring process and Part 10-3 Exposure to the risk and calculation -operational risk reporting: Part 10-2 Measurement of operational risks and monitoring process -policies for hedging and mitigating operational risk: Part 10-4 Insurance of operational risks
Article 446 CRR	(b)	Disclosure of the approaches for the assessment of minimum own funds requirements	Part 10-3 Exposure to the risk and calculation Part 1-1 Exposure by exposure class
Article 446 CRR	(c)	Description of the AMA methodology approach used *(if applicable)*	N/A
Article 454 CRRR	(d)	Disclose the use of insurance for risk mitigation in the Advanced Measurement Approach *(if applicable)*	N/A

1 - OPERATIONAL AND NON-COMPLIANCE RISK MANAGEMENT

Mobilize F.S. group is exposed to risks of loss ensuing either from external events or from inadequacies and shortcomings in its internal processes, staff or systems. The operational risk to which Mobilize F.S. group is exposed includes among other things the risks relating to events that are very unlikely to occur but that have a high impact, such as the risk of business interruption due to the unavailability of premises, staff or information systems.

The main operational risks are business interruption, potential losses or damage related to IT systems - technological infrastructure or use of a technology - internal and external fraud, , damage to reputation, inadequate human resources,mismanagement of pension schemes and purchases and outsourcing.

The main non-compliance risks are related to failure to protect personal data as well as, failure to adhere to:

- banking and financial transactionsregulations,
- regulations and standards in matters of law, tax andaccounting,
- anti-money laundering and combating the financing of terrorism laws,
- anti-corruption and unethical conduct laws,
- regulatory framework regarding bank recovery and resolution (BRRD).

Six operational and non-compliance risk families are given below: legal and contractual risks, conduct risk, tax risks, money laundering and terrorism financing related risks, IT risks, personal data protection related risks and reputational risks.

LEGAL AND CONTRACTUAL RISKS

Risk factors

Mobilize F.S group's activity can be affected by any changes in legislation impacting on the marketing of credit and insurance at the point of sale, as well as by any changes in regulatory requirements governing banking and insurance. Additionally, misinterpretation of the law or any inappropriate behavior by staff or agents could also influence Mobilize F.S group’s business.

Management principles and processes

Mobilize F.S group carries out legal analyses of new products marketed and regularly monitors the regulations governing it to ensure it complies with them. The Group has also implemented an internal control system designed in particular to ensure the compliance of transactions made by staff and agents.

CONDUCT RISK

Risk factors

Any inappropriate behaviour on the part of employees or agents involved in the distribution of products and services which is detrimental to customers may affect the business of Mobilize F.S. Group.

Management principles and systems

Mobilize F.S. group carries out legal analyses on the new products it distributes, and regularly monitors the regulations to which it is subject in order to comply with them. The Group also ensures that its products and commercial practices are not contrary to customer interests. Finally, the Group has also set up an internal control system designed to ensure the compliance of transactions carried out by its employees and agents.

TAX RISKS

Risk factors

Through its international exposure, the Mobilize F.S group is subject to numerous sets of national tax laws, all of which are liable to amendments and uncertainties in interpretation that might affect its operations, financial position and earnings.

Management principles and processes

Mobilize F.S group has put in place a monitoring system designed to list and address all tax issues affecting it.

Any tax disputes with which Mobilize F.S group may be faced as a result of tax inspections are closely monitored and where appropriate, provisions are booked to cover the estimated risk.

RISKS RELATING TO MONEY LAUNDERING AND FINANCING TERRORISM

Risk factors

In the course of its business, Mobilize F.S. Group is exposed to risks associated with money laundering and the financing of terrorism. In this respect, Mobilize F.S group is subject to international, European and French regulations as regards combating money laundering and financing terrorism. This regulation can expose to penalties, both criminal and disciplinary.

Management principles and systems

Mobilize F.S has implemented a Group policy set out in a general procedure and Corporate business procedures which are transposed in Group entities. Indicators of the level of compliance with the AML/CFT risk management system are applied and monitored in all entities over which RCI Banque S.A has effective control.

IT RISKS

Risk factors

The Mobilize F.S group's activity is partly dependent on the serviceability of its IT systems. The Mobilize F.S group's IT Division, through their governance, security policy, technical architectures and processes, play a part in the fight against threats (cybercrime, frauds …) in order to reduce IT-related risks (security incident, systems shutdown, or loss or non quality of data etc.).

Management principles and processes

Oversight of Mobilize F.S IS risks takes into account good management of and control over main potential IS risks: governance, business continuity, IT security, change and operations management, data integrity and data processing.

These risks are managed and controlled by:

- the integration of IT risk management into the overall Mobilize F.S risk management system at all levels of the company, in accordance with best practices and the guidelines of the EBA (European Banking Authority) and the ACPR;
- the degree of protection of the IT system across the Group;
- everyday control, oversight and management of the Group's "Information Management Policy";

- awareness-raising initiatives and training in digital security and operational resilience for all staff (e-learning, communications, etc.);actions, support and checks performed by the RCI IT Risk, Standards, Compliance and Security Department, which are based on a network of IT Security Officers in every DSI subsidiary, and also on a network of internal auditors;
- a Group IT security policy, incorporating the regulatory requirements (banking, GDPR / personal data, etc.), an overall management approach and ongoing adapting of IT security;
- a policy of the most demanding intrusion and surveillance tests, covering both external risks (examples: websites, mobile applications) and internal risks;
- a Disaster Recovery Plan in place and regular tests of the plan, including the issue of cyber-risks including cyber-risks and crisis management (Emergency and Business Continuity Plan);
- a device and the animation and training on IS risks and processes of method correspondents, business lines and IT managers, rolled-out throughout the group and contributing to IT process efficiency controls;
- a group process for managing and registering outsourced services, including the various dimensions related to this risk (governance, security, etc.);
- a complete IS process control system covering all IS risks for the entire scope of RCI's IS (internal and outsourced),
- continuous reinforcement of IT processes and tools for security and operational resilience, taking into account new regulatory requirements (e.g. DORA - Digital Operational Resilience Act) and technological developments, thanks to a regulatory and technological watch.

Focus on IT security

Mobilize F.S implements the Renault Group IS Security policy, taking into account the specific requirements of its banking activity,, and placing particular emphasis to the management of access to its applications, protection of personal and sensitive data and business continuity. A dedicated security organization (including a SOC - Security Operation Center,...) and many security tools are in place, ensuring continuous monitoring, and are being reinforced andstrengthened as risks evolve (for network and application monitoring, avoiding data leaks, monitoring the cloud and the Internet, etc.) for example by developing CTI (Cyber-Threat Intelligence).

As part of the Mobilize F.S group's emergency and business continuity plan, IS business resumption plans are operational for all of its applications. They are tested at least once a year.

These plans are part of the Mobilize F.S crisis management process, which ensures coordination with the various business lines (including IS), subsidiaries and branches, Mobilize F.S partners and regulators (ACPR/ECB, CNIL, etc.).

Users of the information system are contractually bound to observe the rules of use of the IT tool. The group ensures it preserves the same level of protection when developing new lines of business (electric vehicles, deployment in new territories…).

Hosting the best part of the IT operations of the Group in the "C2" (main) data center and the "C3" (backup) data center enables to guarantee the highest level of protection and uptime for our systems and applications. The requirement for backup sites and compliance with rules are also applied to cloud hosting.

Security requirements and controls are managed on both internal and outsourced information systems, starting with calls for tenders and contracts for outsourced services (for all services and all subsidiaries/branches).

PERSONAL DATA PROTECTION RELATED RISKS

Risk factors

The EU General Data Protection Regulation (GDPR) which came into effect on 25 May 2018 applies to RCI Banque S.A. Since then, many countries have implemented similar regulations on the protection of personal data. Non-compliance could have serious effects in its business and reputation of the group.

Management principles and systems

A Data Protection Officer (DPO), is responsible for ensuring the governance and implementation of all measures necessary to comply with these regulations, in order to ensure the protection of customer data, as well as that of employees throughout the group.
Risks relating to personal data protection are managed in particular by the implementation of a personal data processing policy, monitoring all data processing as from the design stage, the implementation of appropriate organizational and technical resources and regularly making the company's staff aware of the issue.

REPUTATIONAL RISKS

Risk factors

The Mobilize Financial Services group is exposed to a risk of worsening perception by its customers, counterparties, investors or supervisors, which could adversely affect the group.

Management principles and processes

The Mobilize Financial Services group has put in place corporate governance ensuring efficient management of compliance risks. Through the development and analysis of indicators, the monitoring of this risk enables the bank where appropriate to take corrective actions.

2 - MEASUREMENT OF OPERATIONAL RISKS AND MONITORING PROCESS

Dedicated local and Group committeessuch as internal control, operational risk and compliance convene every quarter and monitor changes in the mapping and its assessment, the indicators, the alerts and the related action plans.

3 - EXPOSURE TO THE RISK AND CALCULATION OF REQUIREMENTS

Operational risk is treated with the standard method.

The capital requirement calculation is based on restated average net banking income observed over the last 3 years and gross of other operating charges, broken down into two business segments (retail banking and commercial banking), the regulatory coefficients of which are 12% and 15% respectively. The retail banking business line includes loans to individuals and to SMEs that match the definition given in Article 123 of the CRR. The commercial banking business line includes all other Mobilize F.S. group activities.

EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

	In Millions of euros	Relevant indicator			Own funds requirements	Risk weighted exposure amount
		Year-3	Year-2	Last year		
		a	b	c	d	e
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1 963	2 097	1 977	269	3 366
3	Subject to TSA:	1 963	2 097	1 977		
4	Subject to ASA:					
5	Banking activities subject to advanced measurement approaches AMA					

4 - INSURANCE OF OPERATIONAL RISKS

DAMAGE TO PROPERTY AND BUSINESS INTERRUPTION

The French and British companies of the Mobilize F.S group are affiliated to the world property/business interruption insurance program taken out by Renault S.A.S.

Since 2023, all MFS subsidiaries in countries where Renault is present have been covered by the group program: business interruption due to material damage.

THIRD-PARTY LIABILITY

The operational liability (the company's liability for damages caused to a third party while conducting its business, in any place, through the fault of the insured person, the staff, buildings and equipment used for the business) of the French subsidiaries has since January 2010 been covered by the Renault Group world program.

Only third-party liability after delivery and/or errors and omissions liability (damage or loss resulting from mismanagement or non-observance of a contractual obligation vis-à-vis third parties) specific to Mobilize F.S. group's lines of business is still covered by contracts specific to the group:

- one contract covers the third-party liability after delivery and/or errors and omissions liability of the Diac S.A. and Diac Location S.A. subsidiaries, more particularly concerning long-term rental and car fleet management services;
- one contract insures the Diac S.A. and Diac Location S.A. subsidiaries against the financial consequences of any third-party liability they may incur as owner or lessor of motor vehicles and equipment by virtue of the activities covered by this contract, namely lease purchasing, leasing with purchase option and long-term leasing, on the understanding that this contract is a second Tier insurance policy that is invoked if the lessee's insurance defaults;
- in matters of insurance intermediation, RCI Banque S.A. and the Diac S.A. and Diac Location S.A. subsidiaries are insured with specific Errors & Omission liability contracts together with a financial guarantee in accordance with Articles L.512-6, L.512-7, R.512-14 and A.512-4 of the Insurance Code, regulations resulting from transposing of European Directives on the sale of insurance.

For RCI Banque S.A. 's foreign subsidiaries and branches, the operational and errors & omissions liability contracts, including Errors & Omission liability of the insurance intermediary, are negotiated with local insurers in accordance with local regulations resulting from the transposition of the European directive of 9 December 2002 for European countries or an equivalent regulation for countries outside the EC. The Insurance department oversees the consistency of the programs with group policies.

Since 1st January 2015, a program of professional liability insurance for Mobilize F.S. group has been taken out, supplementing local policies (with the exception of certain JVs).

In respect of this program, the insurer will meet the cost of the financial consequences (civil defense costs) of any claim filed by a third party on the grounds of malpractice committed exclusively within the framework of the insured activities, as described below, implicating the Errors & Omission liability of one or more insured parties (Mobilize F.S. group subsidiaries).

The program covers the following two areas:

- so-called “regulated” activities (those for which Errors & Omission liability insurance is a legal obligation): insurance intermediation activities and, for certain countries, banking operations, defined as an “activity consisting in presenting, offering or helping to conclude insurance contracts, respectively, banking operations or payment services, or carrying out works and providing advice prior to their execution”;
- so-called “unregulated” activities (those for which no Errors & Omission liability insurance is imposed by regulations): activities in the banking, stock market, financial, real estate, insurance and reinsurance industries.

CYBER INSURANCE

Since January 1st, 2018, Renault SAS has taken out a Cyber Risks insurance policy for itself and on behalf of its subsidiaries.

