First amendment to the Universal Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority on May 10, 2023

Universal Registration Document and Annual Financial Report filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2023 under number D.22-0148

The English version of this report is a free translation from the original which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, in matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation. Only the French version of the Universal Registration Document has been submitted to the AMF. It is therefore the only version that is binding in law.

This amendment to the Universal Registration Document was filed on May 10, 2023 with the AMF, in its capacity as the competent authority in respect of Regulation (EU) No. 2017/1129, without prior approval pursuant to Article 9 of said regulation.

The Groupe BPCE Universal Registration Document may only be used for the purposes of a public offering or admission of securities to trading on a regulated market if it is accompanied by a memorandum pertaining to the securities and, where applicable, an executive summary and all amendments made to the Universal Registration Document. The complete package of documents is approved by the AMF in accordance with Regulation (EU) No. 2017/1129.

CONTENTS

1 UPDATE OF CHAPTER 3 REPORT ON CORPORATE GOVERNANCE

1.1 Corporate officer remuneration policy for fiscal year 2023

The Supervisory Board, at a meeting convened on March 23, 2023 and acting on a recommendation of the Remuneration Committee, decided to amend the remuneration policy applicable to non-executive corporate officers for fiscal year 2023 in the following respects:

- Removal of the cap on the number of Board and committee meetings giving entitlement to remuneration,
- Elimination of the fixed portion of remuneration paid to non-voting directors and members of the Board and its committees (excluding Committee Chairmen and the Vice-Chairman of the Board).

The new remuneration policy applicable to non-executive directors for fiscal year 2023 is modified as follows:

REMUNERATION POLICY APPLICABLE TO THE CHAIRMAN AND MEMBERS OF THE SUPERVISORY BOARD

Components of remuneration	Principles and criteria adopted
Fixed annual remuneration	The remuneration package allocated to the members of BPCE's Supervisory Board is determined by the General Shareholders' Meeting. The Supervisory Board, on the recommendation of the Remuneration Committee, fixes the guidelines for allocating the remuneration package between the members of the Supervisory Board. With the exception of the Chairman, who receives a fixed annual fee, the members of the Supervisory Board receive remuneration on the basis of their activities. **Fixed remuneration granted to the members of the Supervisory Board** With the exception of the Chairman, who receives a fixed annual fee, and the Vice-Chairman, who receives fixed annual remuneration, the members of the Supervisory Board are not paid any fixed annual amounts. **Additional remuneration paid to members of Board committees** The Chairmen of the Audit Committee, Risk Committee, Appointments Committee, Remuneration Committee, and the Cooperative and CSR Committee also receive an additional annual amount in payment for their committee work. The members of these committees do not receive any additional fixed annual remuneration. **Remuneration paid to non-voting directors** The non-voting members of the Board do not receive any fixed annual remuneration.
Variable remuneration	**Variable remuneration paid to members of the Supervisory Board** The members of the Supervisory Board, with the exception of the Chairman, collect a fee for each meeting they attend during the fiscal year. The fixed annual sum received by the Vice-Chairman is larger than the supplemental portion. **Additional remuneration paid to members of Board committees** The members (including the Chairmen) of the Board committees collect a fee for each meeting they attend during the fiscal year. Committee Chairmen receive a fixed annual sum that is greater than the supplemental portion in view of their specific responsibilities. **Remuneration paid to non-voting directors** Pursuant to Article 28.3 of the Company's Articles of Association, the Supervisory Board has decided to award compensation to the non-voting directors by making a deduction from the remuneration package allocated to the members of the Supervisory Board by the Annual General Shareholders' Meeting. As such, non-voting directors collect a fee for each meeting they attend during the fiscal year.
Benefits in kind	The Chairman and members of the Supervisory Board and of the Board committees do not receive any benefits in kind.

2 UPDATE OF CHAPTER 4 ACTIVITIES AND FINANCIAL INFORMATION FOR THE FIRST QUARTER OF 2023

2.1 Results press release of May 3, 2023

Paris, May 3, 2023

Results for Q1-23

KEY FIGURES[1]

Net banking income of €5.8bn, reflecting a limited decline of 5% vs. Q1-22 related to changes in interest rates and, notably, in regulated savings
Net banking income up by 1% excluding the impact of regulated savings (-€380m)

Expenses remain stable vs. Q1-22 in a context of high inflation; cost/income ratio at 67.9%[2] in Q1-23

Net income of €533m, down 29% YoY and up 8% if the impacts of regulated savings are excluded (-€282m)

BUSINESS LINES/ACTIVITIES[1]

Retail Banking & Insurance: continued development of the Banque Populaire and Caisse d'Epargne retail banking networks in all customer segments and successful diversification of revenues; higher lending rates in Q1-23; €19bn YoY increase in deposits; net banking income down by a limited 7% owing to the impact of regulated savings

- **Local & regional financing: 6%** YoY growth **in loan outstandings** rising to a total of **€706bn at end-March 2023**
- **Insurance:** gross inflows of **€3.2bn in life insurance, 10% increase in non-life insurance premiums** vs. Q1-22
- **Financial Solutions & Expertise: +7% growth in net banking income** chiefly driven by financing activities

Global Financial Services: 2% increase in revenues vs. Q1-22 driven by the strong development of CIB franchises (net banking income +7%) and good momentum in new fund inflows in Asset Management

- **Corporate & Investment Banking: net banking income up 7% YoY** thanks to continued diversification and expansion of the client base. **Global Markets revenues up 4% YoY; Global Finance revenues down 8% YoY** due to lower contribution from Real assets activities partially offset by a renewed positive performance by Trade Finance
- **Asset & Wealth Management: €1,112bn in assets under management** at end-March 2023, **+3% QoQ, for Natixis IM**; positive fund inflows during the quarter; commission rate up to **25.2 bps, +0.7pp YoY**; net banking income down by a limited 4%.

P&L/CAPITAL[1]

Strict discipline on operating expenses, stable vs. Q1-22; cost/income ratio of 67.9%[2] in Q1-23

Cost of risk: low level during the quarter on account of existing provisions for future risks

- **Cost of risk for the Group of €326m in Q1-23, or 16bps,** including €70m in additional provisions for 'Stage 1'/'Stage 2' future risks
- **Group cost of 'Stage 3' proven risk of €257m,** or 12bps, vs. 21bps in Q4-22 and 14bps in Q1-22

Capital adequacy at a high level: CET1[3] ratio of 15.0% at the end of March 2023

Nicolas Namias, Chairman of the Management Board of Groupe BPCE, said: *"In a context of economic slowdown and persistently high inflation, Groupe BPCE continued its commercial development thanks to the very strong commitment of all its teams. The Banques Populaires, Caisses d'Epargne, and all the retail banking business lines expanded their customer bases in all their market segments with their support of local and regional financing activities. The global CIB and AM business lines continued their development by serving their clients against a background of volatility in the financial markets.*
As we had previously anticipated, the effects of the rapid rise in interest rates, especially those of regulated savings products, have had an impact on the financial performance of our business lines. This situation is expected to remain unchanged in the coming quarters and reflects the prominence of the role played by Groupe BPCE in financing the French economy.
The current context further confirms the relevance of our robust cooperative business model, useful to our customers and our cooperative shareholders, and working at the heart of our regional ecosystems in pursuit of a long-term vision."

[1] See note on methodology [2] Underlying figures and excluding contributions to the Single Resolution Fund [3] Estimate at end-March 2023

The annual financial statements of Groupe BPCE for the period ended March 31, 2023, approved by the Management Board at a meeting convened on May 2, 2023, were verified and reviewed by the Supervisory Board, chaired by Thierry Cahn, at a meeting convened on May 3, 2023.

Groupe BPCE

€m	Q1-23	Q1-22pf	% Change vs. Q1-22pf
Net banking income	**5,815**	**6,149**	**(5)%**
Operating expenses	(4,587)	(4,585)	0%
o/w operating expenses excluding SRF[1]	*(4,002)*	*(3,989)*	*0%*
Gross operating income	**1,228**	**1,564**	**(22)%**
Cost of risk	(326)	(411)	(21)%
Income before tax	**968**	**1,206**	**(20)%**
Income tax	(425)	(434)	(2)%
Non-controlling interests	(9)	(17)	(46)%
Net income – Group share	**533**	**755**	**(29)%**
Exceptional items	(36)	(18)	x2
Underlying net income – Group share	**570**	**773**	**(26)%**
Cost to income ratio (underlying excl. SRF)	*67.9%*	*63.7%*	*4.2pp*

1. Groupe BPCE

Unless specified to the contrary, the financial data and related comments refer to the published results of the Group and business lines, changes express differences between Q1-23 and pro-forma Q1-22.

In Q1-23, Groupe BPCE recorded a limited 5% decline in its **net banking income** to 5,815 million euros, owing to the -7% decline in the net banking income generated by the Retail Banking & Insurance business unit (RB&I), while the net banking income of the Global Financial Services business unit (GFS) rose by 2%.

The revenues of the RB&I business unit stood at 3,891 million euros (-7%) in a context of pressure on the net interest margin due to the increase in the cost of funding, due in particular to regulated savings, outstripping the repricing of assets.

The net banking income posted by the GFS business unit stood at 1,822 million euros, up 2% in Q1-23. This increase chiefly reflects the growth in net banking income generated by the Corporate & Investment Banking business (+7%) driven by an efficient diversification strategy. Net banking income posted by the Asset & Wealth Management business fell by 4% owing to the decline in management fees, as a result of the 10% year-on-year decline in average assets under management (at constant exchange rates).

Q1-23 **operating expenses** remain stable at 4,587 million euros.

The **cost/income ratio** (excluding exceptional items and excluding the contribution to the SRF[1]) stood at 67.9% in Q1-23, up 4.2pp.

As a result, **gross operating income** declined by 22% in Q1-23 to 1,228 million euros.

Groupe BPCE's **cost of risk** fell by 21% in Q1-23 and currently stands at 326 million euros.

For Groupe BPCE as a whole, the amount of provisions for performing loans rated 'Stage 1' or 'Stage 2' came to 70 million euros in Q1-23 vs. 140 million euros in pro-forma Q1-22. Provisions for loans with proven risk rated 'Stage 3' stood at 257 million euros in Q1-23, down from 271 million euros in pro-forma Q1-22.

In Q1-23, the cost of risk stood at 326 million euros, i.e. 16bps for gross customer loans for Groupe BPCE (21bps in pro-forma Q1-22). This figure includes a provisioning on performing loans of 3bps in Q1-23 (7bps in pro-forma Q1-23) rated 'Stage 1' or 'Stage 2' and a provision on loans with proven risk of 12bps in Q1-23 (14bps in pro-forma Q1-22) rated 'Stage 3'.

The cost of risk stood at 17bps for the Retail Banking & Insurance business unit in Q1-23 (21bps in pro-forma Q1-22), including 2bps for the provisioning of performing loans (8bps in pro-forma Q1-22) rated 'Stage 1' or 'Stage 2' and 15bps for the provisioning of loans with proven risk (12bps in pro-forma Q1-22) rated 'Stage 3'.

The cost of risk for the Corporate & Investment Banking business unit stood at -13bps in Q1-23 (56bps in pro-forma Q1-22), including -1bp for the provisioning of performing loans (2bps in pro-forma Q1-22) rated 'Stage 1' or 'Stage 2' and -12bps for the provisioning of loans where the risk is proven (54bps in pro-forma Q1-22) rated 'Stage 3'.

Reported net income (Group share) in Q1-23 reached 533 million euros, down 29% (755 million euros in pro-forma Q1-22).

Exceptional items had a negative impact of -36 million euros on net income (Group share) in Q1-23, representing a doubling of the impact of this item compared with pro-forma Q1-22 but still an amount of limited impact in absolute value.

Underlying net income (Group share) amounted to 570 million euros in Q1-23 (-26%).

2. Capital, loss-absorbing capacity, liquidity and funding

2.1 CET1[1] ratio

Groupe BPCE's CET1[1] ratio at end-March 2023 reached an estimated level of 15.0%, -10bps compared to end-December 2022. The quarterly change is explained by the following impacts:

- Q1-2023 results: +11bps,
- Growth in risk-weighted assets: -9bps, i.e., resulting in organic capital creation of 2bps during the quarter if these 2 items are combined,
- Net inflows from cooperative shares: +6bps,
- Projected distribution of dividends related to cooperative shares in 2023: -17bps,
- Impact of the first-time application of IFRS 17 and IFRS 9 (FTA): -1bp,
- Other items: -1bp.

At the end of March 2023, **Groupe BPCE held a buffer estimated at 18.4 billion euros above** the threshold for triggering the maximum distributable amount **(MDA)** for equity capital, while taking account of the prudential requirements laid down by the ECB that became applicable as of April 1, 2023.

2.2 TLAC[2] ratio

Total loss-absorbing capacity (TLAC) estimated at the end of March 2023 stands at 113 billion euros. The TLAC ratio, expressed as a percentage of risk-weighted assets, stood at an estimated 24.4% at the end of March 2023 (without taking account of preferred senior debt for the calculation of this ratio), well above the current Financial Stability Board requirements that currently stand at 21.53%.

2.3 MREL[2] ratio

Expressed as a percentage of risk-weighted assets at March 31, 2023, Groupe BPCE's subordinated MREL ratio and total MREL ratio were 24.4% and 31.4% respectively, well above the minimum requirements laid down by the SRB in 2022 of 21.53% and 25.04% respectively.

2.4 Leverage ratio

At March 31, 2023, the estimated leverage ratio[1] stood at 5.0%, a level stable compared with the end of December 2022. The leverage ratio requirement stood at 3.5% on March 31, 2023.

2.5 Liquidity reserves at a high level

The Liquidity Coverage Ratio (LCR) for Groupe BPCE is well above the regulatory requirements of 100%, standing at 153% based on the average of end-of-month LCRs in the 1st quarter of 2023.
The volume of liquidity reserves reached €335bn at the end of March 2023, representing an extremely high coverage ratio of 178% of short-term financial debts (including short-term maturities of medium-/long-term financial debt).

2.6 MLT funding plan: 63% of the 2023 plan already raised as at April 21, 2023

Reminder: the size of the MLT funding plan for 2023 has been set at €29bn and the breakdown by type of debt is as follows:

- €10bn in TLAC funding: €2bn in Tier 2 and €8bn in senior non-preferred debt,
- €7bn in senior preferred debt,
- €12bn in covered bonds.

The target for ABS is €1.7bn.

As at April 21, 2023, Groupe BPCE had raised €18.3 bn, excluding structured private placements and ABS (63% of the €29 bn plan):

- €6.1bn in TLAC funding, i.e. 61% of requirements: €1.5 bn in Tier 2 (75% of requirements) and €4.6bn in senior non-preferred debt (58% of requirements) ;
- €3.1bn in senior preferred debt (45% of requirements);
- €9.0bn in covered bonds (75% of requirements).

Note the completion of 2 highly successful bond issues for a total of €3bn, after the recent volatile period on the markets::

- BPCE SFH: €2 bn in 5-year covered bonds, oversubscribed by a factor of 2.3 despite a large size thanks to a very large and diversified order book (€4.7bn); new issue premium of 4bps,
- BPCE: €1bn of 3-year senior preferred bonds, oversubscribed by a factor of 2.7 with a large and diversified order book (€2.7bn); new issue premium of 13bps.

The amounts of ABS raised were equal to €1.55bn as at April 21, 2023, representing 91% of the target.

Outstanding TLTRO III stood at €43.2bn as at March 31, 2023, after a €40bn redemption in March 2023.

[1] See note on methodology [2] Groupe BPCE has chosen to waive the possibility offered by Article 72b (3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements

3. Results of the business lines

Unless specified to the contrary, the financial data and related comments refer to the published results of the business lines, changes express differences between Q1-23 and pro-forma Q1-22.

3.1 Retail Banking & Insurance

€m[1]	Q1-23	% Change[2]
Net banking income	3,891	(7)%
Operating expenses	(2,496)	1%
Gross operating income	**1,395**	**(19)%**
Cost of risk	(308)	(7)%
Income before tax	**1,107**	**(21)%**
Exceptional items	(31)	9%
Underlying income before tax	**1,137**	**(21)%**
Underlying cost/income ratio	*63.4%*	*5.0pp*

In Q1-23, **loan outstandings** enjoyed 6% year-on-year growth, reaching 706 billion euros at the end of March 2023, including a 7% increase in housing loans to 395 billion euros, an 8% increase in equipment loans to 187 billion euros and a 7% increase in consumer loans to 39 billion euros.
At the end of March 2023, on-balance sheet **customer deposits & savings** stood at 662 billion euros, representing a YoY increase of 19 billion euros (+3%), with a 37% increase in term accounts.

In Q1-23, **net banking income** generated by the Retail Banking & Insurance business unit fell by 7% to stand at 3,891 million euros, including a 9% and 12% decline for the Banque Populaire and Caisse d'Epargne retail banking networks respectively.
The Financial Solutions & Expertise business lines continued to benefit from very good sales momentum: revenues rose by 7% in Q1-23. In the Insurance business, revenues rose by a substantial 41%, reflecting the volatility generated by the application of the new IFRS 17 and 9 standards to insurance activities, as well as the very good momentum of the Property & Casualty business. The activity is dynamic for the Digital and Payments division impacted by the increase in refinancing costs.

Despite the background of high inflation, **operating expenses** were kept under very tight control, standing at 2,496 million euros in Q1-23 (+1%).

The **cost/income ratio**[1] rose by 5pp in Q1-23 to 63.4%.

Owing to a negative jaws effect, the **gross operating income** posted by the business unit fell by 19% in Q1-23 to 1,395 million euros.

The **cost of risk** amounted to 308 million euros in Q1-23, down by 7%.

For the business unit as a whole, **reported income before tax** came to 1,107 million euros in Q1-23, down 21%.

The business unit's **underlying income before tax**[1] amounted to 1,137 million euros in Q1-23, down 21%.

1 Excluding exceptional items

3.1.1 Banque Populaire network

The Banque Populaire network is comprised of 14 cooperative banks (12 regional Banques Populaires along with CASDEN Banque Populaire and Crédit Coopératif) and their subsidiaries, Crédit Maritime Mutuel, and the Mutual Guarantee Companies.

€m[1]	Q1-23	% Change[1]
Net banking income	1,557	(9)%
Operating expenses	(1,018)	2%
Gross operating income	**539**	**(24)%**
Cost of risk	(132)	(14)%
Income before tax	**422**	**(26)%**
Exceptional items	(13)	1%
Underlying income before tax	**435**	**(26)%**
Underlying cost/income ratio	*64.6%*	*6.8pp*

Loan outstandings increased by 7% year-on-year to 301 billion euros at the end of March 2023. **On-balance sheet customer deposits & savings** rose by 13 billion euros year-on-year to 283 billion euros at the end of March 2023, with strong growth in term accounts (+44% year-on-year) and passbook savings accounts (+7% year-on-year).

In Q1-23, net banking income came to a total of 1,557 million euros, down 9%, including the following items:

- A 24% decline in net interest margin[3] (excluding provisions for home-purchase saving schemes) to 810 million euros, in a context of rising funding costs outpacing the increase in asset repricing, and
- A 10% increase in commission income[3] to 730 million euros.

Operating expenses, which remained tightly managed, rose by 2% in Q1-23 to 1,018 million euros.

This resulted in a 6.8pp deterioration in the **cost/income ratio**[2], which stood at 64.6% in Q1-23.

Gross operating income fell by 24% to 539 million euros in Q1-23.

The **cost of risk** stood at 132 million euros in Q1-23 (-14%).

Reported income before tax declined by 26% to 422 million euros in Q1-23.

Underlying income before tax stood at 435 million euros in Q1-23 (-26%).

1 Q1-22 figures have been restated on a pro forma basis to account for the application of IFRS 17 (see note on methodology)
2 Excluding exceptional items
3 Income on regulated savings has been restated from the net interest margin and included in commissions

3.1.2 Caisse d'Epargne network

The Caisse d'Epargne network comprises the 15 cooperative Caisses d'Epargne along with their subsidiaries.

€m[1]	Q1-23	% Change[1]
Net banking income	1,536	(12)%
Operating expenses	(1,065)	0%
Gross operating income	**471**	**(32)%**
Cost of risk	(136)	4%
Income before tax	**334**	**(41)%**
Exceptional items	(11)	34%
Underlying income before tax	**345**	**(40)%**
Underlying cost/income ratio	*68.7%*	*8.6pp*

Loan outstandings rose by 6% year-on-year to reach a total of 363 billion euros at the end of March 2023. **On-balance sheet customer deposits & savings** rose by 6 billion euros year-on-year to reach 366 billion euros at the end of March 2023 with strong growth in term accounts (+29% year-on-year) and passbook savings accounts (+5% year-on-year).

In Q1-23, net banking income stood at 1,536 million euros, down 12%. This figure includes:

- A 30% decline in the net interest margin (excluding provisions for home-purchase saving schemes[3]) to 710 million euros due to the fact that the increase in the cost of funding – notably owing to the weight of regulated savings (the Caisses d'Epargne network is a historical distributor of *Livret A* passbook savings accounts) – outpaced the increase in asset repricing, and
- A 4% increase in commissions[3] to 792 million euros.

Operating expenses, which were kept under tight control in Q1-23, remained stable at 1,065 million euros.

The **cost/income ratio**[2] rose by 8.6pp to stand at 68.7% in Q1-23.

Gross operating income fell by 32% to 471 million euros in Q1-23.

The **cost of risk** stood at 136 million euros in Q1-23, up 4%.

Reported income before tax was down 41% to 334 million euros in Q1-23.

Underlying income before tax came to 345 million euros in Q1-23 (-40%).

1 Q1-22 figures have been restated on a pro forma basis to account for the application of IFRS 17 (see note on methodology)
2 Excluding exceptional items
3 Income on regulated savings has been restated from the net interest margin and included in commissions

3.1.3 Financial Solutions & Expertise

€m[1]	Q1-23	% Change[1]
Net banking income	315	7%
Operating expenses	(157)	6%
Gross operating income	**158**	**8%**
Cost of risk	(6)	(52)%
Income before tax	**151**	**14%**
Exceptional items	(1)	(60)%
Underlying income before tax	**152**	**12%**
Underlying cost/income ratio	*49,6%*	*0,1pp*

In the Consumer Credit segment, loan outstandings (personal loans and revolving credit) had increased by 9% year-on-year at the end of March 2023.
In Factoring, the positive momentum built up in 2022 continued in the 1st quarter of 2023 with strong growth in factored sales (+6% year-on-year) and average outstandings financed (+11% year-on-year).
Leasing activities enjoyed strong growth in new production (+19% year-on-year) driven by business with the retail banking networks (+27%) and by the integration of the new Eurolocatique healthcare equipment financing subsidiary.
In the Surety & Financial Guarantees business line, gross premiums written were down 9% vs. Q1-22 owing to the significant slowdown in the real estate market.
The Retail Securities Services business posted a 16% year-on-year decline in stock market and mutual fund flows.

In Q1-23, net banking income generated by the Financial Solutions & Expertise business unit was up 7% to 315 million euros, buoyed up by the good performance of its financing business lines.

Operating expenses rose by 6% in Q1-23 to 157 million euros.

The **cost/income ratio**[2] remained stable in Q1-23 at 49.6%.

Gross operating income increased by 8% in Q1-23 to reach a total of 158 million euros.

The **cost of risk** fell by 52% in Q1-23 to 6 million euros.

Reported income before tax stood at 151 million euros in Q1-23, up 14%.

Underlying income before tax came to 152 million euros in Q1-23, up 12%.

1 Q1-22 figures have been restated on a pro forma basis to take account of the application of IFRS 17 (see note on methodology)
2 Excluding exceptional items

3.1.4 Insurance

The results presented below concern the Insurance business unit held directly by BPCE since March 1, 2022.

€m[2]	Q1-23	% Change[3]
Net banking income	180	41%
Operating expenses[4]	(43)	20%
Gross operating income	**137**	**50%**
Income before tax	**139**	**54%**
Exceptional items	(2)	(36)%
Underlying income before tax	**140**	**51%**
Underlying cost/income ratio	*23.0%*	*(3.2)pp*

In Q1-23, premiums[4] declined by 4% to 4 billion euros, with a 6% drop in Life Insurance and Personal Protection insurance and 10% growth in Property & Casualty (P&C) insurance.

Life Insurance **assets under management**[4] reached a total of 86.6 billion euros at the end of March 2023. Since the end of March 2022, they have grown by 4%, with aggregate gross inflows of 3.1 billion euros.
Unit-linked funds accounted for 30% of total assets under management at the end of March 2023 (+1pp vs. end-March 2022) and accounted for 42% of Q1-23 gross inflows (+3pp vs. Q1-22).

In P&C insurance and Personal Protection Insurance, the customer equipment rate of the two retail banking networks reached 33.4% at the end of February 2023 (+0.7pp vs. end-March 2022).

The **P&C combined ratio** stood at 92.6% in Q1-23 (-1.1pp vs. Q1-22).

In Q1-23, net banking income rose by 41% to 180 million euros, reflecting the volatility generated by the application of the new IFRS 17 and 9 standards to insurance activities.

Operating expenses[2] increased by 20% in Q1-23 to 43 million euros.

The **underlying cost/income ratio**[3] improved by 3.2pp in Q1-23 to 23.0%.