11- ESG RISKS

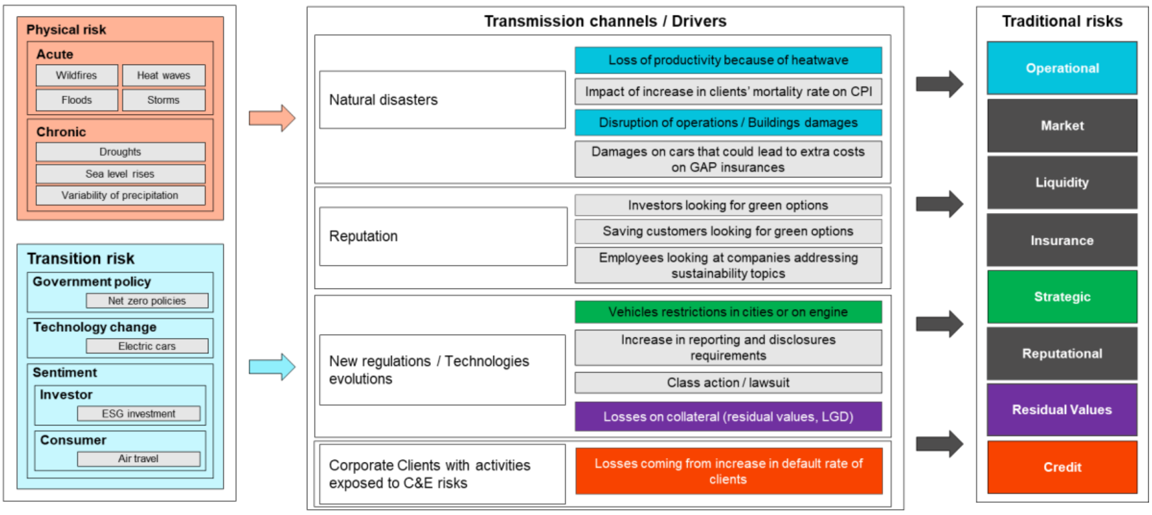
Environmental, Social and Governance ESG risks correspond to the effects that may be caused by climate related and environmental events, social and societal changes as well as governance failures in the operation and conduct of the Group's activities but also for Mobilize F.S. group counterparties. ESG risks are factors that can increase certain traditional categories of risks, especially: credit and counterparty risks, residual value risks, liquidity risks, strategic risks, operational risks and non-compliance risks.

ESG risks are therefore likely to impact the business, operating result, financial position and reputation of Mobilize F.S. group through its direct business and indirectly through its counterparties (for example, which may impact their default rate).

The mapping of C&E risks, to identify the expected impacts of physical and transition risks, has been established and reinforced by:

i. a materiality analysis to qualify the frequency and potential impact of C&E risks on Mobilize F.S. group overall business and risk categories, before and after mitigation actions.
ii. quantitative studies and sensitivity analyses specific to certain activities and/or portfolios.

Climate & Environmental-related risks cartography



GAP: Guaranteed Asset Protection
CPI: Customer Protection Insurance

The materiality analysis and the quantitative studies lead to the following observations:

The impact on strategic objectives is potentially strong in view of the very high stakes for car manufacturers who must respond to rapidly changing regulations, in particular on the level of vehicle emissions while facing an infrastructure environment under construction and the entry of new players. These transformations represent opportunities for Mobilize F.S. group, financing solutions and services being particularly necessary to support the adoption of electrified vehicles.

The impact on credit risk is perceived as significant in the medium and long term, even if it remains fairly limited in the short term given the breakdown of loans by sector of activity in the corporate financing portfolio. Mobilize F.S. group has little presence in sectors presenting a high transition risk and, with regard to physical risk, the location of Mobilize F.S. group customers does not present excessive geographical concentration.

The impact on vehicle residual values is also an important issue, as regulations and technologies can accelerate the depreciation of certain models; Mobilize F.S. group has limited exposure to this risk at the end of 2022, but the Group's strategy includes an increase in this exposure in the coming years.

The *Risk Appetite Framework* (RAF) includes 4 indicators monitored quarterly by the Risk Committee of Mobilize F.S. group Board of Directors:

1. Reduction of CO2 emissions financed
2. ESG rating of Mobilize F.S. group according to an extra-financial rating agency
3. Mobilize F.S. group penetration rate on electric vehicle sales compared to the penetration rate of other vehicle types
4. Number of commercial offers specific to electric vehicles.

Two of these indicators (#3 and 4) are monitored by brand, customer typology and country. In 2023, they were deployed in the subsidiaries of Mobilize F.S. group .

The indicator 3 was put in place to measure the effectiveness of offers specific to electric vehicles (indicator 4). It is used to animate subsidiaries on climate issues. It is also one of the objectives defined as part of the variable remuneration plan of the main managers of Mobilize F.S. group. This animation could evolve with introduction of new KPIs.

Mobilize F.S. group key tools for identifying, measuring, and managing C&E risks are listed below and further detailed in the Environment (n) and (o) responses of Table 1 - Qualitative Information on Environmental Risk.

- Credit
  - Quantitative and sensitivity analyses on individual portfolios and companies, including SMEs
  - Integration of C&E criteria into the granting process of (i) dealers and (ii) companies
- Liquidity: raising green bonds related to the financing of electric vehicles
- Market: Integration of C&E criteria into investment policy (liquidity reserve management)
- Operational: impact analysis of physical C&E risks on business sites
- Strategic:
  - Indicators monitoring (penetration rate and profitability of financing on Electric Vehicles)
  - Impact analysis of Low Emission Zones in Europe
  - Pricing: By offering regularly pricing incentives, Mobilize F.S. group encourages its customers to switch to electric vehicles in order to accelerate their transition effort

Since 2022, Mobilize F.S. group has implemented a project to evaluate financed emissions of vehicles in portfolio, for all type of clients, at the beginning on its seven main markets then, in 2023, on all the geographic areas the Group is set up:

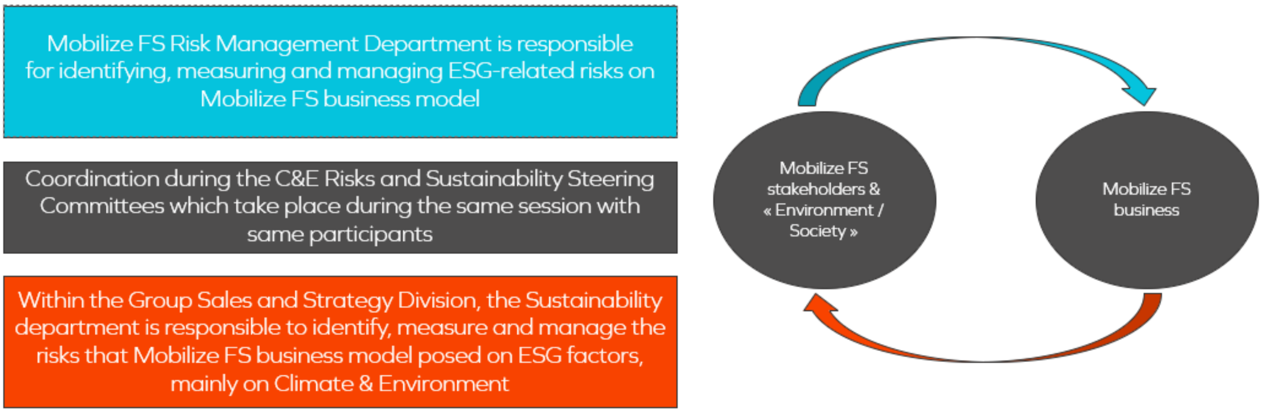
- Electric Vehicles (Battery Electric Vehicles et Plug-in hybrid Electric Vehicles) represent 6,9% of all financed contacts in portfolio
- GHG emissions reach 182 gCO2/km on average (well to wheel) decreasing by -2,9% vs. December 2022. Definitions, assumptions used and methodological evolutions are detailed in the note accompanying the quantitative models.

The template 3 on portfolio alignment metrics, compared to IEA scenario net zero 2050, presents the same indicators limited to the scope of non financial corporate clients.

The governance of climate and environmental risks is based on an organization dedicated:

- The Risk Management Division, with a Climate and Environmental Risks department, develops a global vision of these risks and their impact on the group's various risks: strategic, financial or operational.
- The department Sustainability within Group Sales and Strategy Division has the mission to develop Mobilize F.S. group ESG strategy and, in liaison with the Strategy Division, ensuring its integration into the Renault Group global strategy.
- Since 2021, the governance of climate and environmental risks has been based on a dedicated Committee bringing together all the Group's Divisions.
- The Board of Directors validates the sustainability strategy and the roadmap of GHG emissions reduction. It has the necessary skills, either through specific expertise of its members or through periodic training, to challenge the consideration of climate and environmental issues and the results achieved.

The governance of Mobilize F.S group thus makes it possible to integrate the double materiality, as presented in the diagram below.



Integration of ESG-related risks double materiality into Mobilize FS governance

Mobilize F.S. group has a solid governance in the consideration of ethical rules and compliance through anti-money laundering, conflict of interest management, professional whistleblowing devices. The prevention of internal social risks is also the subject of a dedicated device led by the Group Human Resources Department with the support of the Sustainability team. Several trainings and awareness-raising events have been set up and specific performance indicators are monitored.

The integration of ESG risks into Mobilize F.S group strategy, governance and risk management is detailed in the tables below.

Table 1 - Qualitative information on Environmental risk in accordance with 449a CRR)

	Business strategy and processes	
(a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning	Mobilize F.S. group offers financing solutions on vehicles that meet increasingly stringent environmental criteria, the Group does not finance projects of companies operating in sectors highly exposed to C&E risks. Thus, the strategy of Mobilize F.S. group is part of the ecosystem developed by Renault and Nissan groups around the electric vehicle. Mobilize F.S. group has thus developed a range of services facilitating the adoption of electric vehicles such as (i) the possibility for an Electric Vehicle customer to have a ICE vehicle for a few weeks per year, (ii) to access charging stations in France via a credit card and throughout Europe via a charging pass, (iii) to acquire a home charging station and to finance the installation or (iv) a subscription service for the use of a vehicle, allowing the client to test an electric vehicle over a few months. As part of its commitment to a new form of mobility, more concerned with its ecological footprint, the Group supports electric mobility and thus places emphasis on the development of a robust and accessible charging infrastructure. The gradual development of fast charging stations along highways, in urban areas, and in public parking lots is a priority to facilitate the adoption of electric vehicles. In addition, the group is developing a complete range of services aimed at simplifying and improving the experience of electric vehicle users by integrating complementary services developed by the Mobilize Beyond Automotive entity, such as parking spaces reservation equipped with charging stations, optimized route planning based on vehicle autonomy, payment management, and up-to-date information on the state of infrastructure and their availability. In a phase where the volumes of electric vehicles remain a minority in sales, the group is relying on generally more attractive pricing. With regard to its refinancing strategy, Mobilize F.S. group is diversifying its sources of liquidity with green bonds and green deposits backed by the financing of electrified vehicles, ensuring the transparency of information in order to attract new investors. Mobilize F.S. group carries out a constant regulatory watch to inform itself and anticipate regulatory changes, both banking and related to public policies around transport or automotive and which may constitute a C&E risk of transition on its business model. Discussions take place with Renault Group teams during dedicated committees in which Renault group takes part which make it possible to better anticipate the impact of regulatory changes and to support them. In this context, as vehicle acquisition and financing are linked to regulatory restrictions on access to certain geographical areas (urban areas in particular), Mobilize F.S. group monitors and anticipates the development of Low Emission Zones in Europe in its main countries of activity. These regulatory changes represent a significant strategic challenge on Mobilize F.S. group activity. In 2023, Mobilize F.S. group has set up a tool to calculate carbon emissions for our entire value chain. The results obtained on our own emissions (Scope 1, Scope 2 and Scope 3 upstream) will enable us to define an action plan aimed at reducing our carbon footprint. Mobilize F.S. group interviews its suppliers via its Supplier CSR Questionnaire and integrates their answers into the contracting decision. For more details on the content of the Supplier CSR Questionnaire, see Social response (a). Finally, a Sustainable Procurement Charter was established and includes a section about climate and environment topics. By signing the charter, Mobilize F.S. group suppliers commit to complying with environmental protection regulations, to proposing, where possible, effective solutions in favor of the environment, to applying the best environmental practices of their profession as well as optimize the

		consumption of resources and strive towards reducing the pollution generated by their activities.
(b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	The group follows its exposure to economic sectors and activities that are not in line with the bank's ESG strategy and/or that could impact reputational risks and/or credit risk. To this end, Mobilize F.S. group carries out sectoral monitoring of exposures taking into account ESG factors. Given the current distribution of assets by business sectors, no limit or threshold on these indicators has been deemed necessary at this stage.
(c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	Through its activity of financing electric or hybrid vehicles as well as charging stations, Mobilize F.S. group contributes to the transition towards carbon-free mobility, thus contributing to the objective of mitigating climate change. Mobilize F.S. group participates in the extension of the life cycle of vehicles by offering used vehicle financing with services and buy back commitments (second and third life offers) based on remarketing tools and expertise in estimating residual values. Mobilize F.S. group conducted a preliminary study of the exposure of its operating buildings (offices and data centers) to climate related and environmental hazards. Several sites have been identified as potentially at risk and further complementary studies could be carried out to understand climate and environmental change adaptation issues.
(d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	Since 2022, Mobilize F.S. group developed its approach to analyze the environmental policies of its corporate clients present in sectors with high Climate and Environmental risks. This analysis is currently based on data published by these same counterparties and on their ESG ratings by non-financial rating agencies where they exist. With car dealer customers: (i) Mobilize F.S. group verifies annually, during the review of the financial limits, that the financed assets of dealer customers are insured against physical risks. (ii) Mobilize F.S. group has set up, during the Know Your Customer (KYC) process, an exchange on the physical C&E hazards suffered, in particular concerning the impacts of climate related events on stocks, showrooms or on the activity in general. By offering targeted offers, Mobilize F.S. group encourages its customers to switch to electric vehicles in order to accelerate their transition effort. With « Corporate » customers : As part of the acceptation process of companies with revenues of €50M or more, Mobilize F.S. group set up ESG criteria based on counterparties' NACE code sectors by identifying sectors the more exposed to climate and environnement risks. The exposition score by sector relies on the Moody's investors services ESG study on the 5 categories rated from "low" to "very high": - Carbon transition - Physical climate risks - Water resource management - Waste and pollution - Natural capital (environmental impacts) This assessment leads to two scores: one for the transition risk and the other for the physical risks. For counterparties from sectors identified as the most exposed, on one of the two scores, an ESG analysis is required in the acceptance process. This analysis includes

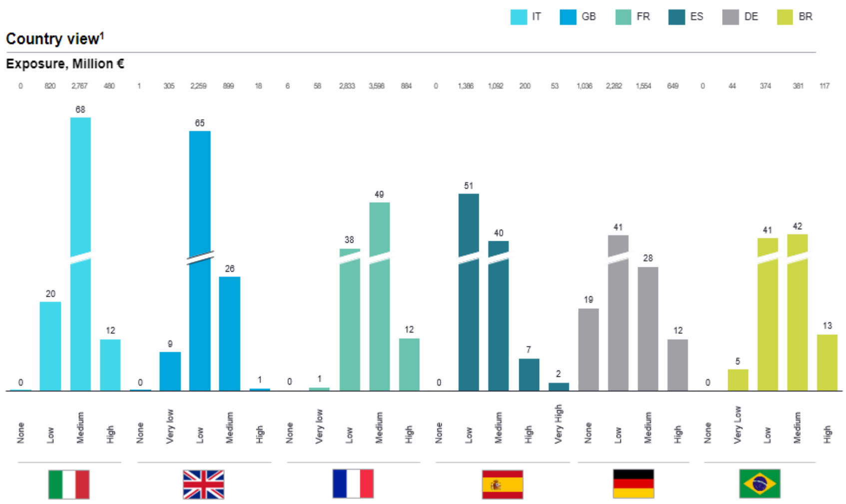
		taking into account ESG rating, ESG policies and objectives defined by the counterparties, etc. By proposing targeted offers, Mobilize F.S. group incentivizes its customers to shift to electric vehicules in order to accelerate their transition efforts.

	Governance	
(e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels	The members of Mobilize F.S. group Executive Committee and Board of Directors have been trained on current and potential C&E risks. Regarding Mobilize F.S. group general governance framework: (i) The Risk Department is responsible for identifying, measuring and managing C&E risks with impact on its business model. (ii) The Sustainability team within the group Sales and Strategy Business Unit, Mobilize F.S. group is responsible for identifying, measuring and managing the impacts that Mobilize F.S. group business model poses to C&E elements. The double materiality is thus clearly defined and is at the heart of Mobilize F.S. group operational governance. Regarding the operational management of C&E projects, responsibilities are shared between several Teams or Departments: Risks, Sustainability, Marketing, Internal Control and Credit are frequently associated. The C&E risk steering committee gathering all the members of the Executive Committee, is systematically informed of the progress of the action plans linked to C&E risks, ensures compliance with risk indicators along with the integration of C&E risks into operational processes. In 2022, the Risk committee of the Board of Directors validated the inclusion of 4 C&E indicators at Mobilize F.S. RAF along with their limit and alert threshold. In 2023, the same committee approved Mobilize F.S. decarbonization trajectory and the Board of Directors validated the environmental strategy including the levers allowing the reduction of financed CO2 emissions.
(f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organizational structure both within business lines and internal control functions	Mobilize F.S. group RAF contains 1 indicator concerning the GHG emissions reduction financed. Mobilize F.S. is committed to achieving Net Zero by 2040, in line with Renault Group objectives.. A trajectory of financed emissions (scope 3 downstream) by 2030 including intermediary milestones was validated by the Board of Directors in 2023. Mobilize F.S. group will measure any deviations in emissions reduction with the ambitions taken. The reduction in financed emissions is itself linked to a second objective, also materialized in the RAF, namely the penetration rate on electric vehicles compared to internal combustion vehicles. This objective allows a monitoring of the commercial performance on electric vehicles. Mobilize F.S. group 3 lines of defense (LoD) are concerned with C&E risk management. Responsibilities have been clearly defined and assigned between the different departments, including risk owners, risks control department, internal control, and internal audit. Internal Audit conducted an independent review of the governance and C&E risk management framework. The conclusions were made mid-December 2022 and corrective actions will be put in place in 2023.

(g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	The roles of Mobilize F.S. group committees in the management of C&E factors and risks have been defined as well as the relationships between the different committees. The C&E Risk Steering Committee is held during the same meeting as the Sustainability Committee, thus making it possible to deal with the same participants on the double materiality of these issues. C&E risk topics are also presented for information or validation to the Risk Committee of the Board of Directors. The Mobilize F.S groups 3 lines of defense (LoD) are involved in C&E risk management. Responsibilities have been clearly defined and assigned between the different departments, including risk owners, risks control department, internal control and internal audit. Mobilize F.S. group has started training its employees with the "Climate Fresk" workshops and will deploy this training for all countries (https://fresqueduclimat.org/). In 2023, 7 employees were trained to become "climate fresk facilitators" and thus roll out this training in different countries (UK, France, Italy and the Netherlands).
(h)	Lines of reporting and frequency of reporting relating to environmental risk	The 4 C&E RAF indicators are integrated into the Risk Reporting and presented quarterly to the Risk Committee of the Board of Directors. These same indicators are also presented to the C&E risk steering committee along with additional analysis. Mobilize F.S. group performance on electric vehicles (penetration rate, profitability of new production) is presented at least quarterly to the Executive Committee. Mobilize F.S. group is developing an internal ESG-dashboard for internal reporting purposes, including several ESG KPIs, including several of the ESG KPIs.
(i)	Alignment of the remuneration policy with institution's environmental risk-related objectives	After a phase of implementation and monitoring of the indicators during 2022, Mobilize F.S. group integrates from 1st January 2023 a dedicated C&E objective in the variable remuneration system.
	Risk Management	
(j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	Mobilize F.S. groups Risk Department carried out a materiality analysis of the physical and transition climate-related risks impacts on "classic" banking risks (credit, market, insurance, operational, strategic, compliance, liquidity, etc.) in the short, medium and long term. This analysis will be updated annually. Mobilize F.S. group RAF has 4 C&E indicators. 3 indicators are currently based on the annual activity while the 4th C&E indicator, based on the reduction of financed greenhouse gas emissions, enables to project the activity and its transformations by 2030.
(k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	Mobilize F.S. group uses the definitions of physical and transition C&E risks drafted by the ECB. C&E risks have been identified as critical risks by Mobilize F.S. group. Mobilize F.S. group took into account the results of the ECB 2022 and ACPR 2020 climate stress tests. In addition, macroeconomic data from the IMF and the World Bank are used in Mobilize F.S. group stress tests and quantitative studies. Moreover, the scenarios of the Network for Greening the Financial System NGFS are used to stress portfolios on retail customers for the 5 main countries of Mobilize F.S. group activity. Finally, the group has also developed its own methodologies, listed below and presented in more details in question (n): * qualitative risk analysis: (A) * quantitative analysis: (B) (B bis) (G) * sensitivity analysis, on credit risks for example: (C) (D) (E) (F) (H) (H bis) * a sector C&E risk score (internal methodology based on sector studies): (D)
(l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to	Mobilize F.S. group carried out an analysis of the materiality of climate risks on the various banking risks (A) by interviewing its risk owners. In addition, various quantitative and sensitivity analysis were carried out on credit risks (B) (B bis) (C) (€(E), market risks (F), strategic risks (G) and operational risks (H) (H bis). These complementary studies helped to support the qualitative materiality analysis, and to identify and measure more precisely the

	environmental risks, covering relevant transmission channels	different activities and portfolios exposed to physical and transition climate risks. Methodologies of analysis (A) to (H bis) are specified in response (n). Thus, on credit risks, the group carried out: (i) on the retail portfolio: a historical analysis of the impact of physical C&E risks on the default rate (B) and a second quantitative analysis of physical and transition C&E risks to NGFS scenarios until 2050 (C). (ii) on the corporate portfolio, including SMEs: an analysis of sensitivity to physical C&E risks and transition to the ECB 2022 and ACPR 2020 scenarios based on a C&E score from an extra-financial rating agency (D). This same analysis made it possible to study the C&E risk of sectoral concentration. (iii) on collateral recovery: a sensitivity study assessed the C&E risk of devaluation of financed assetsts (E). These analysis distinguished between physical and transition C&E risks and methodologies are detailed in response (n) below. In addition, Mobilize F.S. group considers in its acceptation policy towards “Corporate” customers the environmental policies of the companies analyzed and the Sustainalytics’ ESG ratings into KYC process. This information are included in the decision tree applied to this perimeter. Regarding market risks, limited to the management of the liquidity reserve, the materiality of C&E risks is estimated to be low, based on a sensitivity study (F). Mobilize F.S. group has implemented the monitoring of the C&E rating of corporate issuers on the basis of external data with non-binding objectives for the purchase o’ issuers' securities. The instructions for managing the liquidity buffer with regard to C&E information and in addition to traditional information are displayed as follows: (i’ the best rated in C&E will be purchased first, (ii) a concentration limit on average C&E ratings is put in place, (iii) poorly rated in C&E are to be excluded from purchases and (iv) a limit on non-C&E ratings rated in C&E is also implemented. Regarding strategic risks, Mobilize F.S. group has carried out a study on the impact of low emission zones (G) with a focus on France. Regarding operational risks, 2 additional studies enable to identify Mobilize F.S. group activity sites exposed to physical C&E risks in the 36 countries of activity (H) as well as the sites of activity and their fallback sites exposed more precisely to floods, in the 6 main countries of activity (H bis). During its Third-party Integrity Management TIM process, more specifically on its customers, partners and suppliers scope, Mobilize F.S. group has one external compliance analysis tool, Compliance Catalyst from Moody’s, giving access to LexisNexis and Orbis databases on: (i) any convictions of the counterparty on environmental grounds as well as (ii) negative elements reported by the media that may cover environmental elements.
(m)	Activities, commitments and exposures contributing to mitigate environmental risks	The mitigation of C&E risks on credit risks by Mobilize F.S. group is specific according to the portfolio considered: (i) on the SME and Corporate portfolio: Mobilize F.S. group has a non-material exposure to sectors sensitive to C&E risks. Mobilize F.S. group nevertheless monitors sectoral exposures. (ii) on the dealer portfolio: Mobilize F.S. group did not observe geographical over-representation in physical C&E risk areas. (iii) on the individual portfolio: Mobilize F.S. group did not observe an over-representation of the client portfolio in physical C&E risk geographies or any correlation between the client default rate and past climate related events (flood). Strategic C&E risks are mitigated by Mobilize F.S. group by developing new offers and transitioning its business model to low-carbon mobility, enabling it to retain business and customers in the medium and long term. Market C&E risks on the liquidity reserve are mitigated by a small reserve composed mainly

		of sovereign and corporate bonds. Management guidelines based on available C&E information on corporate bonds have also been put in place.
(n)	Implementation of tools for identification, measurement and management of environmental risks	(A) In order to define the impact of physical and transition climate risks on banking risks, Mobilize F.S. group carried out a materiality analysis with its various collaborators: the risk director, risk category managers, internal experts on specific topics and external analysis. Respondents described and assessed the transmission links between C&E risks and banking risks before and after mitigation actions, as well as the frequency and financial intensity of these risks. The results were then calibrated, harmonized and nuanced by the Chief Risk Officer and the Climate Risk Officer. Gross and residual risks could thus be estimated and classified by level of financial impact. The results were then shared with Mobilize F.S. group risk managers. (B)Mobilize F.S. group studied the possible correlation between the physical climatic risks of floods and the default rate between 2010 and 2016 of its individual clients, based on French data on natural disaster regimes (GASPAR database). It was first necessary to reconcile the different types of flooding and their frequency with the address of Mobilize F.S private customers and then study the default rate of customers by geographical areas up to 12 months after the occurrence of physical events. The results are presented in question (o). (B bis) The Think Hazard tool was used for Mobilize F.S groups 5 largest countries of activity to quantify physical C&E risks on the retail individuals portfolio. Think Hazard produces a physical C&E risk evaluation by region, evaluation translated into a score which was then linked to the portfolio via th' clients' zip code. This has then allowed classification of credit exposures by level of C&E physical risks. (C) Mobilize F.S. group also quantified the impact of C&E factors on credit risk retail individuals portfolio using a second methodology. Mobilize F.S. group applied NGFS Network for Greening the Financial System scenarios to quantify the potential impacts of C&E risks on the evolution of the default rate. The study focused on'Mobilize F.S. groups top 5 countries of activity: France, Italy, Germany, Spain and the United Kingdom. The impact of C&E risks on Expected Losses (EL) was estimated by comparing the average default rate with a scenario of high physical and transition risks over 2023-2030 compared to the historical evolution of the default rate since 2008. (D) Mobilize F.S. group quantified the impact of C&E risks on non-financial corporate portfolio credit risks, including SMEs. The evaluation of the exposure to physical and transition risks by sectors from an extra-financial rating agency were used to represent Mobilize F.S group C&E risk exposures and thus calculate the C&E risk of concentration on the corporate portfolio. The scores obtained from the assessments by sector have been converted into a probability of default impact, calibrating these impacts based on the extreme results of the climate stress tests, ACPR 2020 and ECB 2022. (E) The group Mobilize F.S. also conducted a sensitivity analysis to quantify the additional losses for C&E motive when recovering collateral: the financed car. An extreme scenario on a stress of Loss Given Default (LGD), was applied . An average based on a significant drops in sales of on electric motors and on combustion engines was applied on all the car models (F) On the market risks of the liquidity reserve: Mobilize F.S. group has implemented a bi-annual stress test on sovereign and corporate issuers. The quantitative level of stress applied was set to a climate or environmental crisis. (G) The group carried out a business strategy study on the impact of Low Emission Zones (LEZ) on its 5 main countries of activities in Europe according to 3 scenarios by 2030: (i) "Business as Usual" with implementation of LEZ according to announced schedules; (ii) "1.5°C Sufficiency" with the implementation of more proactive LEZ schedules and a reduction in vehicle sales; (iii) Scenario of extremely rapid implementation of LEZ (within 1 or 2 years). On each scenario, the annual sales of new cars, the share of electric vehicles among these sales, the use of the car and the schedules for the implementation of LEZ and their level of restriction were simulated. Finally, the annual evolution of the vehicle fleet (in size and composition) was modeled on the 5 countries with several assumptions on the lifespan of a car in the Mobilize F.S group portfolio, on the decrease in sales of diesel vehicles and on the increase in the weight of the electric vehicle.