Gross operating income increased by 50% in Q1-23 to 137 million euros.

Reported income before tax came to 139 million euros in Q1-23 (+54%).

Underlying income before tax stood at 140 million euros in Q1-23 (+51%).

1 Q1-22 figures have been restated on a pro forma basis to take account of the application of IFRS 17 (see note on methodology)
2 "Operating expenses" corresponds to "non-attributable expenses" under IFRS 17, i.e. all costs that are not directly attributable to insurance contracts
3 Excluding exceptional items
4 Excluding the reinsurance treaty with CNP Assurances

3.1.5 Digital & Payments

The results presented below concern the Payments activity held directly by BPCE since March 1, 2022 and those of Oney Bank.

€m[1]		Q1-23	% Change[2]	% Change at constant scope[3]
Net banking income		205	(11)%	(1)%
	o/w Payments	*116*	*(12)%*	*8%*
Operating expenses		(161)	(11)%	1%
	o/w Payments	*(94)*	*(17)%*	*3%*
Gross operating income		**44**	**(9)%**	**(7)%**
	o/w Payments	*23*	*25%*	*34%*
Cost of risk		(32)	12%	12%
Income before tax		**8**	**(62)%**	**(59)%**
	o/w Payments	*18*	*3%*	*11%*
Exceptional items		(5)	90%	
Underlying income before tax		**13**	**(46)%**	**(40)%**
Underlying cost/income ratio		*76.5%*	*(1.3)pp*	

The number of individual and professional customers using Secur'Pass to complete their day-to-day and sensitive transactions in a completely secure environment exceeded the 10-million mark at the end of March 2023 (+3.5% vs. end-December 2022.
At March 31, 2023, 13 million customers had used the Group's websites and mobile applications in the previous 12-month period, including 10.6 million for mobile applications alone (+2% since December 2022). The Group's mobile applications and websites received an average of 55 million visits per week in March 2023 (+10% vs. December 2022). The digital Net Promoter Score (a metric designed to measure customer satisfaction) is at a high level: +50 in Q1-23. The scores obtained by the Group's mobile applications are also high: 4.7/5 on the App Store and 4.6/5 on Google Play at the end of March 2023.

Payments

In the Payment Processing & Solutions business, the number of mobile payment transactions devices continued to grow at an ever faster rate (multiplied by a factor of 2 vs. Q1-22); the number of card transactions has grown by 10.6% compared with Q1-22.
In the Digital segment, business volumes continued to enjoy strong growth for global retailers (+28% vs. Q1-22) and for small and medium-sized businesses (+27% vs. Q1-22), under the single PayPlug brand. Business activities were driven by all customer segments and distribution channels (direct customers, BP and CE retail banking networks, Oney).

At constant scope excluding Bimpli, net banking income was up 8% vs. Q1-22 and operating expenses, which were kept under tight management, were up 3%.

Oney Bank

Oney Bank recorded a 6% increase in new loan production in Q1-23.
In the BtoBtoC segment, business was driven by the "Buy Now Pay Later" solution, and all the main markets benefited from the partnerships signed in 2022 and the rollout of CB long loans. The tightening of lending criteria led to a 15% decline in BtoC loan production, chiefly in France.

Revenues were down 10% in Q1-23, impacted by higher funding costs.
In Q1-23, the cost-cutting plan led to a 4% reduction in expenses.
The cost of risk increased by 12% vs. Q1-22 in line with the increase in new loan production.

In Q1-23, the **net banking income** generated by the business unit fell by 11% to 205 million euros and by 1% on a constant basis of structure[1].

The business unit's **operating expenses** fell by 11% to 161 million euros in Q1-23 and increased by a marginal 1% on a constant basis of structure[1].

This led to a 1.3pp improvement in the **cost/income ratio**[2], which stood at 76.5% in Q1-23.

Gross operating income fell by 9% in Q1-23 to 44 million euros and by 7% on a constant basis of structure[1].

The cost of risk increased by 12% in Q1-23 to 32 million euros.

Reported income before tax was down 62% to 8 million euros in Q1-23 and down 59% on a constant basis of structure[1].

Underlying income before tax was down 46% in Q1-23 and down 40% on a constant basis of structure[1].

1 Excluding Bimpli, acquired by Swile in December 2022 (constant basis of structure).
2 Excluding exceptional items

3.2 Global Financial Services

The GFS business unit includes the Asset & Wealth Management activities and the Corporate & Investment Banking activities of Natixis.

€m[1]	Q1-23	% Change	Constant Fx % change
Net banking income	1,822	2%	0%
o/w AWM	*784*	*(4)%*	*(6)%*
o/w CIB	*1,038*	*7%*	*6%*
Operating expenses	(1,303)	2%	0%
o/w AWM	*(642)*	*0%*	*(3)%*
o/w CIB	*(662)*	*5%*	*4%*
Gross operating income	**519**	**2%**	**0%**
Cost of risk	27	ns	
Income before tax	**590**	**34%**	
Exceptional items	(10)	ns	
Underlying income before tax	**601**	**40%**	
Underlying cost/income ratio	*71.0%*	*(0.2)pp*	

In **Q1-23, revenues** increased by 2% to reach 1,822 million euros (and remained stable at constant exchange rates).

Operating expenses rose by 2% in Q1-23 to 1,303 million euros (and remained stable at constant exchange rates).

The **cost/income ratio**[1] stood at 71.0%, representing a 0.2pp improvement vs. Q1-22.

Gross operating income increased by 2% in Q1-23 to 519 million euros (stable at constant exchange rates).

The **cost of risk** stood at 27 million euros in Q1-23.

Reported income before tax enjoyed 34% growth, rising to 590 million euros in Q1-23.

Underlying income before tax increased by 40% to reach 601 million euros in Q1-23.

1 Excluding exceptional items

3.2.1 Asset & Wealth Management

The Asset & Wealth Management business unit includes the Asset & Wealth Management activities of Natixis

€m[3]	Q1-23	% Change
Net banking income	784	(4)%
Operating expenses	(642)	0%
Gross operating income	**142**	**(15)%**
Income before tax	**189**	**0%**
Exceptional items	(9)	ns
Underlying income before tax	**198**	**11%**
Underlying cost/income ratio	*80.7%*	*2.1pp*

In Asset Management[3], **assets under management**[1] came to a total of 1,112 billion euros at March 31, 2023, up 3% quarter-on-quarter in Q1-23, benefitting from positive net inflows and a significant positive market effect.

Asset Management **net inflows**[1] in Q4-22 reached 1.4 billion euros, including 3.3 billion euros of net inflows in long-term products driven by North American and European affiliates. As expected, clients are reallocating their investments to fixed-income products. Net inflows in private assets remained positive, albeit at a slower pace.

In Asset Management[1], the **total fee rate** (excluding performance fees) in Q1-23 stood at 25.2bps (+0.7bp YoY), of which 38.1bps if insurance-related asset management is excluded (+0.2bp YoY).

In Q1-23, net banking income generated by the Asset & Wealth Management business unit amounted to 784 million euros, down 4% (-6% at constant exchange rates) owing to the decline in management fees over the year following the drop in average assets under management (-10%[2] at constant exchange rates vs. Q1-22). The decrease in performance fees (-60% vs. Q1-22) was partially offset by higher financial income in Q1-23 (chiefly related to seed money and dividends).

Operating expenses for the business unit remained stable in Q1-23 (-3% at constant exchange rates) at 642 million euros, and included a decrease in variable compensation partially offset by an increase in other operating expenses (mainly IT costs, travel and entertainment expenses).

The **cost/income ratio**[2] deteriorated by 2.1pp to stand at 80.7% in Q1-23.

Gross operating income came to 142 million euros, down 15% in Q1-23.

Reported income before tax remained stable at 189 million euros in Q1-23. It includes capital gains of 41 million euros related to the sale of a US affiliate (AlphaSimplex).

Underlying income before tax rose by 11% to 198 million euros in Q1-23.

1 Asset Management: Europe includes Dynamic Solutions and Vega IM; North America includes WCM IM
2 Excluding exceptional items

3.2.2 Corporate & Investment Banking

The Corporate & Investment Banking (CIB) business unit includes the Global markets, Global finance, Investment banking and M&A activities of Natixis.

€m[1]	Q1-23	% Change
Net banking income	1,038	7%
Operating expenses	(662)	5%
Gross operating income	**376**	**11%**
Cost of risk	21	ns
Income before tax	**401**	**59%**
Exceptional items	(1)	ns
Underlying income before tax	**402**	**60%**
Underlying cost/income ratio	*63.6%*	*(1.4)pp*

Global markets revenues increased thanks to diversification and the strong performance of FICT year-on-year) and Investment banking & M&A activities (with year-on-year growth of +12% and +14% respectively).

FICT revenues reached 372 million euros in Q1-23, up 14%. This strong performance is linked to the very dynamic activities generated by the Fixed Income business that benefits from interest rate volatility and whose results offset the decline in revenues from the Commodities business.
For the Equity business line, revenues amounted to 159 million euros in Q1-23, down 13% year-on-year compared with a record level in Q1-22. Revenues rose 40% vs. Q4-22 thanks to good commercial momentum, particularly in business with the Group's retail banking customers.

With regard to Global finance, revenues in Q1-23 were down (-8%) at 346 million euros. The good performance achieved once again by Trade finance partially offset the decline in revenues from Real Assets.

Investment Banking posted a resilient level of revenues at 61 million euros in Q1-23, down 10% year-on-year, a result chiefly due to a lower contribution from the Acquisition & Strategic Finance activity and the slowdown in the primary equity market.

As far as M&A activities are concerned, revenues were up 51% year-on-year in Q1-23 thanks to sustained activity in M&A boutiques.

In Q1-23, net banking income generated by the Corporate & Investment Banking division was up 7% to 1,038 million euros (+6% at constant exchange rates).

Operating expenses were up 5% in Q1-23 to 662 million euros (+4% at constant exchange rates).

As a result of this positive jaws effect, the **cost/income ratio**[1] improved by 1.4 percentage points to stand at 63.6% in Q1-23.

Gross operating income rose by 11% in Q1-23 to 376 million euros.

The **cost of risk** stood at 21 million euros in Q1-23.

Reported income before tax was up 59% to 401 million euros in Q1-23.

Underlying income before tax was up 60% to stand at 402 million euros in Q1-23.

1 Excluding exceptional items

ANNEXES

Notes on methodology

Presentation of the pro-forma quarterly results

The main pro-forma restatement concerns the transition to IFRS 17. Data for Q1-22 has been recalculated under IFRS 17 to obtain a like-for-like basis of comparison.

New management standards adopted by Natixis (normative allocation of capital to the business lines) have led to a recalculation of the data for the 2022 quarterly series.

The tables showing the transition from reported Q1-22 to pro-forma Q1-22 are presented on annexes.

IFRS 17/IFRS 9

Groupe BPCE has applied the provisions of IFRS 17 pertaining to insurance contracts since January 1, 2023, as well as IFRS 9 for insurance entities.

IFRS 17 replaces IFRS 4 and is applicable retroactively, with the implementation of pro-forma financial statements for comparative data for the 2022 financial year (different profit recognition rates between the two standards).

IFRS 9 replaces IAS 39 by modifying the principles for the valuation of the financial assets of insurers using the same rules as those applied by banks since January 1, 2018. It applies in the same way considering the temporary exemption enjoyed by insurance entities. Groupe BPCE has elected to apply the provisions of IFRS 9 for the 2022 comparative data.

IFRS 17 provides for the estimation at inception of the Contractual Service Margin (CSM) of a group of insurance contracts recognized in the balance sheet and which is then amortized in the income statement (in Net Banking Income) as and when the service is rendered. This margin takes account, in particular, of the related overheads.

Insurance liabilities are recognized at present value.

Income and expenses relating to ceded insurance and reinsurance contracts are presented separately in Net Banking Income.

General expenses relating to insurance contracts are presented by destination as a deduction from Net Banking Income.

The cost of credit risk on financial investments in insurance activities is isolated on a separate line in the insurance aggregates in Net Banking Income.

Creation of the Digital & Payments sub-segment

The Payments and Oney business lines have been brought together within a single Digital & Payments sub-segment.

Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Internal transfer

Crédit Foncier's subsidiary, Banco Primus (Corporate center) was transferred to BPCE Financement (Financial Solutions & Expertise business unit within RB&I).

Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Exceptional items

Exceptional items and the reconciliation of the reported income statement to the underlying income statement of Groupe BPCE are detailed in the annexes.

Net banking income

Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (*Livret A, Livret Développement Durable, Livret Épargne Logement* passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings is assimilated to commissions.

Operating expenses

Operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's 2022 universal registration document, note 4.7 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

Cost/income ratio

Groupe BPCE's cost/income ratio is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the Single Resolution Fund (SRF) booked in the Corporate center division. The calculations are detailed in the annexes.