		(H) Mobilize F.S. group carried out a study to quantify physical C&E risks in the 36 countries of activity of the group. The analysis quantified the financial impacts on sites considering the following event: (i) rising waters, (ii) overflow and submersion flooding, (iii) temperatures requiring air conditioning, (iv) heat wave (above 35°C rendering air conditioning ineffective), (v) water stress and (vi) cyclones. The time horizon considered is 2050 for floods by submersion, 2030 for others. All events consider the RCP8.5 scenario. (H bis) Mobilize F.S. group carried out a flood risk study of the main sites of activity and fallback sites. The flood risk was chosen because it is the most significant physical risk for Mobilize F.S. group. The study focused on (i) the distance between the primary site and the fallback site and their proximity to a river (or equivalent); (ii) identification of sites within a flood danger zone (source: WRI Aqueduc flood risk -: https://www.wri.org/data/aqueduct-floods-hazard-maps), using a pessimistic approach to a millennial flood in 2080; (iii) the measurement of the difference in altitude between Mobilize F.S. group sites and the nearest river. The objective was to determine whether the primary sites are at risk of flooding and whether the fallback site would also be flooded during the same event.
(o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity profile	(A) The materiality analysis highlighted that the main risks for Mobilize F.S. group are (i) credit risks, (ii) residual value risks and (iii) strategic risks, all induced by physical and transition C&E risks. The transmission of climate risks to these banking risks is describedin response (r). (B) Following the historical analysis of the impact of the flo'ds on Mobilize F.S. group retail client portfolio, it follows that the 12-month default rate does not appear to be correlated with the occurrence of a physical event. Thus, the historical default rate of customers affected by flooding oscillates around the default rate of customers not affected by flooding. Mobilize F.S. group has concluded that physical climate risks have historically had a low materiality for its retail clients. Nevertheless, this analysis is based on historical data that does not predict future events because of climate change. Mobilize F.S. group remains vigilant on this subject and has therefore carried out a complementary study (C) presented below. (Bis) The geographical study with the Think Hazard tool on the retail individuals portfolio concluded that this portfolio is geographically diversified and limitedly exposed to physical C&E risks for the 6 main countries of activity of Mobilize F.S. group The breakdown of outstanding by country on retail individuals portfolio by level of exposures to physical risks is presented below:  1. The "None" category corresponds to the portion of the exposure for which postal code data was missing

(C) Regarding the quantitative study of the C&E impacts on the credit risks of the retail individual portfolio, the work illustrated the impact of the C&E risks on these 5 main countries of activity portfolios by 2030. The impacts of variation in default rates according to the 2 scenarios studied are presented in the table below:

Portfolio impacts	France	Germany	Italy	Spain	United Kingdom
Physical risk scenario	12,6 M€	3M€	No impact	1,9M€	4,6M€
Transition risk scenario	13,6 M€	3M€	No impact	1,9M€	4,7M€

(D) Following the quantitative analysis of the corporate finance portfolio, Mobilize F.S. group identified the sectors most exposed to physical and transition C&E risks. It shows that, thanks to the diversification of its portfolio, Mobilize F.S. Group is not impacted in the short (less than 3 years) and is slightly impacted in the medium term (between 3 and 8 years) by C&E risks on this portfolio of non-financial companies.

(E) The sensitivity analysis on the deterioration of the value of collateral made it possible to calculate an LGD stressed by a C&E scenario. Mobilize F.S. has integrated this quantitative C&E impact into the materiality analysis of C&E risks on credit risks.

(F) Climate and environmental stress applied to the liquidity buffer showed low exposure results, confirming the low materiality of C&E risks on the market risks of the liquidity buffer., the group has identified the sectors most exposed to physical and transition C&E risks. It shows that, thanks to the diversification of its portfolio, Mobilize F.S. is not impacted in the short (less than 3 years) or medium term (between 3 and 5 years) by C&E risks on this portfolio of non-financial companies.

(E) The sensitivity analysis on the deterioration of the value of collateral made it possible to calculate an LGD stressed by a C&E scenario. Mobilize F.S. has integrated this quantitative C&E impact into the materiality analysis of C&E risks on credit risks.

(F) Climate and environmental stress applied to the liquidity buffer showed low exposure results, confirming the low materiality of C&E risks on the market risks of the liquidity buffer.

(G) The business strategy study made it possible to understand the impact of the implementation of LEZ on the obsolescence of Mobilize F.S. group financed vehicle fleet. The size and composition of Mobilize F.S.' groups French car fleet and the potential impacts on the cars sale drops in the 5 main countries of activity, could thus be estimated by 2030 according to the 3 scenarios.

(H) The quantification of physical C&E risks at sites in the 36 Mobilize F.S. group countries identified the buildings most exposed to each event. In particular, flooding poses a threat to several sites.

(H bis) The results of the flood risk geographical analysis show, with a good level of confidence, that Mobilize F.S group primary and fallback sites on its 5 main countries of activity and Brazil would not be flooded at the same time. The study also identified Mobilize F.S. group sites most exposed to flooding.

(p)	Data availability, quality and accuracy, and efforts to improve these aspects	To feed into the identification, measurement and management processes associated with question (l) and the tools presented in question (n), Mobilize F.S. group collects, stores and uses the following data points: (1) greenhouse gas emissions from funded cars. Mobilize F.S. group collects, during financing, the type of engine (electric, hybrid, diesel, gasoline), make, model, year of construction and country of sale. With this information, Mobilize F.S. group searches for vehicle emissions in (i) a Groupe Renault database, for vehicles built by its parent company, and (ii) the European Environment Agency's database for vehicle emission estimates, used

		for other brands vehicles. Mobilize F.S. group thus covers around 75 % of the vehicles financed on all the geographical areas the Group is set up Actions plans are in progress in order to improve the coverage of emissions of vehicles financed. (2) <u>the sector of activity</u>. This data is collected during the implementation of financing by each country and then transferred to the headquarters. This data is used in particular in the sensitivity and corporate concentration analysis (D) and during the granting phase. (3) <u>postal code</u>. This data is fed on the main countries of activity of Mobilize F.S. group, .For the time being, it is not available at Headquarters level on the some countries of activity (Romania, Morocco, Colombia). Action plans are implemented to collect this missing data. (4) <u>counterparties' greenhouse gas emissions</u>. Mobilize F.S. group has this data via CDP.
(q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits	Mobilize F.S. group does not finance projects of companies operating in sectors highly exposed to transition C&E risks but finances vehicles that meet increasingly stringent environmental criteria. Thus, the RAF of C&E risks has been defined according to the business model defined appropriately accordingly to guide its commercial activity and better manage its C&E risks, and provides alert thresholds when: (i) the support for sales of electric vehicles is lower than the rest of the range, (ii) the average financed emissions of the vehicles in the portfolio are not falling at a rate consistent with Net Zero 2040 objective. The limits in place on RAF indicators have been set according to the Renault group's objectives, compared to peers and with regard to historical values of the indicators. The limits have been approved by the Risk Committee of the Board of Directors. The management of environmental risk thresholds and limits in the RAF is no different from the management of other types of risk and in this sense, follows Mobilize F.S. group's risk governance policy. Thus, for each of the 4 RAF C&E risk indicators, definitions, adequate values, alert thresholds (1) and limits (2) have been set. (1) <u>Crossing the alert threshold</u> for one of the C&E risk indicators triggers (i) notification to the Risk Committee of the Board of Directors and (ii) the preparation of an action plan in order to prevent the limit from being reached. (2) <u>Crossing the limit</u> leads to the implementation of the action plan to reduce the risk and thereforeall below the limit.
(r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	**Physical C&E risks** can have significant impacts for Mobilize F.S. group, especially on: (a) <u>Credit risk</u>: Impairment of the creditworthiness and/or value of borrowers' assets that are affected by the direct impact of natural (e.g. floods) or indirect (e.g. sectorial losses due to drought) (b) <u>Operational risk</u>: Business interruption or disruption and loss of efficiency due to multiple factors, including unavailability of offices, employees or computer network (c) <u>Insurance risk</u>: (i) Increased payment of death and disability insurance guarantees due to increased mortality rates; (ii) Higher frequency of spread insurance payments due to unpredictable weather events (e.g. floods) (d) <u>Liquidity risk</u>: Significant and negative effect on liquidity buffers due to high demand for precautionary liquidity following a severe natural disaster (e.g. withdrawals from savings to recover from floods) **Transition C&E risks** can have a strong impact on Mobilize F.S. group, especially on: (a) <u>Strategy risk</u>: Loss of volumes due to new regulations on car use (e.g. restrictions on access to cities)

		(b) Credit risk: Increase in defaults by companies operating in sectors negatively impacted by climate related and environmental factors and with no possibility to adapt their business model. (c) Liquidity risk: (i) Loss of deposits from customers seeking more sustainable opportunities resulting in increased financing costs; (ii) Investors withdraw their funds to encourage green investments if Mobilize F.S. group does not offer such products (d) Reputational risk: higher borrowing rate or volume drops due to Mobilize F.S. groupe ESG rating lower than other banks (e) Risk of Human Resources inadequation: Recruitment difficulties or strong resignation of people seeking to work in a sustainable company (f) Legal and conduct risk: Class actions, including in connection with the use of an internal combustion engine: (g) Residual value risk: Decrease in the residual values of cars (especially internal combustion engine vehicles) with the implementation of new regulations and evolving technologies Regarding market risks: as these activities are limited for Mobilize F.S. group, the risks are mainly based on the management of the liquidity reserve. Mainly composed of Central Bank deposits, sovereign or corporate bonds, the risk of market volatility due to physical and transitional ESG factors and risks was considered low.

Table 2 - Qualitative information on Social risk in accordance with Article 449a CRR

	Business strategy and processes	
(a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	The integration of social risks into financing and investment activities appears indirectly through Mobilize F.S. group's Third-party Integrity Management (TIM) anti-corruption process, including knowledge of possible convictions of counterparties on social grounds, as well as the study of the counterparty's reputation, which may be impacted by media events on social topics. In 2023, workshops were held on mapping social risk mapping with ESG risk mapping. This work contributed to enriching the HR risk map. Indeed, on the elements relating to human capital, it was decided to broaden the risk of inadequacy of human resources to add the human capital component. This enrichment is to be set up in 2024 in the risk mapping. In terms of internal social practices, Mobilize F.S. group deploys 2 areas of intervention (Mobilize F.S. group resources are its own employees): (1) Diversity & Inclusion: Gender equality has been particularly developed through several ongoing complementary programs: (i) "Zero discrimination", (ii) "0% gender pay gap in 2025" with Renault Group, (iii) "40% or above women among managers and directors by 2024" including the monitoring of the male/female ratio in the Management Committees and Executive Committees of 6 countries of activity: France, Italy, Spain, United Kingdom, Germany, Brazil. Employee surveys in which Diversity & Inclusion topics are included are deployed, and the results are presented to Mobilize F.S. group's Executive Committee. The Group Human Resources Division also organizes awareness-raising events and monitors these topics with each country HR Director. The main focus of actions are on the "Gender Equality" for several years since 2023 we began to put a new focus on "Disability" topics. We are integrated in the Renault Group Disability Global Policy launched in 2023. As a first action, implementation of internal disability declaration process has been taken, followed by deployment of dedicated indicators to track the progress of the policy and to track the data, in which Mobilize F.S. France is leading the way (Training of HRBPs, Appointment of

		Disability correspondents in each worksite, Awareness raising events, E-learnings, Strong internal communications). (2) Safety & Care: Mobilize F.S. group pays strong attention to Quality of Life at Work topics. Based on employee surveys, action plans are launched in all countries of activities. Mobilize F.S. group obtained the "Great Place to Work" label in 7 countries of activity: France, Brazil, United Kingdom, Spain, Italy, Argentina, Colombia. Mobilize F.S. group applies its duty of vigilance to its suppliers, by requesting, as part of the contracting process, several social verifications through an approved certifier. The requested checks relate to the fight against illegal work and are imposed by the French Labour Code. They relate in particular to (i) social declarations and the payment of social security contributions and contributions, (ii) the registration of the supplier, (iii) the nominative list of foreign employees, assigned to the execution of the contract, employed by the contracting party and subject to the work permit. In addition, Mobilize F.S. group asks its suppliers, when they are selected, to complete its CSR Supplier Questionnaire covering, among other things, (i) the certifications and labels obtained (ISO or equivalent, LUCIE, BCorp, etc.), (ii) the publication of a CSR report, (iii) the presence of performance indicators and the setting of objectives, (iv) the contribution to sustainable development and the themes of commitment. The answers are integrated into the decision to contract with suppliers.
(b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	In 2023, as part of the acceptance process for corporate counterparties, Mobilize F.S. group integrated an ESG assessment including an analysis of social risks via ESG ratings. Regarding its internal social strategy, Mobilize F.S. group has set itself several objectives and monitors them with defined indicators: (1) Diversity & Inclusion: Mobilize F.S. has set itself 2 long-term objectives: "0% gender pay gap in 2025" and "40% or above women among managers and directors by 2024". See answer (a) for details. (2) Safety & Care: Mobilize F.S. group obtained the "Great Place to Work" label in 2023 in 7 countries of activity: France, Brazil, United Kingdom, Spain, Italy, Argentina and Colombia.
(c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	Mobilize F.S. as part of the anticorruption analysis process of the counterparties (Third Party Integrity Management - TIM), the analysts have information on possible convictions for social reasons.
	Gouvernance	
(d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to: (i) Activities towards the community and society (ii) Employee relationships and labour standards (iii) Customer protection and product responsability (iv) Human rights	During the counterparties' Third-party Integrity Management (TIM) anti-bribery analysis process, the analyst has information on possible convictions on social grounds. The TIM process is carried out by the Compliance Department and the Departments involved: Finance & Treasury, Credit, Purchasing, Insurance & Services. The analysis makes it possible to identify the level of risk and the level of vigilance to be brought to the file. See question Governance (c).
(e)	Integration of measures to manage social factors and risks	During the TIM process, one external Compliance tool, Moody's Compliance Catalyst provides information on possible convictions on social grounds.