Business line cost/income ratios are calculated on the basis of underlying net banking income and operating expenses.

Cost of risk

The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

Loan outstandings and deposits & savings

Restatements regarding transitions from book outstandings to outstandings under management are as follows:

- Loan outstandings: the scope of outstandings under management does not include securities classified as customer loans and receivables and other securities classified as financial operations,
- Deposits & savings: the scope of outstandings under management does not include debt securities (certificates of deposit and savings bonds).

Capital adequacy

Common Equity Tier 1 is determined in accordance with the applicable CRR II/CRD V rules, after deductions.

Additional Tier-1 capital takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.

The leverage ratio is calculated in accordance with the applicable CRR II/CRD V rules. Centralized outstandings of regulated savings are excluded from the leverage exposures as are Central Bank exposures for a limited period of time (pursuant to ECB decision 2021/27 of June 18, 2021).

Total loss-absorbing capacity

The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio is determined by article 92a of CRR. Please note that a quantum of Senior Preferred securities has not been included in our calculation of TLAC.

This amount is consequently comprised of the 4 following items:

- Common Equity Tier 1 in accordance with the applicable CRR II/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR II/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR II/CRD IV rules,
- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
  - The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
  - The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
  - The nominal amount of Senior Non-Preferred securities maturing in more than 1 year.

Liquidity

Total liquidity reserves comprise the following:

- Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and the Federal Reserve), net of central bank funding,
- LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation,
- Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.

Short-term funding corresponds to funding with an initial maturity of less than, or equal to, 1 year and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months.

Customer deposits are subject to the following adjustments:

- Addition of security issues placed by the Banque Populaire and Caisse d'Epargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

Digital indicators

The number of active customers using mobile apps or websites corresponds to the number of customers who have made at least one visit via one of the digital channels (mobile apps or website) over the last 12 months.
The number of visits corresponds to the average number of visits (all markets combined) via mobile apps and websites for the BP and CE over a 7-day period since the beginning of the year.
The Digital NPS is the recommendation score awarded by customers on the digital customer spaces weighted according to the weight of the spaces (web/mobile). It corresponds to the customer's net promoter score ranging between -100 and +100. The NPS is calculated over a sliding 3-month period.
The scores on the App Store or Google Play online stores correspond to the average of the scores awarded by users at the end of the period in question.
The number of *Secur'Pass* customers corresponds to the number of customers in the private, professional and corporate customer markets who have adopted the Secur'Pass solution.
The number of external transfers made via Instant Payment corresponds to the number of instant fund transfers carried out during the quarter from one account to another IBAN-numbered account held by a beneficiary located in the SEPA zone.
The percentage of local payment transactions made using contactless technology is calculated using the number of local payments and ATM operations to the exclusion of e-commerce transactions.

Business line indicators – Oney Bank

BtoC: financing solutions distributed directly to customers. This line includes personal loans and revolving credit.
BtoBtoC: payment and financing solutions distributed to customers through partners and retail chains. This line includes split payment, 'Buy Now Pay Later', and assigned credit solutions.

Reconciliation of Q1-22 data to pro forma data

Groupe BPCE In millions of euros	Q1-22 pf Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**6,575**	**(4,961)**	**(424)**	**17**	**37**	**1,244**	**785**
IFRS 17	(426)	376	13	(1)		(38)	(29)
Pro forma figures	**6,149**	**(4,585)**	**(411)**	**16**	**37**	**1,206**	**755**

Retail banking and insurance In millions of euros	Q1-22 pf Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**4,627**	**(2,856)**	**(343)**	**12**	**5**	**1,444**	**1,076**
IFRS 17	(422)	375	13	(2)		(36)	(27)
Pro forma figures	**4,205**	**(2,481)**	**(330)**	**10**	**5**	**1,409**	**1,049**

Global financial services In millions of euros	Q1-22 pf Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**1,782**	**(1,275)**	**(85)**	**3**	**15**	**441**	**313**
Guarantees	(2)					(2)	(1)
New rules	2					2	1
Pro forma figures	**1,782**	**(1,275)**	**(85)**	**3**	**15**	**440**	**313**

Corporate center In millions of euros	Q1-22 pf Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**166**	**(830)**	**4**	**2**	**18**	**(640)**	**(604)**
Guarantees	2					2	1
New rules	(2)					(2)	(1)
IFRS 17	(5)	1		1		(2)	(2)
Pro forma figures	**162**	**(829)**	**4**	**3**	**18**	**(643)**	**(606)**

Q1-23 & Q1-22 results: reconciliation of reported data to alternative performance measures

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other Assets	Income before tax	Net income - Group share
Reported Q1-23 results		**5,815**	**(4,587)**	**(326)**	**49**	**968**	**533**
Transformation and reorganization costs	*Business lines/ Corporate center*	4	(56)	2		(49)	(36)
Disposals	*Business lines*		0		(1)	(1)	0
Q1-23 results excluding exceptional items		**5,810**	**(4,531)**	**(329)**	**49**	**1,018**	**570**

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income - Group share
Pro forma Q1-22 results		**6,149**	**(4,585)**	**(411)**	**37**	**1,206**	**755**
Transformation and reorganization costs	*Business lines/ Corporate center*	3	(76)	0	21	(52)	(33)
Disposals	*Corporate center*	0	2	0	14	16	15
Pro forma Q1-22 results excluding exceptional items		**6,146**	**(4,511)**	**(411)**	**3**	**1,243**	**773**

Groupe BPCE: underlying cost to income ratio excluding SRF

€m	Net banking income	Operating expenses	Cost income ratio
Q1-23 reported figures	**5,815**	**(4,587)**	
Impact of exceptional items	4	(56)	
SRF		(585)	
Q1-23 underlying figures excluding SRF	**5,810**	**(3,946)**	**67.9%**

€m	Net banking income	Operating expenses	Cost income ratio
Q1-22 pro forma reported figures	**6,149**	**(4,585)**	
Impact of exceptional items	3	(74)	
SRF		(596)	
Q1-22 pro forma underlying figures excluding SRF	**6,146**	**(3,916)**	**63.7%**

Groupe BPCE: quarterly income statement per business line

	RETAIL BANKING & INSURANCE		GLOBAL FINANCIAL SERVICES		CORPORATE CENTER		GROUPE BPCE		
€m	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	%
Net banking income	3,891	4,205	1,822	1,782	102	162	5,815	6,149	(5)%
Operating expenses	(2,496)	(2,481)	(1,303)	(1 275)	(788)	(829)	(4,587)	(4,585)	0%
Gross operating income	**1,395**	**1,724**	**519**	**507**	**(686)**	**(667)**	**1,228**	**1,564**	**(22)%**
Cost of risk	(308)	(330)	27	(85)	(46)	4	(326)	(411)	(21)%
Income before tax	**1,107**	**1,409**	**590**	**440**	**(729)**	**(643)**	**968**	**1,206**	**(20)%**
Income tax	(269)	(355)	(146)	(115)	(10)	37	(425)	(434)	(2)%
Non-controlling interests	2	(5)	(12)	(12)	0	0	(9)	(17)	(46)%
Net income – Group share	**840**	**1,049**	**432**	**313**	**(739)**	**(606)**	**533**	**755**	**(29)%**

Groupe BPCE: quarterly series

	GROUPE BPCE				
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	6,149	6,569	6,309	6,252	5,815
Operating expenses	(4,585)	(4,250)	(4,258)	(4,608)	(4,587)
Gross operating income	**1,564**	**2,319**	**2,051**	**1,644**	**1 228**
Cost of risk	(411)	(457)	(347)	(772)	(326)
Income before tax	**1,206**	**1,886**	**1,732**	**885**	**968**
Net income – Group share	**755**	**1,329**	**1,288**	**549**	**533**

Consolidated balance sheet

ASSETS €m	March 31, 2023
Cash and amounts due from central banks	147,754
Financial assets at fair value through profit or loss	200,180
Hedging derivatives	11,488
Financial assets at fair value through shareholders' equity	46,300
Financial assets at amortized cost	28,534
Loans and receivables due from credit institutions and similar at amortized cost	103,765
Loans and receivables due from customers at amortized cost	828,560
Revaluation difference on interest rate risk-hedged portfolios	(6,129)
Financial investments of insurance activities	97,086
Insurance contracts written - Assets	1,229
Reinsurance contracts ceded - Assets	8,849
Current tax assets	760
Deferred tax assets	4,844
Accrued income and other assets	16,832
Non-current assets held for sale	134
Deferred profit sharing	0
Investments in associates	1,606
Investment property	751
Property, plant and equipment	5,925
Intangible assets	1,092
Goodwill	4,252
TOTAL ASSETS	**1,503,813**

LIABILITIES €m	March 31, 2023
Amounts due to central banks	6
Financial liabilities at fair value through profit or loss	191,705
Hedging derivatives	15,545
Debt securities	255,972
Amounts due to credit institutions	103,927
Amounts due to customers	702,072
Revaluation difference on interest rate risk-hedged portfolios	340
Current tax liabilities	1,920
Deferred tax liabilities	2,020
Accrued expenses and other liabilities	23,237
Liabilities associated with non-current assets held for sale	114
Liabilities related to insurance contracts	98,113
Reinsurance contracts ceded - Liabilities	143
Provisions	4,714
Subordinated debt	20,452
Shareholders' equity	**83,534**
Equity attributable to equity holders of the parent	*83,070*
Non-controlling interests	*464*
TOTAL LIABILITIES	**1,503,813**

Retail Banking & Insurance: quarterly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			DIGITAL & PAYMENTS			OTHER NETWORK			RETAIL BANKING & INSURANCE		
€m	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%
Net banking income	1,557	1,713	(9)%	1,536	1,755	(12)%	315	295	7%	180	127	41%	205	231	(11)%	97	84	16%	3,891	4,205	(7)%
Operating expenses	(1,018)	(1,003)	2%	(1,065)	(1,062)	0%	(157)	(149)	6%	(43)	(36)	20%	(161)	(182)	(11)%	(51)	(50)	2%	(2,496)	(2,481)	1%
Gross operating income	**539**	**711**	**(24)%**	**471**	**693**	**(32)%**	**158**	**146**	**8%**	**137**	**91**	**50%**	**44**	**49**	**(9)%**	**46**	**34**	**37%**	**1,395**	**1,724**	**(19)%**
Cost of risk	(132)	(154)	(14)%	(136)	(130)	4%	(6)	(13)	(52)%	2	(1)		(32)	(29)	12%	(2)	(5)	(62)%	(308)	(330)	(7)%
Income before tax	**422**	**572**	**(26)%**	**334**	**563**	**(41)%**	**151**	**133**	**14%**	**139**	**90**	**54%**	**8**	**21**	**(62)%**	**52**	**29**	**78%**	**1,107**	**1,409**	**(21)%**
Income tax	(98)	(139)	(29)%	(80)	(149)	(46)%	(40)	(37)	8%	(30)	(19)	58%	(8)	(4)	94%	(13)	(7)	82%	(268)	(355)	(24)%
Non-controlling interests	(4)	(3)	27%	(1)	(1)	(34)%	0	0		0	0	ns	7	(1)	ns	0	0		2	(5)	(141)%
Net income - Group share	**320**	**430**	**(25)%**	**253**	**413**	**(39)%**	**112**	**97**	**16%**	**109**	**72**	**52%**	**7**	**16**	**(56)%**	**39**	**22**	**76%**	**840**	**1,049**	**(20)%**

Retail Banking & Insurance: quarterly series

RETAIL BANKING & INSURANCE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	4,205	4,630	4,437	4,244	3,891
Operating expenses	(2,481)	(2,819)	(2,756)	(3,008)	(2,496)
Gross operating income	**1,724**	**1,812**	**1,681**	**1,236**	**1,395**
Cost of risk	(330)	(392)	(366)	(652)	(308)
Income before tax	**1,409**	**1,430**	**1,332**	**881**	**1,107**
Net income – Group share	**1,409**	**1,056**	**995**	**680**	**840**

Retail Banking & Insurance: Banque Populaire and Caisse d'Epargne networks quarterly series

BANQUE POPULAIRE NETWORK €m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	1,713	1,818	1,771	1,683	1,557
Operating expenses	(1,003)	(1,100)	(1,115)	(1,165)	(1,018)
Gross operating income	**711**	**718**	**656**	**518**	**539**
Cost of risk	(154)	(200)	(166)	(279)	(132)
Income before tax	**572**	**532**	**504**	**248**	**422**
Net income – Group share	**430**	**405**	**380**	**177**	**320**

CAISSE D'EPARGNE NETWORK €m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	1,755	1,894	1,812	1,654	1,536
Operating expenses	(1,062)	(1,189)	(1,119)	(1,245)	(1,065)
Gross operating income	**693**	**705**	**693**	**409**	**471**
Cost of risk	(130)	(115)	(152)	(248)	(136)
Income before tax	**563**	**589**	**541**	**166**	**334**
Net income – Group share	**413**	**426**	**398**	**95**	**253**

Retail Banking & Insurance: FSE quarterly series

FINANCIAL SOLUTIONS & EXPERTISE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	295	332	321	328	315
Operating expenses	(149)	(163)	(163)	(180)	(157)
Gross operating income	**146**	**169**	**158**	**148**	**158**
Cost of risk	(13)	(27)	(23)	(45)	(6)
Income before tax	**133**	**141**	**135**	**103**	**151**
Net income – Group share	**97**	**107**	**101**	**75**	**112**

Retail Banking & Insurance: Insurance quarterly series

INSURANCE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	127	257	207	251	180
Operating expenses	(36)	(129)	(123)	(138)	(43)
Gross operating income	**91**	**128**	**84**	**113**	**137**
Income before tax	**90**	**126**	**84**	**114**	**139**
Net income – Group share	**72**	**86**	**66**	**80**	**109**

Retail Banking & Insurance: Digital & Payments quarterly series

DIGITAL & PAYMENTS						
€m	Q1-22pf	Q1-22pf (at constant scope, excluding Bimpli)	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	231	207	239	241	240	205
Operating expenses	(182)	(160)	(184)	(187)	(222)	(161)
Gross operating income	**49**	**47**	**54**	**53**	**18**	**44**
Income before tax	**21**	**20**	**24**	**29**	**251**	**8**
Net income – Group share	**16**	**15**	**18**	**21**	**253**	**7**

Retail Banking & Insurance: Other network quarterly series

OTHER NETWORK					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	84	89	86	88	97
Operating expenses	(50)	(52)	(49)	(58)	(51)
Gross operating income	**34**	**37**	**37**	**30**	**46**
Cost of risk	(5)	(19)	0	(32)	(2)
Income before tax	**29**	**19**	**39**	**0**	**52**
Net income – Group share	**22**	**14**	**29**	**0**	**39**

Global Financial Services: quarterly income statement per business line

€m	ASSET AND WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		GLOBAL FINANCIAL SERVICES		
	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	%
Net banking income	784	812	1 038	970	1,822	1,782	2%
Operating expenses	(642)	(644)	(662)	(631)	(1,303)	(1,275)	2%
Gross operating income	**142**	**168**	**376**	**339**	**519**	**507**	**2%**
Cost of risk	6	6	21	(90)	27	(85)	ns
Net gains or losses on other assets	41	15	0	0	41	15	ns
Income before tax	**189**	**189**	**401**	**252**	**590**	**440**	**34%**
Net income – Group share	**138**	**126**	**294**	**187**	**432**	**313**	**38%**

Global Financial Services: quarterly series

GLOBAL FINANCIAL SERVICES					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22[1]	Q1-23
Net banking income	1,782	1,769	1,692	1,863	1,822
Operating expenses	(1,275)	(1,252)	(1,265)	(1,376)	(1,303)
Gross operating income	**507**	**517**	**427**	**487**	**519**
Cost of risk	(85)	(84)	(19)	(60)	27
Income before tax	**440**	**436**	**411**	**432**	**590**
Net income – Group share	**313**	**315**	**293**	**296**	**432**

Asset & Wealth Management: quarterly series

ASSET & WEALTH MANAGEMENT					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	812	814	796	928	784
Operating expenses	(644)	(650)	(640)	(704)	(642)
Gross operating income	**168**	**164**	**156**	**224**	**142**
Cost of risk	6	(6)	4	1	6
Income before tax	**189**	**158**	**160**	**226**	**189**
Net income – Group share	**126**	**111**	**109**	**145**	**138**

Corporate & Investment Banking: quarterly series

CORPORATE & INVESTMENT BANKING					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	970	955	897	935	1 038
Operating expenses	(631)	(602)	(626)	(671)	(662)
Gross operating income	**339**	**353**	**271**	**263**	**376**
Cost of risk	(90)	(78)	(23)	(61)	21
Income before tax	**252**	**278**	**250**	**206**	**401**
Net income – Group share	**187**	**204**	**185**	**151**	**294**

Corporate center: quarterly series

CORPORATE CENTER					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	162	170	179	146	102
Operating expenses	(829)	(179)	(236)	(224)	(788)
Gross operating income	**(667)**	**(9)**	**(57)**	**(79)**	**(686)**
Cost of risk	4	18	38	(60)	(46)
Share in income of associates	3	3	(1)	(31)	2
Net gains or losses on other assets	18	8	10	(18)	(0)
Income before tax	**(643)**	**20**	**(11)**	**(429)**	**(729)**
Net income – Group share	**(606)**	**(42)**	**0**	**(427)**	**(739)**

DISCLAIMER

This press release may contain forward-looking statements and comments relating to the objectives and strategy of Groupe BPCE. By their very nature, these forward-looking statements inherently depend on assumptions, project considerations, objectives and expectations linked to future events, transactions, products and services as well as on suppositions regarding future performance and synergies.

No guarantee can be given that such objectives will be realized; they are subject to inherent risks and uncertainties and are based on assumptions relating to the Group, its subsidiaries and associates and the business development thereof; trends in the sector; future acquisitions and investments; macroeconomic conditions and conditions in the Group's principal local markets; competition and regulation. Occurrence of such events is not certain, and outcomes may prove different from current expectations, significantly affecting expected results. Actual results may differ significantly from those anticipated or implied by the forward-looking statements. Groupe BPCE shall in no event have any obligation to publish modifications or updates of such objectives.

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The financial information presented in this document relating to the fiscal period ended March 31, 2023 has been drawn up in compliance with IFRS standards, as adopted in the European Union.

This financial information is not the equivalent of summary financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting".

Preparation of the financial information requires Management to make estimates and assumptions in certain areas regarding uncertain future events. These estimates are based on the judgment of the individuals preparing this financial information and the information available at the date of the balance sheet. Actual future results may differ from these estimates.

The war in Ukraine has led to heightened volatility in the markets and greater political tensions around the world.

Uncertainty about the development of the situation can have significant adverse effects on macroeconomic and market conditions and may create uncertainty about forward-looking statements.

The transition from IFRS 4 to IFRS 17 may create differences due to different recognition rates in revenues.

With respect to the financial information of Groupe BPCE for the quarter ended March 31, 2023, and in view of the context mentioned above, attention should be drawn to the fact that the estimated increase in credit risk and the calculation of expected credit losses (IFRS 9 provisions) are largely based on assumptions that depend on the macroeconomic context.

The financial results contained in this document have not been reviewed by the statutory auditors. The quarterly financial information of Groupe BPCE for the period ended March 31, 2023, approved by the Management Board at a meeting convened on May 2, 2023, were verified and reviewed by the Supervisory Board at a meeting convened on May 3, 2023.

About Groupe BPCE

Groupe BPCE is the second-largest banking group in France. Through its 100,000 staff, the group serves 36 million customers – individuals, professionals, companies, investors and local government bodies – around the world. It operates in the retail banking and insurance fields in France via its two major networks, Banque Populaire and Caisse d'Epargne, along with Banque Palatine and Oney. It also pursues its activities worldwide with the asset & wealth management services provided by Natixis Investment Managers and the wholesale banking expertise of Natixis Corporate & Investment Banking. The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, stable outlook), Standard & Poor's (A, stable outlook), Fitch (A+, negative outlook) and R&I (A+, stable outlook).

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2.2 Presentation of results

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2 • RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Solid commercial performance, limited decrease in revenues due to interest rate transition phase, strong capital & liquidity positions

DEVELOPMENTS

RB&I

Solid commercial performance for the BP & CE networks in a context of continuous pressure on net interest margins

Strong momentum in FSE businesses and non-life insurance

Reported net revenues -7% in Q1-23

GFS

Strong momentum in CIB driven by efficient strategy of diversification

Positive net inflows and P&L turnaround in AWM

Reported net revenues +2% in Q1-23

PERFORMANCE

Reported net revenues €5.8bn; -5% vs. Q1-22pf

+1% YoY, restated for regulated savings effects[1]

Very good cost control in a context of high inflation

Stable operating expenses; 67.9%[2] C/I ratio in Q1-23

Cost of risk at €326m down 21% YoY; 16bps in Q1-23

Reported net income €533m; -29% vs. Q1-22pf

+8% YoY, restated for regulated savings effects[1]

STRENGTHS

Strong capital
15.0% CET1 ratio at end-March 2023

Strong liquidity
153% of average end-of-month LCRs in Q1-23
63% of 2023 MLT funding plan already completed

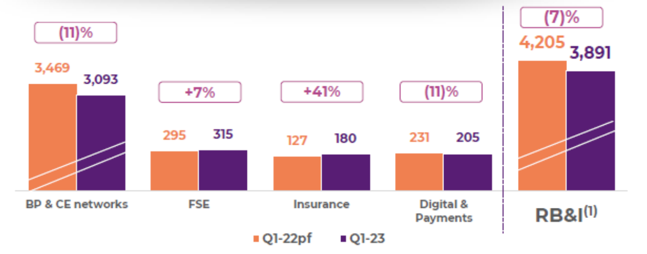
Proven efficiency of diversified business model

(1) The impact of the cost of regulated savings between Q1-22pf and Q1-23 is estimated at -€380m on the Group NBI and -€282m on the Group reported net income, see note on methodology in annex (2) Excluding SRF and exceptional items

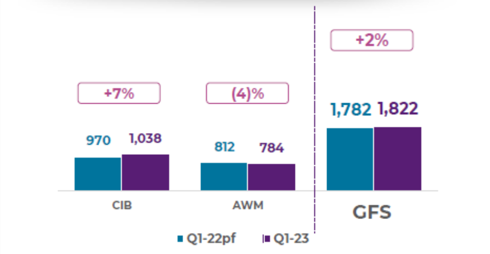
3 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Q1-23 Results: reported net banking income

RETAIL BANKING & INSURANCE in €m



GLOBAL FINANCIAL SERVICES in €m



ROBUST COMMERCIAL PERFORMANCE DRIVEN BY A LARGER CUSTOMER BASE AND SUCCESSFUL CROSS-SELLING

- Loan outstandings grew by 6% YoY to €706bn
- On-balance sheet deposits & savings reached €662bn, up €19bn YoY (+3%), o/w +37% on term deposits
- Continued expansion in number of principal active clients in the 2 networks
- Substantial increase in Insurance revenues reflecting the volatility generated by the application of the new IFRS 17 and 9 standards to insurance[2]
- Life insurance AuM at €86.6bn, up 5% YoY, very good momentum in P&C activity
- Dynamic activity for the Digital and Payments division impacted by the increase in refinancing costs; perimeter effect in 2023 due to the sale of Bimpli in December 2022

REVENUE GROWTH IN VOLATILE FINANCIAL MARKETS AND AN UNCERTAIN MACROECONOMIC ENVIRONMENT

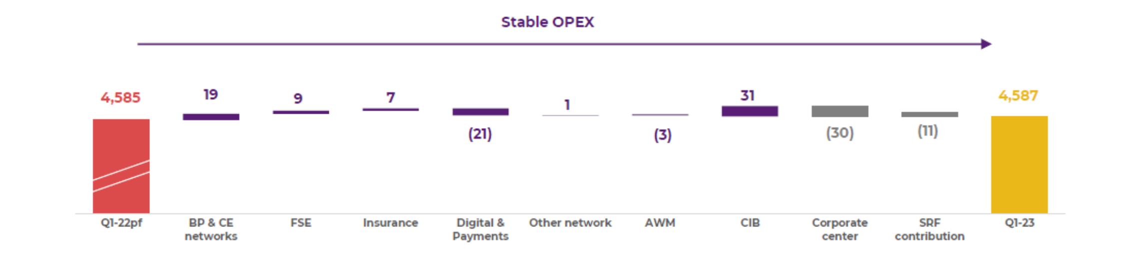
CIB: strong momentum enjoyed by Global Markets primarily Fixed Income, notably Rates activity and robust activity across Global Trade, strong quarter for M&A boutiques

AWM: turnaround in revenues vs. Q3-22 and Q4-22, -4% YoY in Q1-23, notably thanks to higher fee rate

(1) Excluding Other Network (2) Q1-22pf including the application to insurance of the new IFRS 17 and 9 standards (see methodological note)