	in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	For the internal employees (at the Headquarter and in the subsidiaries) and for external stakeholders (eg. former employees, suppliers) a whistleblowing process has been set up by Mobilize F.S. group. Directors of Group Compliance and group Internal Control take into account the alerts and carry out possible internal investigations with the Human Resources departments and any other departments deemed necessary (e.g.: Internal Audit).
(f)	Lines of reporting and frequency of reporting relating to social risk	Regarding internal operational social risks, Mobilize F.S. group monitors gender equality indicators calculated by Human Resources: (i) Gender pay gap; calculated by country and for the Group - quarterly (ii) Share of women in local management committees - calculated by country quarterly (iii) Share of women among new recruits - calculated for headquarters and for Mobilize F.S. Group quarterly (iv) Share of women among women managers and directors; calculated for headquarters and for Mobilize F.S. group quarterly (v) Share of women among Key Talents; calculated for Mobilize F.S. group annually These indicators are presented quarterly to the Mobilize F.S. Executive Committee via the Group Human Resources Committee. These indicators are also presented to Groupe Renault, with whom targets are defined for Mobilize F.S. group specific activity. ESG dashboard deployed in 2023 includes internal social risks indicators covering the following themes: employee well-being (number of group entities with “Great Place to Work” certification) as well as diversity and inclusion (number of women occupying positions in “Top management”, gap between male-female salaries and number of solidarity and inclusive mobility solutions proposed).
(g)	Alignment of the remuneration policy in line with institution's social risk-related objectives	Mobilize F.S. group remuneration does not depend on elements relating to social risks.
	Risk Management	
(h)	Definitions, methodologies and international standards on which the social risk management framework is based	During its Third-party Integrity Management (TIM) process, particularly on its customers, partners and suppliers, Mobilize F.S. group has one external compliance analysis tool, Compliance Catalyst from Moody's , giving access to LexisNexis and Orbis database on: (i) any convictions of the counterparty for social reasons as well as (ii) negative elements reported by the media that may cover social elements. Mobilize F.S. group took into account social elements into account in the granting of credit indirectly through the integration of the ESG rating of funded counterparties carried out by an extra-financial rating agency. Mobilize F.S. group has not put in place yet a specific social risk management framework for its counterparties.
(i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	During its Third-party Integrity Management (TIM) process, particularly on its customers, partners and suppliers, Mobilize F.S. group has one external compliance analysis tool, Compliance Catalyst from Moody's, giving access to LexisNexis and Orbis database on: (i) any convictions of the counterparty for social reasons as well as (ii) negative elements reported by the media that may cover social elements. Mobilize F.S. took into account social elements into account in the granting of credit indirectly through the integration of the ESG rating of funded counterparties carried out by an extra-financial rating agency.
(j)	Activities, commitments and assets contributing to mitigate social risk	Regarding its internal social risks, Mobilize F.S. group deploys several programs and action plans to limit Human Resources shortfalls and reputational risks for social reasons. See reply (a) for more details on the actions taken.

		Mobilize F.S. group has not implemented any action to measure or monitor the social risks of its counterparties.
(k)	Implementation of tools for identification and management of social risk	Mobilize F.S. group has not implemented a tool to measure or monitor the social risks of its counterparties.
(l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	Mobilize F.S. group has not put in place a limit on the social risks of its counterparties.
(m)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	In 2023, workshops were held on mapping social risk mapping with ESG risk mapping. This work contributed to enriching the HR risk map. Indeed, on the elements relating to human capital, it was decided to broaden the risk of inadequacy of human resources to add the human capital component. This enrichment is planned for 2024 in the risk mapping.

Table 3 - Qualitative information on Governance risk in accordance with Article 449a CRR

	Governance	
(a)	Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	The integration of governance risks into financing and investment activities is present indirectly through: (1) the Know Your Customer (KYC) process which feeds into AML-CFT Anti-Money Laundering and Terrorist Financing analyses and sanctions for all clients-natural and legal persons. Mobilize F.S. group employees are trained in the AML-CFT. (2) and the Third-party Integrity Management TIM anti-corruption process required by the French law named "Sapin 2" in particular, which is carried out only on the most significant customers-legal entities and dealers. This same type of analysis is carried out for suppliers, banks, insurance partners with slight differences according to the specificities of third parties. As part of this TIM analysis, a local or central function of Mobilize F.S. group may request External Due Diligence on a counterparty which will then always be initiated by the Group Compliance Department with Renault Group. These 2 processes make it possible to determine a level of risk, leading to an appropriate decision-making process and a level of vigilance to be brought to the counterparty. They are carried out at the beginning of the relationship with the counterparty and then during the business relationship according to a frequency defined in the procedures and according to the level of vigilance determined. The responsibilities for verifying these elements of governance risks of counterparties, including retail and corporate clients, are distributed among the different business lines concerned, both at group level and at local level. Depending on the level of vigilance, the opinion and/or validation of the local and/or central compliance function is required. The Chief Compliance Officer CCO has veto power over third parties at high risk of corruption. Finally, Mobilize F.S. group has internal processes to: (1) manage professional whistleblowing (e.g. a crime, non-compliance with regulations or a breach of code of conduct) and protect whistleblowers; (2) manage conflicts of interest between Mobilize F.S. group employees and its counterparts, in several stages: (i) identification potential conflicts of interest according to several criteria such as the frequency of relationship with the counterparty, the position of the employee in the hierarchy of Mobilize F.S. group, and his personal, professional or extra-professional links with the counterparty, (ii) declaration of the conflict of interest by the employee spontaneously or annually (for managers in particular), and commitment statement (for new employees and employees in charge of loans

		(iii) processing: spontaneous and annual declarations are analyzed and remedial actions are put in place, for example limiting the employee's participation in the business relationship process with the counterparty, (iv) monitoring and recording of conflicts of interest detected. The committees: Steering of the Compliance risks within Mobilize F.S. Group is monitored by the following bodies: The Ethics, Compliance and Internal Control Committee at the Group level, attended by all members of the Executive Committee of RCIBS, defines and validates the Group policy in Compliance matters, examines group projects relating to Compliance and supervises any observed shortfalls and the corresponding remedial plans. It is in particular responsible for supervising the risk of corruption and unethical conduct, risk of money laundering & the financing of terrorism and the risk of internal/external fraud (other than credit-related fraud). The Risks Committee of the Board of Directors supervises critical non-compliance risks of Mobilize F.S. Group, such as the risk of money laundering and the financing of terrorism, the personal data protection risk, the customer protection risk, and risks associated with prudential regulations in banking matters. Third party risk Committee that, through Procurement department and following TIM analysis, takes the decision to keep or stop a relationship with a third party rated “low risk” (Green flag”) or in medium risk (“Orange flag”). In case of a risk rated “high” (“Red flag”), an opinion/arbitration from Group Risk Director and/or from Group Compliance Director is required. The professional alert processing committee is chaired by the Group Compliance Director and has the main missions of processing and instructing professional alerts, establishing facts, evaluating damages suffered and the responsibility of actors, recommending corrective actions (internally or externally), ensuring the implementation of any sanctions decided, acting in strict compliance with confidentiality obligations in the processing of files and the protection of whistleblowers in line with applicable regulations, validating the closure of alerts in the system. This closure is formalized in the Committee’s report. New product/product committee analyzes compliance risks upstream of the launch of each new product, project, activity or process, in order to define an adequate device in compliance with regulatory expectations. Members of the Executive Committee participate in the final phase of the committee.
(b)	Institution's accounting of the counterparty's highest governance body’s role in non-financial reporting	Mobilize F.S. group takes governance elements into account in its lending indirectly through the integration of the ESG rating of counterparties provided by an extra-financial rating agency.
(c)	Institution's integration in governance arrangements of the governance performance of their counterparties including: (i) Ethical considerations (ii) Strategy and risk management (iii) Inclusiveness (iv) Transparency (v) Management of conflict of interest (vi) Internal communication on critical concerns	Mobilize F.S. Group evaluates and selects its counterparties (see question (a) for the scope) according to: (i) taking into account ethical rules and regulatory obligations in terms of compliance: Mobilize F.S. group systematically applies its KYC and Anti-Money Laundering and Countering the Financing of Terrorism (AML-CFT) (including sanctions) processes as well as its Third-party Integrity Management TIM anti-corruption process which is based on analyses conducted by Mobilize F.S. group or an external independent service provider. These processes aim to identify potential risks of corruption, fraud, money laundering, financing of terrorism or other unethical crimes, as well as risks associated with international sanctions programs. The TIM process and KYC also provides for the identification of possible convictions and the evaluation of the reputation of the counterparty, particularly in the media, these 2 elements may be impacted by the third party's ESG practices or factors. TIM analysis is carried out at the group or local level by the divisions according to their scope and counterparties (suppliers/service providers, insurance partners and bank dealers)”.

		(iv) their transparency: as part of the KYC / LAB-FT process and the TIM process, Mobilize F.S. group systematically seeks beneficial owners, in other words, any natural person directly or indirectly owning more than 25% of the capital or voting rights as well as any person exercising control over the management or management bodies of the considered counterparty. Mobilize F.S. group also seeks the shareholding structure, as well as possible PEP Politically Exposed Persons among the effective beneficiaries of the counterparty and managers of the company. (v) their management of conflicts of interest: Mobilize F.S. group has internal processes for managing its own conflicts of interest with its counterparties, see answer (a) for more details. Governance items (ii), (iii) and (vi), as defined by qualitative Pillar III ESG, are not currently formalized in Mobilize F.S. group risk management processes, however these elements may be taken into account as appropriate
	Risk Management	
(d)	Institution's integration in risk management arrangements the governance performance of their counterparties considering: (i) Ethical considerations (ii) Strategy and risk management (iii) Inclusiveness (iv) Transparency (v) Management of conflict of interest (vi) Internal communication on critical concerns	Operationally: (1) the KYC process collects several information including those allowing AML-CFT analyses, asset freezing and embargo sanctions. The sector of activity and its geographical location as well as the nature of the transactions with the client are studied in particular to determine the level of risk. The beneficial owners, as well as any person exercising control over the management or management bodies, for a client who is a legal person, shall also be identified. (2) The TIM process shall take place in several phases, considering the different integrity criteria defined in the procedures, with the objective of assessing the level of integrity of the third party. Mobilize F.S. group has several tools, used systematically, to identify the risks of its counterparties, including: the classification of corruption risks by country where Mobilize F.S. group operates and by sector of activity established by Groupe Renault; a corruption risk scoring system based on the type of counterparty analyzed; external compliance tools providing access to information on possible convictions, including on ESG topics, such as Moody's Compliance Catalyst . Finally, TIM procedures define a decision tree according to the level of risk of the counterparty.

Introduction to quantitative tables

Scope
The tables presented below illustrates the data on Mobilize F.S. group

Maturity
The residual maturity presented in tables 1, 4 et 5 are shown in number of months.

Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

	Sector/subsector	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions						
1	**Exposures towards sectors that highly contribute to climate change***	18 361	14	1 196	751	278	-216	-38	-134	1 639 976	1 639 976	0%	18 329	32	0	0	*11,2*
2	A - Agriculture, forestry and fishing	86	0	5	5	3	-3	0	-2	14 502	14 502	0%	85	1	0	0	31,6
3	B - Mining and quarrying	9	1	1	1	0	0	0	0	1 450	1 450	0%	9	0	0	0	26,2
4	*B.05 - Mining of coal and lignite*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*6*	*6*	*0%*	*0*	*0*	*0*	*0*	*10,0*
5	*B.06 - Extraction of crude petroleum and natural gas*	*1*	*1*	*0*	*0*	*0*	*0*	*0*	*0*	*200*	*200*	*0%*	*1*	*0*	*0*	*0*	*20,9*
6	*B.07 - Mining of metal ores*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*17*	*17*	*0%*	*0*	*0*	*0*	*0*	*23,1*
7	*B.08 - Other mining and quarrying*	*6*	*0*	*1*	*1*	*0*	*0*	*0*	*0*	*1 064*	*1 064*	*0%*	*6*	*0*	*0*	*0*	*26,5*
8	*B.09 - Mining support service activities*	*2*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*163*	*163*	*0%*	*2*	*0*	*0*	*0*	*29,2*
9	C - Manufacturing	962	1	65	106	25	-22	-1	-8	111 706	111 706	0%	957	5	0	0	26,6
10	*C.10 - Manufacture of food products*	*160*	*0*	*9*	*11*	*5*	*-5*	*0*	*-2*	*20 780*	*20 780*	*0%*	*159*	*1*	*0*	*0*	*26,5*
11	*C.11 - Manufacture of beverages*	*16*	*0*	*1*	*1*	*0*	*0*	*0*	*0*	*1 987*	*1 987*	*0%*	*16*	*0*	*0*	*0*	*24,7*
12	*C.12 - Manufacture of tobacco products*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*26*	*26*	*0%*	*0*	*0*	*0*	*0*	*21,5*
13	*C.13 - Manufacture of textiles*	*25*	*0*	*1*	*1*	*1*	*-1*	*0*	*0*	*2 962*	*2 962*	*0%*	*25*	*0*	*0*	*0*	*29,1*
14	*C.14 - Manufacture of wearing apparel*	*13*	*0*	*0*	*1*	*1*	*-1*	*0*	*0*	*1 136*	*1 136*	*0%*	*13*	*0*	*0*	*0*	*29,9*
15	*C.15 - Manufacture of leather and related products*	*7*	*0*	*1*	*0*	*0*	*0*	*0*	*0*	*727*	*727*	*0%*	*7*	*0*	*0*	*0*	*30,3*
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufa*	*32*	*0*	*2*	*2*	*1*	*-1*	*0*	*0*	*4 019*	*4 019*	*0%*	*32*	*0*	*0*	*0*	*30,7*
17	*C.17 - Manufacture of pulp, paper and paperboard*	*7*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*594*	*594*	*0%*	*7*	*0*	*0*	*0*	*26,8*
18	*C.18 - Printing and service activities related to printing*	*24*	*0*	*2*	*1*	*1*	*-1*	*0*	*0*	*2 565*	*2 565*	*0%*	*24*	*0*	*0*	*0*	*29,9*
19	*C.19 - Manufacture of coke oven products*	*2*	*1*	*0*	*0*	*0*	*0*	*0*	*0*	*330*	*330*	*0%*	*2*	*0*	*0*	*0*	*17,1*
20	*C.20 - Production of chemicals*	*23*	*0*	*3*	*6*	*1*	*-1*	*0*	*0*	*2 894*	*2 894*	*0%*	*23*	*0*	*0*	*0*	*26,8*
21	*C.21 - Manufacture of pharmaceutical preparations*	*5*	*0*	*1*	*0*	*0*	*0*	*0*	*0*	*417*	*417*	*0%*	*5*	*0*	*0*	*0*	*26,0*
22	*C.22 - Manufacture of rubber products*	*27*	*0*	*2*	*2*	*1*	*-1*	*0*	*0*	*2 695*	*2 695*	*0%*	*27*	*0*	*0*	*0*	*27,9*
23	*C.23 - Manufacture of other non-metallic mineral products*	*26*	*0*	*2*	*2*	*1*	*-1*	*0*	*0*	*3 423*	*3 423*	*0%*	*26*	*0*	*0*	*0*	*29,5*
24	*C.24 - Manufacture of basic metals*	*8*	*0*	*1*	*0*	*1*	*0*	*0*	*0*	*874*	*874*	*0%*	*8*	*0*	*0*	*0*	*26,2*
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	*130*	*0*	*11*	*6*	*4*	*-3*	*0*	*-1*	*15 670*	*15 670*	*0%*	*130*	*1*	*0*	*0*	*30,6*
26	*C.26 - Manufacture of computer, electronic and optical products*	*21*	*0*	*2*	*1*	*0*	*0*	*0*	*0*	*2 107*	*2 107*	*0%*	*21*	*0*	*0*	*0*	*27,3*
27	*C.27 - Manufacture of electrical equipment*	*23*	*0*	*2*	*1*	*0*	*0*	*0*	*0*	*2 271*	*2 271*	*0%*	*23*	*0*	*0*	*0*	*29,2*
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	*64*	*0*	*4*	*3*	*2*	*-1*	*0*	*0*	*7 268*	*7 268*	*0%*	*64*	*0*	*0*	*0*	*29,8*
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	*102*	*0*	*7*	*41*	*0*	*-1*	*0*	*0*	*7 466*	*7 466*	*0%*	*102*	*0*	*0*	*0*	*10,3*
30	*C.30 - Manufacture of other transport equipment*	*8*	*0*	*0*	*1*	*1*	*0*	*0*	*0*	*1 197*	*1 197*	*0%*	*8*	*0*	*0*	*0*	*24,6*
31	*C.31 - Manufacture of furniture*	*30*	*0*	*2*	*2*	*1*	*-1*	*0*	*0*	*3 293*	*3 293*	*0%*	*30*	*0*	*0*	*0*	*30,6*
32	*C.32 - Other manufacturing*	*36*	*0*	*4*	*1*	*0*	*-1*	*0*	*0*	*3 235*	*3 235*	*0%*	*36*	*0*	*0*	*0*	*30,4*
33	*C.33 - Repair and installation of machinery and equipment*	*171*	*0*	*7*	*24*	*3*	*-3*	*0*	*-1*	*23 769*	*23 769*	*0%*	*170*	*2*	*0*	*0*	*28,2*
34	D - Electricity, gas, steam and air conditioning supply	94	12	17	9	1	-1	0	0	11 273	11 273	0%	94	0	0	0	20,3
35	*D35.1 - Electric power generation, transmission and distribution*	*48*	*11*	*13*	*8*	*1*	*-1*	*0*	*0*	*3 254*	*3 254*	*0%*	*48*	*0*	*0*	*0*	*21,5*
36	*D35.11 - Production of electricity*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0%*	*0*	*0*	*0*	*0*	*0,0*
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	*2*	*1*	*1*	*0*	*0*	*0*	*0*	*0*	*144*	*144*	*0%*	*2*	*0*	*0*	*0*	*33,2*
38	*D35.3 - Steam and air conditioning supply*	*44*	*0*	*4*	*1*	*0*	*0*	*0*	*0*	*7 875*	*7 875*	*0%*	*44*	*0*	*0*	*0*	*18,3*
39	E - Water supply; sewerage, waste management and remediation activities	91	0	8	10	2	-2	0	-1	8 049	8 049	0%	91	0	0	0	30,6
40	F - Construction	1 416	0	77	166	49	-39	-4	-22	281 342	281 342	0%	1 406	10	0	0	30,9
41	*F.41 - Construction of buildings*	*207*	*0*	*9*	*18*	*13*	*-9*	*-1*	*-6*	*36 304*	*36 304*	*0%*	*204*	*2*	*0*	*0*	*30,0*
42	*F.42 - Civil engineering*	*169*	*0*	*9*	*33*	*6*	*-6*	*-1*	*-3*	*34 752*	*34 752*	*0%*	*169*	*0*	*0*	*0*	*25,8*
43	*F.43 - Specialised construction activities*	*1 040*	*0*	*59*	*115*	*30*	*-25*	*-3*	*-13*	*210 285*	*210 285*	*0%*	*1 032*	*7*	*0*	*0*	*31,9*
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	14 832	0	931	337	144	-121	-30	-82	1 078 032	1 078 032	0%	14 824	9	0	0	7,1
45	H - Transportation and storage	543	0	49	90	34	-15	-2	-12	94 297	94 297	0%	539	4	0	0	25,3
46	*H.49 - Land transport and transport via pipelines*	*350*	*0*	*19*	*54*	*29*	*-13*	*-2*	*-10*	*57 817*	*57 817*	*0%*	*346*	*3*	*0*	*0*	*25,7*
47	*H.50 - Water transport*	*2*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*309*	*309*	*0%*	*2*	*0*	*0*	*0*	*31,2*
48	*H.51 - Air transport*	*1*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*271*	*271*	*0%*	*1*	*0*	*0*	*0*	*25,7*
49	*H.52 - Warehousing and support activities for transportation*	*161*	*0*	*28*	*32*	*4*	*-2*	*0*	*-1*	*31 608*	*31 608*	*0%*	*161*	*0*	*0*	*0*	*23,6*
50	*H.53 - Postal and courier activities*	*28*	*0*	*1*	*3*	*1*	*-1*	*0*	*0*	*4 292*	*4 292*	*0%*	*28*	*0*	*0*	*0*	*29,6*
51	I - Accommodation and food service activities	173	0	21	14	9	-5	0	-4	22 898	22 898	0%	171	2	0	0	31,2
52	L - Real estate activities	155	0	22	13	11	-7	0	-4	16 427	16 427	0%	155	1	0	0	26,6
53	**Exposures towards sectors other than those that highly contribute to climate change***	3 709	0	416	761	134	-94	-14	-58	843 412	843 412	0%	3 696	12	0	0	22,3
54	K - Financial and insurance activities	11	0	1	2	1	-1	0	-1	29 967	29 967	0%	10	1	0	0	18,5
55	Exposures to other sectors (NACE codes J, M - U)	3 698	0	415	758	133	-93	-14	-57	813 445	813 445	0%	3 686	12	0	0	22,4
56	TOTAL	22 070	14	1 612	1 511	412	-310	-52	-192	2 483 388	2 483 388	0%	22 026	44	0	0	13,1

* In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Methodology linked to financed emissions calculations

The Mobilize F.S group almost exclusively finances vehicles (private vehicles and light commercial vehicles).
In this respect, the emissions financed are evaluated according to the emissions of the vehicle(s) financed from databases made available by the manufacturers or from external databases listing the technical information relating to vehicles registered in Europe (databases of the European Environment Agency). Emissions financed are not indicated in proportion to the emissions recorded by the counterparties (disclosed or estimated). For this reason, 0% has been systematically indicated in the column GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting.

Financed emissions are reported using the PCAF methodology, section 5.6 Motor Vehicles Loans, as a reference. The emissions financed consist of the greenhouse gas emissions of the vehicles financed in the portfolio, based on an average annual mileage, focusing on the usage phase. All types of contracts (credit or leasing) are processed according to the same methodology.

The average mileage used is aligned with the Renault group's statistics on vehicle lifespans and the total mileage considered. These elements were modified in 2023 in order to take into account a car average lifespan of 15 years and a total mileage of 200 000 km on its lifespan.

The usage phase is made up of vehicles emissions “well to wheel”, which includes:
- Emissions related to the combustion of fuels during the movement of internal combustion engines and hybrid vehicles (tailpipe - tank to wheel)
- Emissions related to the electricity consumption of electric and hybrid vehicles (well to socket)
- Emissions related to the production and delivery of fuels (well to tank)

Tailpipe emissions mainly come from gCO_2/km data communicated by Renault Group to Mobilize F.S group or from the databases of the European Environment Agency (EEA).
The manufacturers' databases make it possible in most cases to establish an exact match between a vehicle, through its identification number, and the individual CO_2 data.
The EEA databases were used to establish average values by model, country, engine, year of sale.

Emissions related to electricity consumption are calculated according to the same principles as tailpipe emissions, either directly from manufacturer databases or from averages established from EEA databases. Emission factors related to electricity generated by country (average CO_2 per kWh) are also taken into account. These data are aligned with the emission factors used by Renault Group.

Emissions linked to the production and transportation of fuels were considered according to the country and the fuels of the vehicles financed. These detailed coefficients are aligned with Renault Group assumptions.

Emission data have been completed for approximately 75% of active contracts in the portfolio at the end of December 2023 of which about 85% for the 7 main countries of activity. The remaining 25% could not be identified in the absence of technical data related to the vehicles financed (identification numbers, brands and models in particular). The improvement of completeness of emissions calculations is part of action plans that should be seen in future Pillar 3 disclsoures.

In 60% of the cases, the tailpipe data of gCO_2/km were obtained from the databases provided by the Renault group. In 15% of cases, these same data were obtained from external EEA databases.

Greenhouse gas emissions related to vehicles constitute all the emissions financed, and are, for the moment, classified in scope 3. The next Pillar 3 on ESG risks will reflect possible modifications to the classification of scopes as well as possible methodological developments.
In particular, it is planned to enrich the calculation of financed emissions by adding emissions related to the production and end of life of vehicles and batteries, in order to give a complete view of the emissions related to the life cycle of the vehicles financed.

NACE sector codes

NACE sector codes are available in internal databases at the level of a letter and 3 digits, for example D.351. The line concerning sector D35.11 is therefore not filled in.
Segment G presented in this template includes financing of Renault and Nissan dealership inventories (NACE code G45). This financing is very short-term, with an average residual maturity of less than 6 months.

Exposures to companies excluded from the EU Paris-aligned Benchmarks

The evaluation of the alignment of Corporate customers with the Paris Benchmarks was carried out manually using the NACE sector codes of the customers and information made available in disclosures or websites.

In order of priority, companies with exposures greater than 100k€ were assessed,then exposures greater than €50k depending on the availability of information. All counterparties for which the assessment was not possible were considered by default as non-aligned.

As Mobilize F.S. group never finances real estate, template 2 is not completed as non applicable.

Template 3: Banking book - Climate change transition risk: Alignment metrics

	a	b	c	d	e	f	g
	Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric	Year of reference	Distance to IEA NZE2050 in % ***	Target (year of reference + 3 years)
1	Automotive	Automotive	22 070	gCO2 / km	2023 - 195,5	-84,4%	trajectory under construction
				Share of PHEV BEV and FCEV	2023 - 6,8%	-89,3%	

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

In line with the financed emissions methodology, the table on portfolio alignment presents the entire portfolio under the “automotive industry” sector, as Mobilize F.S group financing are allocated to vehicles.
The alignment indicators therefore include the following indicators from the IEA NZE2050 scenario:

- -gCO2/km
- -share of BEV, PHEV, FCEV (PHEV = plug-in hybrid electric vehicle; BEV = battery electric vehicle; FCEV = fuel cell electric vehicle)

The reference indicators of the IEA NZE2050 scenario used (WorldEnergyOutlook2021 ‑ table 1.2 ⊳ Selected indicators in the Net Zero Emissions by 2050 Scenario) are for 2030

- -gCO2/km: 106
- -share of BEV, PHEV, FCEV: 64%.

The distance of the Mobilize F.S group portfolio indicators is measured against these values
Note that the figures at the end of December 2023 do not include FCEV, as these vehicles are not financed by Mobilize F.S group.

The average gCO2/km is shown “well to wheel” aligned with the methodology of financed emissions presented in template 1.

The internal objectives announced by Mobilize F.S group, in line with Renault Group objectives, are to achieve carbon neutrality by 2040 in Europe. The intermediary objectives, between now and 2040, are also built in coherence with Renault Group. The translation of the carbon neutrality objectives into gCO2/km indicators and share of BEV, PHEV, FCEV will be communicated in future Pillar 3 ESG publications. Internally, Mobilize F.S group has favored monitoring the weight of BEVs, excluding PHEVs, thus aligning with the taxonomy criterion of climate change mitigation (section 6.5 – transport by motorbikes, passenger cars and light commercial vehicles) by 2026.

As an indication, with a constant 2023 methodology, the average gCO2/km of Mobilize F.S. Group portfolio on the non-financial corporates scope as of December 2022, amounts to 197.3 gCO2/km. The average value at the end of December 2023 for this scope represents, therefore, a slight decrease (-0.9%) vs. 2022, less significant than the decrease obesreved on total portfolio of financing to households and corporate (-2,9%)

Template 4: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

	a	b	c	d	e
	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	0,6	0,003%	0,3	16,0	1

*For counterparties among the top 20 carbon emitting companies in the world

References used to complete this template are TopTwenty Rank 1965-2017 Climate Accountability Institute and CDP - Carbon-Majors-Report-2017. Counterparties present in these 2 lists and financed by Mobilize F.S group have been reported. Only 1 counterpary has been identified in the TOP 20 of carbon intensive firms. The total exposure to this counterparty is limited.

Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	86	68	1	0	0	22,8	63	52	46	5	3	-2	0	-2
2	B - Mining and quarrying	9	9	0	0	0	19,3	9	8	7	1	0	0	0	0
3	C - Manufacturing	962	634	5	0	0	19,8	579	511	451	105	14	-10	-1	-8
4	D - Electricity, gas, steam and air conditioning supply	94	66	0	0	0	18,1	65	63	62	9	1	-1	0	0
5	E - Water supply; sewerage, waste management and remediation activities	91	44	0	0	0	21,6	42	30	28	10	1	-1	0	-1
6	F - Construction	1 416	1 193	9	0	0	22,2	1 061	942	801	163	43	-28	-4	-21
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	14 832	11 231	8	0	0	6,0	9 700	7 927	6 388	312	98	-60	-5	-37
8	H - Transportation and storage	543	471	4	0	0	17,4	439	338	303	89	34	-14	-2	-11
9	L - Real estate activities	155	113	1	0	0	20,0	97	98	82	12	9	-5	0	-4
10	Loans collateralised by residential immovable property														
11	Loans collateralised by commercial immovable property														
12	Repossessed colalterals														
13	Other relevant sectors (breakdown below where relevant)														

The classification of loans and advances exposed to physical risks was established based on the assessment of exposure to natural disasters by region presented on the ThinkHazard website.
The following events were taken into account:
- floods (related to rivers, seas and oceans or rainfalls), fires, landslides, tsunami representing the events qualified as acute
- water stress and heat wave representing the events qualified as chronic

For each type of natural disaster, a score was assigned, by region, based on ThinkHazard's assessment (very low, low, moderate, high). Two averages were then established for acute and chronic events. From these averages, the regions are classified as weakly exposed, moderately exposed, highly or very highly exposed. Highly or very highly exposed regions were selected to meet the criteria in Template 5, sensitive to the impact of acute or chronic climate events.

The division by region was made from the regions present under ThinkHazard and allowing the link with the postal codes entered in the internal databases.

Where postcodes for non-financial corporate customers cannot be linked to a ThinkHazard region, the country average is applied. For some countries (Morocco, Romania, Poland, Colombia, Switzerland…) the country average was applied in absence of available and usable post codes for ESG Pilar 3 report. For many countries in the scope, the national average leads to a “highly exposed” classification by default. This explains the relatively high proportion of exposures sensitive to acute and chronic climate.

Template 6: Summary of GAR KPIs

December 2023	KPI			% coverage (over total assets)*
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
GAR stock	5,2%	0,0%	5,2%	50,6%
GAR flow	6,7%	0,0%	6,7%	75,2%

* % of assets covered by the KPI over banks´ total assets

December 2022	KPI			% coverage (over total assets)*
	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	
GAR stock	4,2%	0,0%	4,2%	36,3%
GAR flow	Not available	Not available	Not available	Not available

* % of assets covered by the KPI over banks´ total assets

Taxonomy

A significant part of Mobilize F.S. group efforts in terms of sustainable development is now highlighted by the European regulatation 2020/852 in date of June 18, 2020 completed by the regulation 2023/2486 in date of June 27, 2023 establishing a framework aimed at promoting sustainable investments within the European Union, known as "Taxonomy"

For 2023, Mobilize F.S. group considers that, among its various activities, the following activitiy is eligible for the taxonomy, as a contribution to the objective of mitigating climate change:

- **Transport by motorcycles, passenger cars and utility vehicles (taxonomic code 6.5)**, including activities such as purchase, financing, rental, leasing and operation of passenger and light utility vehicles."

These eligible activities concern both electric and internal combustion engine vehicles; the Group thus complies with the document « Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets » (2022/C 385/01), published on October 6, 2022.

Within this perimeter, activities that make a substantial contribution to the objective in question, do not cause significant harm ("Do Not Significantly Harm or DNSH") to other environmental objectives, and respect minimum guarantees are considered aligned.

Activity 6.5 aligned only involve vehicules emitting less than, 50g of CO2e per kilometer, also known as "low emissions vehicles" in this section.
It is the entire electric vehicles range (EV) and plug-in hybrid vehicules range (PHEV) of all the brands Mobilize F.S. Group finances.

The procedures carried out for the detailed verification of the DNSH criteria and the minimum guarantees are described below.

Method applied to define the scope of the substantial contributing activities
To define the substantial contributing activities eligible related to the vehicule, we conducted analysis on the loans and from advances towards financials companies, non-financial companie, households and local administrations based on the vehicule model et the Groupe motopropulsor technology. The other types of assets were not assessed.

In accordance with note 4, table 1. Assets included in the GAR calculation, Annex VI - Model for ICPs of credit institutions of delegated regulation (EU) 2023/2486 of June 27, 2023, motor vehicle loans to households created before the date of entry into force of the publication obligation are excluded. Only financing contracts to households started after January 1, 2022 are declared eligible and are subject to a study on their alignment.

Climate change adaptation

As part of "TCFD", Renault Group has conducted an assessment of the climate risk and of the vulnerability in order to identify the sites that are susceptible to physical climate risks. The physical climate risks identified were evaluated based on the useful life of the asset concerned and are essentially of three types (extreme heat, water stress and flooding) covered by appropriate action plans. Mobilize F.S. Group carried a review of its sites, including those of IT service providers, in terms of exposure to several extreme weather events (floods, heat waves, water stress, etc.). This assessment was carried out with the assistance of a specialized firm and demonstrated that Mobilize F.S. group sites are not concentrated in areas highly exposed to physical climate risks. For sites identified as vulnerable, this should lead to consideration in business continuity plans.

Transition towards a circular economy

Renault Group eco-design standards applied to the vehicules and batteries allow for frugal use of rare materials, integration of recycled materials, predisposition of the products for dismantling, and end-of-life recycling. Since 2007, 95% of the mass of vehicules Renault Group sold worldwide is recyclable or recoverable. The low emissions vehicules that Mobilize F.S. Group rents or operates have been in circulation after that date.

At the end of the life of the electric vehicules sold by Renault Group, their batteries are collected and directed towards a second life or recycled after a diagnosis of their health status.

Regarding waste management, Renault Group and European factories producing low-emission vehicules prioritize recycling while trying to minimize any landfilling.

Prevention and pollution control

The low emission vehicules that Mobilize F.S. finances, rents or operates are all equipped with tyres in classes of external rolling noise and rolling resistance coefficient that comply with the European requirements set by Regulation EC 661/2009" . The requirements of the Taxonomy going beyond regulatory compliance on this criterion, additional analysis was conducted and demonstrated that most of the tire references originally equipping a low-emission vehicle meet this criterion. However, in spite of all the efforts led, it has not been possible to verify this point for the entirety of the financed vehicules because the information regarding their actual tire fitment is not available. To date, this criteria is considered non operable. This position will be reassessed in the future depending on the availability of the necessary data.

With a homologated noise level greatly lower tha 68dBA, electric vehicles of Renault brands have been respected since 2021 the limits of external noise levels that will be applicable from 2024, thus contributing to the reduction of ambient noise and to the quality of life in urban areas. All the commercialized Renault vehicules in Europe are, therefore, compliant with European regulation 540/2014/EC applicable to vehicles approved since July 2016, which require a maximum of 72 dBA (cf. 2.2.2.3.3).

Verification of the minimum safaguards

As part of the animation of its Vigilance plan, Renault Group continuously ensures the proper completion of reasonable due diligence and remediation procedures necessary to confirm alignment with the following texts:

- United Nations Guiding Principles on Business and Human Rights
- Fundamental Conventions of the International Labour Organization (ILO)
- OECD Guidelines for Multinational Enterprises
- and fundamental rights at work and the International Bill of Human Rights

The treatment of those points are monitored on a monthly basis in Steering committee of Vigilance Plan.

Renault Group delegated Compliance Division in close collaboration with the Legal Division and under the Ethics and Compliance Committee supervision deploys a structured approach aimed at analyzing and ensuring the robustness of its regulatory compliance in a sustainable and anticipatory manner, over a scope of major regulated areas including in particular the themes of "competition" and "corruption".

Renault Group Tax Division ensures compliance, in all countries where it is established, with the tax rules applicable to its activity, in accordance with international conventions and local laws, thanks to an appropriate management system.

To the best of our knowledge, Renault Group was not convicted in 2023 for corruption, tax evasion, and human rights violations or, by a competition authority, for anti-competitive practices.

Template 7: Mitigating actions: Assets for the calculation of GAR

As of December 2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Million EUR	Total gross carrying amount	Disclosure reference date T														
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	43 560	33 057	3 147	3 147	210	0	0	0	0	0	0	33 057	3 147	3 147	210	0
2	**Financial corporations**	265	150	27	27	2	0	0	0	0	0	0	150	27	27	2	0
3	Credit institutions	150	150	27	27	2	0	0	0	0	0	0	150	27	27	2	0
4	Loans and advances	150	150	27	27	2	0	0	0	0	0	0	150	27	27	2	0
5	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	1	0	0		0	0	0	0		0	0	0	0		0	0
7	Other financial corporations	114	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	114	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	41	0	0		0	0	0	0		0	0	0	0		0	0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0		0	0	0	0		0	0	0	0		0	0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0		0	0	0	0		0	0	0	0		0	0
20	**Non-financial corporations (subject to NFRD disclosure obligations)**	11 162	11 160	856	856	43	0	0	0	0	0	0	11 160	856	856	43	0
21	Loans and advances	11 160	11 160	856	856	43	0	0	0	0	0	0	11 160	856	856	43	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	**Households**	32 133	21 747	2 264	2 264	165	0	0	0	0	0	0	21 747	2 264	2 264	165	0
25	of which loans collateralised by residential immovable property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	of which building renovation loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	of which motor vehicle loans	32 133	21 747	2 264	2 264	165	0	0	0	0	0	0	21 747	2 264	2 264	165	0
28	**Local governments financing**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	**TOTAL GAR ASSETS**	43 560	33 057	3 147	3 147	210	0	0	0	0	0	0	33 057	3 147	3 147	210	0
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	**EU Non-financial corporations (not subject to NFRD disclosure obligations)**	7 508															
34	Loans and advances	7 508															
35	Debt securities	0															
36	Equity instruments	0															
37	**Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**	3 092															
38	Loans and advances	3 092															
39	Debt securities	0															
40	Equity instruments	0															
41	Derivatives	225															
42	On demand interbank loans	1 413															
43	Cash and cash-related assets	0															
44	Other assets (e.g. Goodwill, commodities etc.)	4 400															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	16 638															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	281															
47	Central banks exposure	4 838															
48	Trading book	27															
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	5 146															
50	**TOTAL ASSETS**	65 344															

As of December 2022

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Disclosure reference date T-1														
	Million EUR	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	39 743	21 919	2 284	2 284	214	0	0	0	0	0	0	21 919	2 284	2 284	214	0
2	**Financial corporations**	159	52	8	8	1	0	0	0	0	0	0	52	8	8	1	0
3	Credit institutions	121	52	8	8	1	0	0	0	0	0	0	52	8	8	1	0
4	Loans and advances	52	52	8	8	1	0	0	0	0	0	0	52	8	8	1	0
5	Debt securities, including UoP	69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Equity instruments	0	0	0		0	0	0	0		0	0	0	0		0	0
7	Other financial corporations	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	of which investment firms	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	36	0	0		0	0	0	0		0	0	0	0		0	0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0		0	0	0	0		0	0	0	0		0	0
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0		0	0	0	0		0	0	0	0		0	0
20	**Non-financial corporations (subject to NFRD disclosure obligations)**	9 981	9 968	1 087	1 087	79	0	0	0	0	0	0	9 968	1 087	1 087	79	0
21	Loans and advances	9 968	9 968	1 087	1 087	79	0	0	0	0	0	0	9 968	1 087	1 087	79	0
22	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Equity instruments	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	**Households**	29 604	11 899	1 189	1 189	134	0	0	0	0	0	0	11 899	1 189	1 189	134	0
25	of which loans collateralised by residential immovable property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	of which building renovation loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	of which motor vehicle loans	29 604	11 899	1 189	1 189	134	0	0	0	0	0	0	11 899	1 189	1 189	134	0
28	**Local governments financing**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Other local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	**TOTAL GAR ASSETS**	39 743	21 919	2 284	2 284	214	0	0	0	0	0	0	21 919	2 284	2 284	214	0
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	**EU Non-financial corporations (not subject to NFRD disclosure obligations)**	6 501															
34	Loans and advances	6 501															
35	Debt securities	0															
36	Equity instruments	0															
37	**Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**	2 620															
38	Loans and advances	2 620															
39	Debt securities	0															
40	Equity instruments	0															
41	Derivatives	329															
42	On demand interbank loans	1 654															
43	Cash and cash-related assets	0															
44	Other assets (e.g. Goodwill, commodities etc.)	3 110															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	14 213															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	338															
47	Central banks exposure	5 970															
48	Trading book	105															
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	6 413															
50	**TOTAL ASSETS**	60 370															

Template 8: GAR (%)

Stock as of December 2023

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T: KPIs on stock															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
1	**GAR**	54,9%	5,2%	5,2%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	54,9%	5,2%	5,2%	0,3%	0,0%	50,6%
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	75,9%	7,2%	7,2%	0,5%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	75,9%	7,2%	7,2%	0,5%	0,0%	50,6%
3	Financial corporations	56,6%	10,0%	10,0%	0,6%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	56,6%	10,0%	10,0%	0,6%	0,0%	0,2%
4	Credit institutions	99,6%	17,7%	17,7%	1,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	99,6%	17,7%	17,7%	1,1%	0,0%	0,2%
5	Other financial corporations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
6	of which investment firms	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
7	of which management companies	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
8	of which insurance undertakings	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
9	Non-financial corporations subject to NFRD disclosure obligations	100,0%	7,7%	7,7%	0,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	100,0%	7,7%	7,7%	0,4%	0,0%	17,1%
10	Households	67,7%	7,0%	7,0%	0,5%	0,0%						67,7%	7,0%	7,0%	0,5%	0,0%	33,3%
11	of which loans collateralised by residential immovable property	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
12	of which building renovation loans	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
13	of which motor vehicle loans	67,7%	7,0%	7,0%	0,5%	0,0%						67,7%	7,0%	7,0%	0,5%	0,0%	33,3%
14	Local government financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
15	Housing financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
16	Other local governments financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Stock as of December 2022