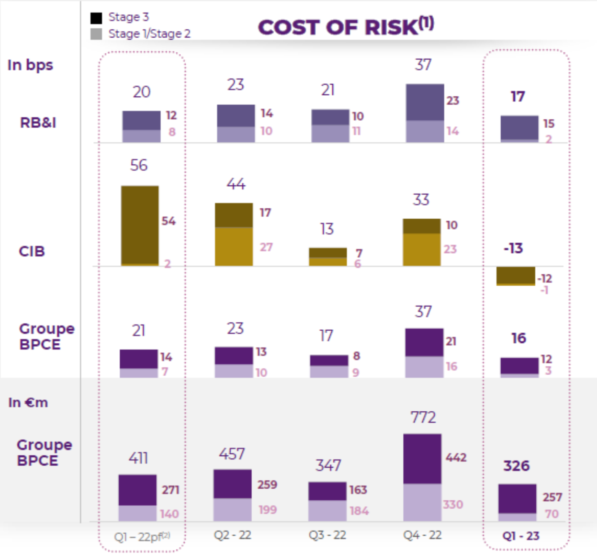
Q1-23 Results: reported operating expenses

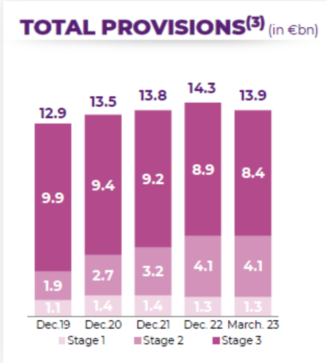
OPERATING EXPENSES in €m



- **Stable operating expenses in a context of high inflation and reflecting targeted investments (talent, IT, oversight functions)**
- **RB&I:** very good cost control in the 2 networks and other businesses
- **GFS:** AWM in line with the cost reduction plan and slight increase in CIB expenses in line with the good level of revenues and due to some investments

Q1-23 Results: reported cost of risk/asset quality





NPL RATIO(3): 2.1%
-2pp vs. Dec. 22

COST OF RISK: €326m
(21)% vs. Q1-22

- Stage 1/Stage 2 cost of risk at €70m in Q1-23 down 50% YoY
- Stage 1/Stage 2 provisions stable in Q1-23 and +€2.5bn since end-2019
- €14m decrease in Q1-23 YoY in Stage 3 cost of risk
- Limited exposure to real estate professionals (commercial and residential): €42bn of outstanding loans at end-March 2023 (5% of total outstanding loan book(4)), o/w 90% in France and with NPL ratio of 2.5%

(1) Cost of risk expressed in annualized basis points on gross customer outstandings at the beginning of the period or in € amounts (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology) (3) Provisions and NPL ratio are calculated on gross outstanding loans to customers and credit institutions (4) Total outstanding loan book€803bn at end-March 2023

Q1-23 Results: reported Group P&L

€m	Q1-23	Q1-22pf	% Change vs. Q1-22pf
Net banking income	**5,815**	**6,149**	**(5)%**
Operating expenses	(4,587)	(4,585)	0%
o/w operating expenses excluding SRF(1)	*(4,002)*	*(3,989)*	*0%*
Gross operating income	**1,228**	**1,564**	**(22)%**
Cost of risk	(326)	(411)	(21)%
Income before tax	**968**	**1,206**	**(20)%**
Income tax	(425)	(434)	(2)%
Non-controlling interests	(9)	(17)	(46)%
Net income – Group share	**533**	**755**	**(29)%**
Exceptional items	(36)	(18)	x2
Underlying net income – Group share	**570**	**773**	**(26)%**
Cost to income ratio (underlying excl. SRF)	*67.9%*	*63.7%*	*4.2pp*

- **Revenues at €5.8bn in Q1-23, down 5% due notably, as expected, to the increase in interest rates on regulated savings**

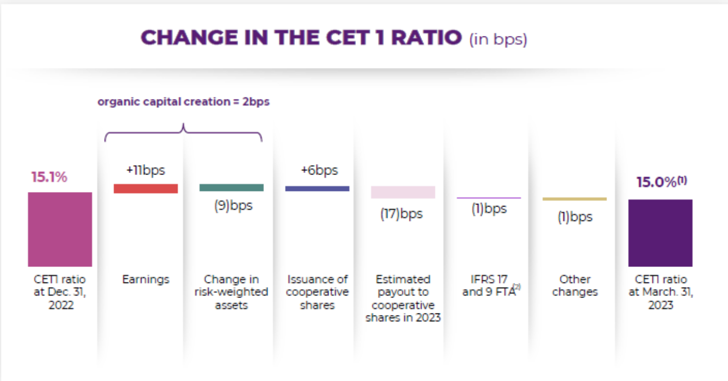
  Strong growth in commissions +12% YoY, at €2.7bn
- **Very good control over operating expenses in a context of high inflation: flat vs. Q1-22**
- **Net income Group share down 29% YoY, at €533m**

- **Restated for regulated savings effects(2): revenues up 1% YoY net income Group share up 8% YoY**

(1) Estimated as at March 31, 2023 (2) The impact of the cost of regulated savings between Q1-22pf and Q1-23 is estimated at -€380m in the Group NBI and -€282m in the Group reported net income, see note on methodology in annex

Capital and Loss-absorbing Capacity

CHANGE IN THE CET 1 RATIO (in bps)



- CET1 capital equal to €69.5bn(1) as at March 31, 2023
- Total loss-absorbing capacity stood at €113.0bn(1) as at March 31, 2023
- Leverage ratio equal to 5.0%(1) as at March 31, 2023

	Requirements March 31, 2023	**Actual levels as at** March 31, 2023(1)
CET1 ratio	9.53%(3) *(ECB)*	15.0%
Total capital ratio	13.53%(3) *(ECB)*	17.9%
TLAC ratio	21.53% *(FSB)*	24.4%(4)
Subordinated MREL ratio	21.53%(5) *(SRB)*	24.4%(4)
Total MREL ratio	25.04%(5) *(SRB)*	31.4%

Capital adequacy, Total loss-absorbing capacity – see note on methodology (1) Estimate as at March 31, 2023 (2) Impact of the first-time application of IFRS 17 and IFRS 9 (FTA) for subsidiaries with insurance contracts (3) ECB requirements as of April 1st, 2023, excluding "Pillar 2 Guidance" with a countercyclical capital buffer rate of 0.03%; as of April 7, 2023, it will increase to 0.43% (4) Groupe BPCE has chosen to waive the possibility offered by Article 72 ter (3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements (5) 2023 requirements

10 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Liquidity: 63% of 2023 MLT funding plan already completed[1]

2023 MLT WHOLESALE FUNDING PLAN

Target: €29bn[2] / Raised[1,2]: €18.3bn or 63%

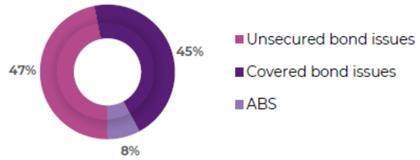
- **TLAC funding**
  Target: €10.0bn (€2bn Tier 2 / €8bn SNP)
  Raised[1,2]: €6.1bn or **61%** (€1.5bn Tier 2 or **75%** / €4.6bn SNP or **58%**)
- **Senior Preferred**
  Target: €7.0bn / Raised[1,2]: €3.1bn or **45%**
- **Covered Bonds**
  Target: €12.0bn / Raised[1,2]: €9.0bn or **75%**

Asset-Backed Securities: target: €1.7bn / Raised[1]: €1.55bn or 91%

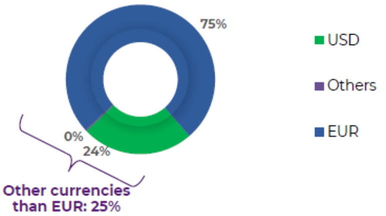
After recent market volatility, 2 very successful bond issues totaling €3bn:

- **BPCE SFH: €2bn 5-year Covered Bond, subscribed 2.3 times despite large size thanks to very large and diversified order book (€4.7bn); 4bps new issue premium**
- **BPCE: €1bn 3-year Senior Preferred, subscribed 2.7 times with large and diversified order book (€2.7bn); 13bps new issue premium**

Structure of MLT wholesale funding raised in 2023[1,3]



Diversification of the investor base/ unsecured MLT wholesale funding raised in 2023[1,3]



TLTRO III

- TLTRO III outstanding amount: €43.2bn at end-March 2023, after €40bn repayment in March 2023
- Repayment at maturity fully integrated in our MLT funding plans

HIGH LIQUIDITY LEVELS

- Average end-of-month LCRs in Q1-23: 153%
- Liquidity reserves: €335bn at end-March 2023
- Coverage ratio of short-term debt obligations: 178% at end-March 2023

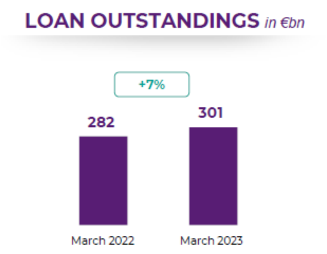
(1) As of 21 April 2023 (2) Excluding structured private placements and asset-backed securities (3) Excluding structured private placements

11 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

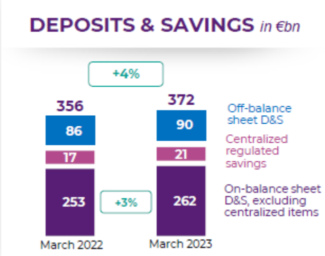
Retail Banking & Insurance
Banques Populaires

BANQUE POPULAIRE

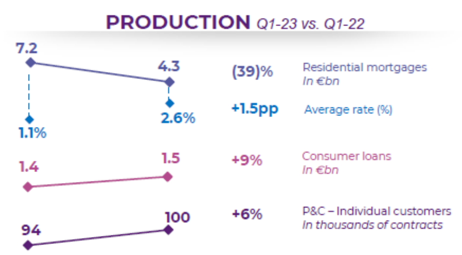
LOAN OUTSTANDINGS *in €bn*



DEPOSITS & SAVINGS *in €bn*



PRODUCTION *Q1-23 vs. Q1-22*



€m[1]	Q1-23	% Change[2]
Net banking income	1,557	(9)%
Operating expenses	(1,018)	2%
Gross operating income	**539**	**(24)%**
Cost of risk	(132)	(14)%
Income before tax	**422**	**(26)%**
Exceptional items	(13)	1%
Underlying income before tax	**435**	**(26)%**
Underlying cost/income ratio	*64.6%*	*6.8pp*

- **6,500 new professional customers YoY**
- **High level of loan outstandings at end March-2023** fueled by residential mortgages +7% YoY, +1% QoQ and equipment loans +9% YoY, +1% QoQ
- **Quarterly residential mortgage production:** in Q1-23 -19% vs. Q4-22, –39% vs. Q1-22 and -24% vs. Q1-19
- **On-balance sheet deposits & savings inflows at end-March 2023: +€13bn YoY**; strong growth in term deposits +44% YoY; passbook savings accounts up 7% YoY
- **Net interest margin[2,3,4] decline** in a context of cost of funding rising faster than asset repricing; -24% YoY to €810m
- **Strong growth in commissions[4]: +10% YoY to €730m in Q1-23**
- **Good control of operating expenses up 2% YoY**

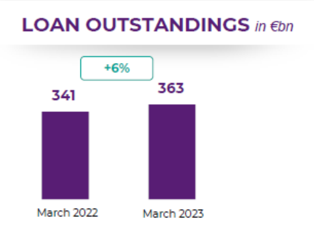
(1) Reported figures (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology) (3) Excluding provision for home purchase savings schemes (4) Income on centralized regulated savings has been restated from net interest margin and included in commissions

13 • RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

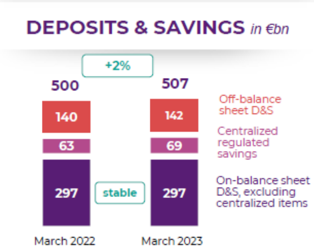
Retail Banking & Insurance
Caisses d'Epargne

CAISSE D'EPARGNE

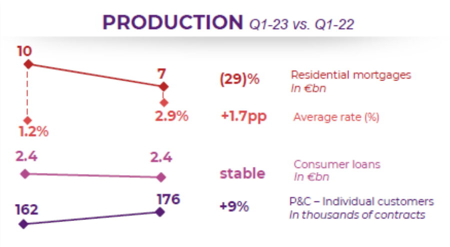
LOAN OUTSTANDINGS *in €bn*



DEPOSITS & SAVINGS *in €bn*



PRODUCTION *Q1-23 vs. Q1-22*



€m[1]	Q1-23	% Change[2]
Net banking income	1,536	(12)%
Operating expenses	(1,065)	0%
Gross operating income	**471**	**(32)%**
Cost of risk	(136)	4%
Income before tax	**334**	**(41)%**
Exceptional items	(11)	34%
Underlying income before tax	**345**	**(40)%**
Underlying cost/income ratio	*68.7%*	*8.6pp*

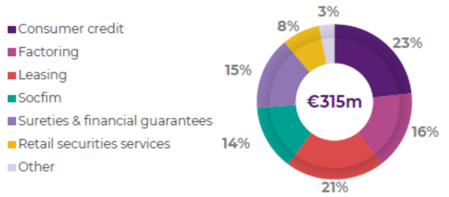
- **125,700 new active individual customers YoY**
- **High level of loan outstandings at end-march 2023** fueled by residential mortgages +7% YoY, +1% QoQ and equipment loans +7% YoY, stable QoQ
- **Quarterly residential mortgage production:** in Q1-23 -1% vs. Q4-22, –29% vs. Q1-22 and +5% vs. Q1-19
- **On-balance sheet deposits & savings inflows at end-March 2023: +€6bn YoY**; strong growth in term deposits +29% YoY; passbook savings accounts +5% YoY
- **Decline in net interest margin[2,3,4]** due to the cost of funding outpacing the repricing of assets owing, mainly to the weight of regulated savings (the Caisse d'Epargne network is a historical distributor of Livret A passbook savings accounts); -30% YoY to €710m
- **Growth in commissions[4]: +4% YoY to €792m in Q1-23**
- **Very good control of operating expenses flat YoY**

(1) Excluding exceptional items (see annex) (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology) (3) Excluding provision for home purchase savings schemes (4) Income on centralized regulated savings has been restated from net interest margin and included in commissions

14 • RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Retail Banking & Insurance
Financial Solutions & Expertise

BREAKDOWN OF REVENUES PER BUSINESS LINE *in Q1-23*



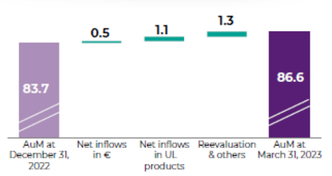
€m(1)	Q1-23	% Change(2)
Net banking income	315	7%
Operating expenses	(157)	6%
Gross operating income	**158**	**8%**
Cost of risk	(6)	(52)%
Income before tax	**151**	**14%**
Exceptional items	(1)	(60)%
Underlying income before tax	**152**	**12%**
Underlying cost/income ratio	*49,6%*	*0,1pp*

(1) Reported figures (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology)

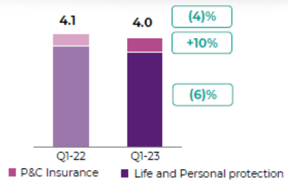
- **Consumer credit:** continued strong momentum with personal loan and revolving credit outstanding up 9% YoY; NBI affected by the growing pressure on margins following interest rates rise
- **Factoring:** continued strong momentum with a significant rise in factored sales (+6% YoY) and average financed outstanding (up 11% YoY)
- **Leasing:** sharp rise in new loan production (+19% YoY) driven by a substantial increase of business with the retail banking networks (+27%) and by the integration of the new entity Eurolocatique specialized in healthcare equipment financing. Decline on NBI due to pressure on margins (rise in the cost of refinancing)
- **Sureties & financial guarantees:** written premiums down 9% YoY due to the marked slowdown in the real estate market
- **Retail securities services:** decline in stock market and mutual fund flows (-16% YoY)

Retail Banking & Insurance
Insurance(1)

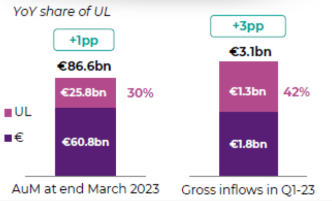
LIFE INSURANCE AuM(2) *in €bn*



PREMIUMS(2) *in €bn*



SHARE OF UL PRODUCTS(2)



€m(3)	Q1-23	% Change(4)
Net banking income	180	41%
Operating expenses(5)	(43)	20%
Gross operating income	**137**	**50%**
Income before tax	**139**	**54%**
Exceptional items	(2)	(36)%
Underlying income before tax	**140**	**51%**
Underlying cost/income ratio	*23.0%*	*(3.2)pp*

- **Life insurance AuM(2):** +4% vs. end-March 2022
- **€3.1bn gross inflows(2)** for Life insurance in Q1-23. Unit-linked products accounted for 42% of gross inflows(1) in Q1-23
- Beneficial effect of the financial environment in Q1-23 vs. Q1-22 on the **life Insurance financial margin**
- **P&C and Personal Protection equipment rate(6) as at end-February 2023: 33.4%**,+0.7pp vs. end-March 22
- **P&C combined ratio improved** by 1.1 pp YoY at 92.6% in Q1-23

(1) BPCE Assurances (2) Excluding the reinsurance agreement with CNP Assurances (3) Reported figures (4) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology) (5) operating expenses is now called non-attributable expenses under IFRS 17 i.e. all the costs that are not directly attributable to the insurance contracts (6) Scope: combined individual customers of the BP and CE networks

Retail Banking & Insurance
Digital & Payments 1/2

€m[1]	Q1-23	% Change[2]	% Change at constant scope[3]
Net banking income	205	(11)%	(1)%
o/w Payments	*116*	*(12)%*	*8%*
Operating expenses	(161)	(11)%	1%
o/w Payments	*(94)*	*(17)%*	*3%*
Gross operating income	**44**	**(9)%**	**(7)%**
o/w Payments	*23*	*25%*	*34%*
Cost of risk	(32)	12%	12%
Income before tax	**8**	**(62)%**	**(59)%**
o/w Payments	*18*	*3%*	*11%*
Exceptional items	(5)	90%	
Underlying income before tax	**13**	**(46)%**	**(40)%**
Underlying cost/income ratio	*76.5%*	*(1.3)pp*	

PAYMENTS

Payment Solutions : **dynamic activity** (card transactions +10.6%bps vs. Q1-22) and continued evolution of payment uses: development of **contactless payment** (60% of card transactions), **mobile payments** (x2 vs Q1-22) and **instant payments** (x2 vs Q1-22)

Payplug: strong growth in business volume for **global retailers** (+28% vs Q1-22) and for **small and medium-sized enterprises** (+27% vs Q1-22). Activity driven by all customer segments and distribution channels (direct customers, BP and CE networks, Oney). **Xpollens:** conquest of major customers in the **Baas** (Bank as a Service) activity in Q1-23

NBI up 8% vs Q1-22 at constant scope excluding Bimpli and strict control of operating expenses

ONEY BANK

6% increase in loan production

- **BtoBtoC:** driven by the BNPL[4] and all the main markets benefiting from **partnerships** concluded in 2022 and the deployment of long CB loans
- **BtoC: tightening of origination criteria** leading to a 15% drop in **loan production**, mainly in France

NBI down 10% vs Q1-22, impacted by higher funding costs

Savings actions enabling a 4% reduction in operating costs

Rise in the cost of risk of 12% vs Q1-22 due to the increase in production

(1) Reported figures (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology) (3) Exluding Bimpli which was acquired by Swile in December 2022 (4) BNPL "Buy Now Pay Later"

Retail Banking & Insurance
Digital & Payments 2/2

DIGITAL HIGHLIGHTS

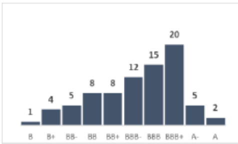
The number of individual and professional customers equipped with Secur'Pass exceeds the 10-million mark

- **10 million** individual and professional customers equipped with ***Secur'Pass*** to complete their day-to-day and sensitive transactions in a completely secure environment: **+3.5%** vs. end-December 2022

Extended self-care uses

- **4.8 million** card management operations (blocked payments, higher ceilings, etc.) performed via digital channels in Q1-23, accounting for almost 90% of these operations, up **2 percentage points** vs. Q4-22
- **21%** of consumer loans initiated digitally in Q1-23, representing a total of more than €720m (+2% vs. Q1-22)
- **2.6 million** customer supporting documents collected and checked via data in Q1-23, i.e. **+26%** vs. Q1-22

BBB+ rating awarded to the BP and CE retail banking networks (D-Rating)



Distribution of scores for the 2022 D-Rating campaign

2023 KEY FIGURES

13 million

customers active on mobile apps or websites at the end of March 2023[1]
including **10.6 million** customers active on mobile devices[1] (+2% vs. December 2022)

55 million

visits per week on average [2]
(+10% vs. December 2022)

Digital NPS
+50
Net Promoter Score[2]

App Store[3]
4.7/5

Google Play[3]
4.6/5

(1) Over the past 12 months (2) In Q1-23 (3) At the end of March 2023

Retail Banking & Insurance
Business Line P&L

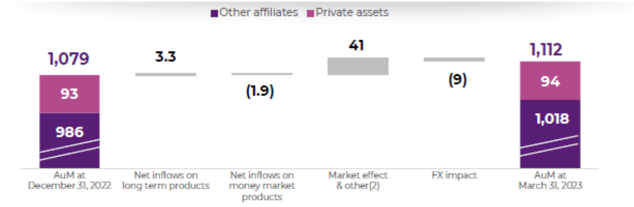
€m[1]	Q1-23	% Change[2]
Net banking income	3,891	(7)%
Operating expenses	(2,496)	1%
Gross operating income	**1,395**	**(19)%**
Cost of risk	(308)	(7)%
Income before tax	**1,107**	**(21)%**
Exceptional items	(31)	9%
Underlying income before tax	**1,137**	**(21)%**
Underlying cost/income ratio	*63.4%*	*5.0pp*

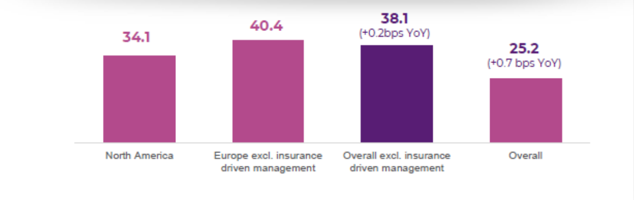
- **Strong dynamic loan book expansion in all markets:**
  - Residential mortgages: +7% YoY to €395bn
  - Equipment loans: +8% YoY to €187bn
  - Consumer loans +7% YoY to €39bn
- **Quarterly residential mortgage production: in Q1-23 -9% vs. Q4-22, -34% vs. Q1-22 and -9% vs. Q1-19**
- **On-balance sheet deposits & savings inflows at end-March 2023: +€19bn YoY;** strong growth in term deposits +37% YoY; passbook savings accounts up 5% YoY
- **Strict control in operating expenses in a tough context of high inflation**

(1) Reported figures (2) Q1-22 figures have been restated pro forma for IFRS 17 application (see note on methodology)

Global Financial Services
Asset & Wealth Management

NATIXIS INVESTMENT MANAGERS





- **AM revenues** slightly down 3% vs. Q1-22 due to lower average AuM
- **AuM:** up 3% QoQ, with positive inflows and significant positive market effect
- **AM flows[1]:** €1.4bn net inflows in Q1-23 including €3.3bn net inflows in long term products driven by both North American and European affiliates; as expected, clients are reallocating their investments to Fixed Income; still positive net inflows from Private Assets even if slowing down
- **Overall AM fee rate stands at 25.2bps:** up 0.7bps vs. Q1-22

€m[3]	Q1-23	% Change
Net banking income	784	(4)%
Operating expenses	(642)	0%
Gross operating income	**142**	**(15)%**
Income before tax	**189**	**0%**
Exceptional items	(9)	ns
Underlying income before tax	**198**	**11%**
Underlying cost/income ratio	*80.7%*	*2.1pp*

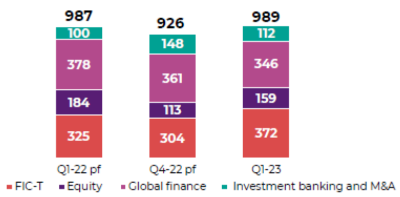
(1) Europe including Dynamic Solutions and Vega IM; US including WCM IM; Excluding Wealth Management AuM (2) Including Alphasimplex disposal (3) Reported figures

Global Financial Services

Corporate & Investment Banking

NATIXIS CORPORATE AND INVESTMENT BANKING

NET REVENUES[1] in €m



€m[2]	Q1-23	% Change
Net banking income	1,038	7%
Operating expenses	(662)	5%
Gross operating income	**376**	**11%**
Cost of risk	21	ns
Income before tax	**401**	**59%**
Exceptional items	(1)	ns
Underlying income before tax	**402**	**60%**
Underlying cost/income ratio	*63.6%*	*(1.4)pp*

(1) Reported figures excluding CVA/DVA desk and other; figures at current FX (2) Reported figures

GLOBAL MARKETS

FIC-T revenues: €372m up 14% vs. Q1-22
very dynamic activity in FI-Rates benefiting from interest rates volatility offsetting lower revenues from Commodities

Equity revenues: €159m, down 13% YoY vs. a high/record Q1-22 and up 40% QoQ. Good business momentum notably with Groupe BPCE retail networks