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T-1: KPIs on stock															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
1	**GAR**	40,6%	4,2%	4,2%	0,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	40,6%	4,2%	4,2%	0,4%	0,0%	36,3%
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	55,2%	5,7%	5,7%	0,5%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	55,2%	5,7%	5,7%	0,5%	0,0%	36,3%
3	Financial corporations	32,5%	5,1%	5,1%	0,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	32,5%	5,1%	5,1%	0,4%	0,0%	0,1%
4	Credit institutions	42,6%	6,7%	6,7%	0,5%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	42,6%	6,7%	6,7%	0,5%	0,0%	0,1%
5	Other financial corporations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
6	of which investment firms	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
7	of which management companies	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
8	of which insurance undertakings	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
9	Non-financial corporations subject to NFRD disclosure obligations	99,9%	10,9%	10,9%	0,8%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	99,9%	10,9%	10,9%	0,8%	0,0%	16,5%
10	Households	40,2%	4,0%	4,0%	0,5%	0,0%						40,2%	4,0%	4,0%	0,5%	0,0%	19,7%
11	of which loans collateralised by residential immovable property	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
12	of which building renovation loans	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
13	of which motor vehicle loans	40,2%	4,0%	4,0%	0,5%	0,0%						40,2%	4,0%	4,0%	0,5%	0,0%	19,7%
14	Local government financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
15	Housing financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
16	Other local governments financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Flows as of December 2022

		q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Disclosure reference date T: KPIs on flows															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total new assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
1	**GAR**	75,2%	6,7%	6,7%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	75,2%	6,7%	6,7%	0,3%	0,0%	75,2%
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	99,7%	8,9%	8,9%	0,4%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	99,7%	8,9%	8,9%	0,4%	0,0%	75,2%
3	Financial corporations	31,9%	7,6%	7,6%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	31,9%	7,6%	7,6%	0,3%	0,0%	0,1%
4	Credit institutions	98,4%	23,6%	23,6%	1,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	98,4%	23,6%	23,6%	1,0%	0,0%	0,1%
5	Other financial corporations	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
6	of which investment firms	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
7	of which management companies	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
8	of which insurance undertakings	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
9	Non-financial corporations subject to NFRD disclosure obligations	100,0%	7,6%	7,6%	0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	100,0%	7,6%	7,6%	0,3%	0,0%	31,9%
10	Households	100,0%	9,9%	9,9%	0,4%	0,0%						100,0%	9,9%	9,9%	0,4%	0,0%	43,1%
11	of which loans collateralised by residential immovable property	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
12	of which building renovation loans	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
13	of which motor vehicle loans	100,0%	9,9%	9,9%	0,4%	0,0%						100,0%	9,9%	9,9%	0,4%	0,0%	43,1%
14	Local government financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
15	Housing financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
16	Other local governments financing	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
17	Collateral obtained by taking possession: residential and commercial immovable properties	0,0%	0,0%	0,0%	0,0%	0,0%						0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

The flows related to loans and advances correspond to new financings (value of new credit or leasing) of Mobilize F.S. group recorded in 2023 and still active in portfolio in December 2023.

In line with the regulation, template 9 will be published in the future publications of Pilier 3 ESG report.

Template 10 - “Other climate change mitigating actions that are not covered in regulation (UE) 2020/852” is not published as Mobilize F.S. Group do not hold any “green” or “sustainable” bonds as assets. Loans were assessed as part of taxonomy and no additional category outside of alignment with taxonomy can be considered as “green” or “sustainable”.

12- OTHER RISKS

1 - RESIDUAL VALUES RISK

RISK FACTORS

Residual value (RV) is the estimated value of the vehicle at the end of the leasing contract. Nevertheless, there are risks of unexpected used car market development, due to offer saturation, occurrence of an economic crisis, political decisions and other factors that could lead to a residual value loss, with a resale price lower than the initial RV.

In the environment Mobilize F.S. Group, there several kinds of risk bearer:

- Mobilize F.S. Group through its subsidiaries- so called direct residual value risk
- The manufacturer (especially in France but also in some other countries at the launch period of a brand-new model)
- The dealer network

In the last 2 cases, the risk is called indirect residual value risk.

After the launch in 2022 of the Mobilize Lease&Co subsidiary dedicated to the Long-Term Leasing activity in direct risk, 2023 must materialize these choices by the progressive installation in the countries of the tools allowing the development of LLD. The decision to make Mobilize a major player in the Long-Term Leasing sector, today the main tool for financing professional fleets and growing rapidly among retail customers.

Moreover, Long-Term Leasing allows to develop a cycle of several lives of the vehicle within Mobilize F.S. group ecosystem and more particularly on the electric vehicle market. Indeed, as Mobilize F.S. group remains the owner, the vehicle can be re-leased in a second and third life and allow to keep maintenance or repair products and other services.

However, the risk exposure has not yet increased significantly because countries such as Germany and France have not Long term Leasing contracts in portfolio for direct risk yet and the countries where LLD has been launched in direct risk do not represent a dominant position. 2024 will mark an evolution in the risk direct split between countries but for the time being the UK still represents, ahead of Brazil, the dominant share for direct risk.

Management principles and processes

The Used car market development, the range of products, the pricing of manufacturers (Renault, Nissan, Dacia) and the remarketing channels among other topics, are strongly monitored to optimize the control of this risk by deciding adequate actions on residual value strategy.

Consequently, as risk is growing with the development of Operative Leasing, Mobilize F.S. Group is driving a prudential provision policy on the existing contracts where regular observations could highlight potential overestimation of the initial RV in comparison with latest the used car market expectation.

Breakdown of residual values risk carried by the Mobilize F.S group

(in millions of euros)	Residual value exposure					Residual Value Provision				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
Corporate segment:	**360**	**476**	**330**	**227**	**208**	**24**	**11**	**6**	**9**	**19**
France	53	0	0	0	0	0	0	0	0	0
European Union (excluding France)	179	91	63	46	205	2	8	4	3	19
Europe excluding European union	128	385	267	179	-	22	4	3	6	-
Retail segment:	**2 996**	**2 030**	**1 780**	**1 583**	**1 727**	**50**	**45**	**41**	**36**	**40**
France	18	1	2	-	-	0	0	0	0	-
European Union (excluding France)	123	11	0	-	1 681	0	0	-	-	36
Europe excluding European union	2 855	2 006	1 765	1 558	-	50	43	39	35	-
Total	**3 356**	**2 506**	**2 110**	**1 810**	**1 935**	**74**	**56**	**47**	**45**	**59**

Voluntary termination risk

In the UK and in Ireland, based on a specific regulation allowing the customer to stop his financing under certain conditions, Mobilize F.S. Group faces a risk on "voluntary termination". The provision covers the potential gap between the net book value when the voluntary termination occurs and the resale value. The total net book value corresponds to the carrying amount of assets held on the balance sheet which are at the end of agreement but are yet to have been disposed of through Mobilize FS remarketing channels.

(in millions of euros)

Total net book value						Voluntary termination provision				
2023	2022	2021	2020	2019		2023	2022	2021	2020	2019
18	10	4	4	4		35	67	63	53	40

Residual values risk not carried by the Mobilize F.S group

(in millions of euros)	Residual Value Exposure				
	2023	2022	2021	2020	2019
Corporate and Retail segments :					
Commitments receveid from the Renault Groupe	3 139	3 503	4 407	4 331	4 067
Commitments Receveid from others (Dealers and Customers)	14 588	10 974	10 256	8 767	8 347
Total	**17 727**	**14 477**	**14 663**	**13 098**	**12 414**

A methodological change was introduced in 2023, with a new automated data source. Exposures for 2019 to 2022 have been recalculated using this method. A proforma has been produced for past years.

2 - INSURANCE RISK

The main risks for insurance intermediation activity are the risk of a defective partnership not identified, the non-compliance of the products distribution and the failure to match offers to consumer needs.

For insurance and reinsurance activities of Mobilize F.S Group's insurance companies, the main risks are linked to the subscription, the technical balance of the products (claims increase, early redemptions, lack of provisioning …) and the investment policy (liquidity risk, counterparty risk …).

These risks are managed, followed and steered in Solvency II regulatory framework. They are subject to a yearly ORSA report (Own Risk and Solvency Assessment).

The group makes a strict selection of contracts and has underwriting guides.

3 - RISKS RELATING TO COMMERCIAL DEPLOYMENT

The Mobilize F.S group operates in the personal and businesses car finance and services sector. Consequently, there is a risk of sectorial concentration inherent in the group's business which is managed by the diversification of brands financed, and products and services deployed.

Additionally, in a changing environment, the Mobilize F.S group strives to adapt its strategy to new demand and new market trends in line with new mobilities.

The group conducts business internationally and the geographic choices of the group's sites are determined in accordance with its growth strategy as well as in support of manufacturers. As a result, the Mobilize F.S group can be subject, in all areas in which it operates, to a risk of geographic concentration, local economic and financial instability, and changes in government, social and central bank policies. One or more of these factors can have an unfavorable effect on the Group's future results, as exposure to the risk of geographic concentration is partly mitigated by its presence on various markets.

In a complex economic environment, the group puts in place systems and procedures that meet statutory and regulatory obligations corresponding to its banking status, and that enable it to comprehensively apprehend all the risks associated with its activities and sites, by strengthening its management and control processes.

4 - RISK RELATING TO SHARES

The Mobilize F.S group's exposure from shares not held for transactional purposes represent equity securities of entities owned but not consolidated, valued at fair value through P&L as well as entities accounted for using the equity method within the regulatory scope of consolidation. These are weighted at 100% and at 250% if they are financial sector entities.

EU INS1 — Insurance participations

		Exposure value a	Risk exposure amount b
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	302	756

CROSS-REFERENCE TABLE

CRD IV	Purpose	Consistency
Article 90	Public disclosure of return on assets	Introduction

CRR	Purpose	Consistency
Article 431	Disclosure requirements and policies	Introduction
Article 432	Non-material, proprietary or confidential information	Introduction
Article 433	Frequency and scope of disclosures	Introduction
Article 435	Disclosure of risk management objectives and policies	
1a		Part 2-1
1b		Part 2-2
1c		Part 2-1+3
1d		Part 4-2+7 + 5 + 10-4
1e		Part 2-1
1f		Part 2-3
2a-d		Part 2-1+2
2e		Part 2-1+2+3
Article 436	Disclosure of the scope of application	Part 3-1+3
Article 437	Disclosure of own funds	Part 3-3
Article 437a	Disclosure of own funds and eligible liabilities	Part 3-2
Article 438	Disclosure of own funds requirements and risk-weighted exposure amounts	
a		Part 3-5
b		Part 1-1
c		Part 3-5
d		Part 3-5
e		NA
f-g		Part 11-5
h		Part 4-5-g
Article 439	Disclosure of exposures to counterparty credit risk	Part 4-8
Article 440	Disclosure of countercyclical capital buffers	Part 3-2
Article 441	Disclosure of indicators of global systemic importance	Part 3-2
Article 442	Disclosure of exposures to credit risk and dilution risk	Part 4-1
Article 443	Disclosure of encumbered and unencumbered assets	Part 9
Article 444	Disclosure of the use of the Standardised Approach	Part 4-6
Article 445	Disclosure of exposure to market risk	Part 7
Article 446	Disclosure of operational risk management	Part 10-1+2+3
Article 447	Disclosure of key metrics	Part 1-1
Article 448	Disclosure of exposures to interest rate risk on positions not held in the trading book	Part 8
Article 449	Exposure to securitization positions	Part 7
Article 449a	Disclosure of environmental, social and governance risks (ESG risks)	Part 2-3 Part 11
Article 450	Disclosure of remuneration policy	Part 2-5

Article 451	Disclosure of the leverage ratio	
1a-c		Part 3-6
1d-e		Part 3-7
Article 451a	Disclosure of liquidity requirements	Part 9
Article 452	Disclosure of the use of the IRB Approach to credit risk	
a		Part 4-5
b.		Part 4-5g
c		Part 4-5 (a+g+h)
d-f		Part 4-5 (a+c+d+e+f)
g-h		Part 4-5 (d)
Article 453	Disclosure of the use of credit risk mitigation techniques	Part 4-1+7
Article 454	Disclosure of the use of the Advanced Measurement Approaches to operational risk	NA Advanced Measurement Approaches not used
Article 455	Use of Internal Market Risk Models	NA internal models not used
Article 492	Disclosure of own funds	Part 3-3

TABLES

4-1	EU CR1	Performing and non-performing exposures and related provisions
4-1	EU CR2	Changes in the stock of non-performing loans and advances
4-1	EU CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries
4-1	EU CQ1	Credit quality of forborne exposures
4-1	EU CQ2	Quality of forbearance
4-1	EU CQ3	Credit quality of performing and non-performing exposures by past due days
4-1	EU CQ4	Quality of non-performing exposures by geography
4-1	EU CQ5	Credit quality of loans and advances to non-financial corporations by industry
4-1	EU CQ6	Collateral valuation - loans and advances
4-1	EU CQ7	Collateral obtained by taking possession and execution processes
4-1	EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown
4-5	EU CRE	Qualitative disclosure requirements related to IRB approach
4-5-c	EU CR6	IRB approach – Credit risk exposures by exposure class and PD range
4-5-c	EU CR6-A	Scope of the use of IRB and SA approaches
4-5-d		Segmentation of exposures by the advanced method and average PD by country
4-5-d		History of default rates per class
4-5-d		The Consumer PD model for Germany end December 2017
4-5-d	EU CR9	IRB approach – Back-testing of PD per exposure class (fixed PD scale)
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