GLOBAL FINANCE

Revenues: €346m down 8% vs. Q1-22
Lower contribution from Real assets revenues offset by a good performance of the Trade finance business

INVESTMENT BANKING/M&A

Investment banking posted resilient revenues at €61m in Q1-23 down 10% YoY mainly due the lower contribution from Acquisition & Strategic Finance chain with primary markets slowing down

M&A revenues €51m up 51% YoY driven by a robust activity across M&A boutiques

SELECTED AWARDS / RANKINGS

M&A ranking
No. 2 for mid caps in terms of volume
(CFNEWS' 2022 ranking)

Best Investment Bank – France
by Global Finance
(for the second time)

"Middle East & Africa Bank of the Year"
by PFI

PFI AWARDS 2022

GROUPE BPCE

Global Financial Services

Business Line P&L

€m[1]	Q1-23	% Change	Constant Fx % change
Net banking income	1,822	2%	0%
o/w AWM	*784*	*(4)%*	*(6)%*
o/w CIB	*1,038*	*7%*	*6%*
Operating expenses	(1,303)	2%	0%
o/w AWM	*(642)*	*0%*	*(3)%*
o/w CIB	*(662)*	*5%*	*4%*
Gross operating income	**519**	**2%**	**0%**
Cost of risk	27	ns	
Income before tax	**590**	**34%**	
Exceptional items	(10)	ns	
Underlying income before tax	**601**	**40%**	
Underlying cost/income ratio	*71.0%*	*(0.2)pp*	

(1) Reported figures (2) Excluding H_2O AM

AWM

- **Net revenues down 4% vs. Q1-22 due to:**

  Lower asset-based fees down YoY following the average AuM drop (-10%[2] at constant FX vs. Q1-22)

  Lower performance fees (-60% vs. Q1-22)

  Partly offset by higher financial revenues in Q1-23 (mainly seed money and dividends)

- **Expenses:** stable vs. Q1-22 including lower variable compensation partially offset by higher other operating expenses costs (mainly IT costs, T&E)
- **PBT** includes a €41m gain on a US affiliate disposal (Alphasimplex)

CIB

- **7% Growth in net revenues** vs. Q1-22 thanks to diversification and driven by the strong performance of FICT (14% YoY) and IB & M&A (12% YoY) businesses.
- **Expenses** rose 5% vs. Q1-22 reflecting revenue evolution (+7% YoY) and investment expenditure. Cost/income ratio improved by 1.4pp to reach 63.6% in Q1-23
- **PBT up 59%** YoY including a positive cost of risk (writes-backs on several cases)

GROUPE BPCE

Conclusion

SUSTAINED COMMERCIAL DEVELOPMENT

- Solid commercial performance across RB&I businesses; acceleration of the asset repricing
- Net interest margin of the BP and CE networks impacted as expected by the ongoing interest rate transition phase
- Strong commercial achievements in CIB driven by efficient diversification; €3.3bn net inflows in LT products in AM

ONGOING FOCUS ON EFFICIENCY

- Tight control of operating expenses, stable vs. Q1-22 in a context of high inflation
- Zoom on BP & CE networks: combined costs up 0.9% in Q1-23 YoY while annual harmonized inflation in France in March 2023 up 6.7%[1]

LOW RISK PROFILE

- Proven efficiency of diversified business model
- Very diversified loan book with good asset quality across all sectors

BALANCE SHEET AMONG THE STRONGEST IN EUROPE

- 15.0% CET1 ratio at end-March 2023
- 24.4% TLAC ratio at end-March 2023

(1) Harmonized Index of Consumer Prices or HICP (source INSEE at the end of March 2023)

24 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

GROUPE BPCE

Q1/2023

Annexes

Content

Consolidated results of Groupe BPCE

- Notes on methodology
- Reconciliation of reported data to pro forma data
- Income statement: reconciliation of reported data to alternative performance measures
- Underlying cost to income ratio excl. SRF
- Quarterly income statements per business line and quarterly series
- Consolidated balance sheet

Financial structure

- Statement of changes in shareholders' equity
- Financial structure: changes in regulatory capital and fully-loaded ratios
- Financial structure: distance to MDA
- Prudential ratios and credit ratings
- Risk-weighted assets
- Leverage ratio
- Financial conglomerate
- Liquidity
- Non-financial ratings

Retail Banking & Insurance

- Income statement and quarterly series
- Banque Populaire and Caisse d'Epargne – quarterly series
- Deposits & savings and loan outstandings
- Banque Populaire network – Deposits & savings and loan outstandings
- Caisse d'Epargne network – Deposits & savings and loan outstandings
- FSE – quarterly series
- Insurance – quarterly series
- Digital & Payments – quarterly series
- Other network – quarterly series

Global Financial Services

- Income statement and quarterly series
- Asset and Wealth Management - quarterly series
- Corporate & Investment Banking -quarterly series

Corporate center

- Quarterly series

Risks

- Performing & non-performing loans and impairment
- Cost of risk in bps
- Breakdown of gross exposure

26 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Notes on methodology (1/4)

Presentation of the pro-forma quarterly results

- The main pro-forma restatement concerns the transition to IFRS 17. Data for Q1-22 has been recalculated under IFRS 17 to obtain a like-for-like basis of comparison.
- New management standards adopted by Natixis (normative allocation of capital to the business lines) have led to a recalculation of the data for the 2022 quarterly series.
- The tables showing the transition from reported Q1-22 to pro-forma Q1-22 are presented on annexes

IFRS 17/IFRS 9

- Groupe BPCE has applied the provisions of IFRS 17 pertaining to insurance contracts since January 1, 2023, as well as IFRS 9 for insurance entities.
- IFRS 17 replaces IFRS 4 and is applicable retroactively, with the implementation of pro-forma financial statements for comparative data for the 2022 financial year (different profit recognition rates between the two standards).
- IFRS 9 replaces IAS 39 by modifying the principles for the valuation of the financial assets of insurers using the same rules as those applied by banks since January 1, 2018. It applies in the same way considering the temporary exemption enjoyed by insurance entities. Groupe BPCE has elected to apply the provisions of IFRS 9 for the 2022 comparative data.

- IFRS 17 provides for the estimation at inception of the Contractual Service Margin (CSM) of a group of insurance contracts recognized in the balance sheet and which is then amortized in the income statement (in Net Banking Income) as and when the service is rendered. This margin takes account, in particular, of the related overheads.
- Insurance liabilities are recognized at present value.
- Income and expenses relating to ceded insurance and reinsurance contracts are presented separately in Net Banking Income.
- General expenses relating to insurance contracts are presented by destination as a deduction from Net Banking Income.
- The cost of credit risk on financial investments in insurance activities is isolated on a separate line in the insurance aggregates in Net Banking Income.

Notes on methodology (1/4)

Creation of the Digital & Payments division

- The Payments and Oney business lines have been brought together within a single Digital & Payments division.
- Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Internal transfer

- Crédit Foncier's subsidiary, Banco Primus (Corporate center) was transferred to BPCE Financement (Financial Solutions & Expertise business unit within RB&I).
- Segment information for previous quarters has been restated accordingly. These internal transactions have no impact on the Group's financial statements.

Exceptional items

- Exceptional items and the reconciliation of the reported income statement to the underlying income statement of Groupe BPCE are detailed in the annexes.

Net banking income

- Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (Livret A, Livret Développement Durable, Livret Épargne Logement passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings is assimilated to commissions.

Operating expenses

- Operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's registration document, note 4.7 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

Cost/income ratio

- Groupe BPCE's cost/income ratio is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the Single Resolution Fund (SRF) booked in the Corporate center division. The calculations are detailed in the annexes.
- Business line cost/income ratios are calculated on the basis of underlying net banking income and operating expenses.

Notes on methodology (2/4)

Cost of risk

- The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

Loan outstandings and deposits & savings

- Restatements regarding transitions from book outstandings to outstandings under management are as follows:
- Loan outstandings: the scope of outstandings under management does not include securities classified as customer loans and receivables and other securities classified as financial operations,
- Deposits & savings: the scope of outstandings under management does not include debt securities (certificates of deposit and savings bonds).

Capital adequacy

- **Common Equity Tier 1** is determined in accordance with the applicable CRR II/CRD V rules, after deductions.
- **Additional Tier-1** capital takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.
- **The leverage ratio** is calculated in accordance with the applicable CRR II/CRD V rules. Centralized outstandings of regulated savings are excluded from the leverage exposures as are Central Bank exposures for a limited period of time (pursuant to ECB decision 2021/27 of June 18, 2021).

Total loss-absorbing capacity

The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio is determined by article 92a of CRR. Please note that a quantum of Senior Preferred securities has not been included in our calculation of TLAC.

This amount is consequently comprised of the 4 following items:

- Common Equity Tier 1 in accordance with the applicable CRR II/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR II/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR II/CRD IV rules,
- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
  - The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
  - The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
  - The nominal amount of Senior Non-Preferred securities maturing in more than 1 year.

Notes on methodology (3/4)

Liquidity

Total liquidity reserves comprise the following:

- Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and the Federal Reserve), net of central bank funding,
- LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation,
- Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.

Short-term funding corresponds to funding with an initial maturity of less than, or equal to, 1 year and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months.

Customer deposits are subject to the following adjustments:

- Addition of security issues placed by the Banque Populaire and Caisse d'Epargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

Business line indicators – BP & CE networks

Average rate (%): the average customer rate for home loans corresponds to the weighted average of actuarial rates for committed home loans, excluding ancillary items (application fees, guarantees, creditor insurance). The rates are weighted by the amounts committed (offers made, net of cancellations) over the period under review. The calculation is based on aggregate home loans, excluding zero interest rate loans.

Business line indicators – Oney Bank

BtoC: financing solutions distributed directly to customers. This line includes personal loans and revolving credit.

BtoBtoC: payment and financing solutions distributed to customers through partners and retail chains. This line includes split payment, 'Buy Now Pay Later', and assigned credit solutions.

Notes on methodology (4/4)

Digital indicators

The number of active customers using mobile apps or websites corresponds to the number of customers who have made at least one visit via one of the digital channels (mobile apps or website) over the last 12 months.

The number of visits corresponds to the average number of visits (all markets combined) via mobile apps and websites for the BP and CE over a 7-day period since the beginning of the year.

The Digital NPS is the recommendation score awarded by customers on the digital customer spaces weighted according to the weight of the spaces (web/mobile). It corresponds to the customer's net promoter score ranging between -100 and +100. The NPS is calculated over a sliding 3-month period.

The scores on the App Store or Google Play online stores correspond to the average of the scores awarded by users at the end of the period in question.

The number of ***Secur'Pass*** customers corresponds to the number of customers in the private, professional and corporate customer markets who have adopted the Secur'Pass solution.

The number of external transfers made via Instant Payment corresponds to the number of instant fund transfers carried out during the quarter from one account to another IBAN-numbered account held by a beneficiary located in the SEPA zone.

The percentage of local payment transactions made using contactless technology is calculated using the number of local payments and ATM operations to the exclusion of e-commerce transactions.

Reconciliation of Q1-22 data to pro forma data

Groupe BPCE	Q1-22 pf						
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**6,575**	**(4,961)**	**(424)**	**17**	**37**	**1,244**	**785**
IFRS 17	(426)	376	13	(1)		(38)	(29)
Pro forma figures	**6,149**	**(4,585)**	**(411)**	**16**	**37**	**1,206**	**755**

Retail banking and Insurance	Q1-22 pf						
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**4,627**	**(2,856)**	**(343)**	**12**	**5**	**1,444**	**1,076**
IFRS 17	(422)	375	13	(2)		(36)	(27)
Pro forma figures	**4,205**	**(2,481)**	**(330)**	**10**	**5**	**1,409**	**1,049**

Global financial services	Q1-22 pf						
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**1,782**	**(1,275)**	**(85)**	**3**	**15**	**441**	**313**
Guarantees	(2)					(2)	(1)
New rules	2					2	1
Pro forma figures	**1,782**	**(1,275)**	**(85)**	**3**	**15**	**440**	**313**

Corporate center	Q1-22 pf						
In millions of euros	Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share
Reported figures	**166**	**(830)**	**4**	**2**	**18**	**(640)**	**(604)**
Guarantees	2					2	1
New rules	(2)					(2)	(1)
IFRS 17	(5)	1		1		(2)	(2)
Pro forma figures	**162**	**(829)**	**4**	**3**	**18**	**(643)**	**(606)**

Q1-23 & Q1-22 results: reconciliation of reported data to alternative performance measures

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other Assets	Income before tax	Net income - Group share
Reported Q1-23 results		**5,815**	**(4,587)**	**(326)**	**49**	**968**	**533**
Transformation and reorganization costs	*Business lines/ Corporate center*	4	(56)	2		(49)	(36)
Disposals	*Business lines*		0		(1)	(1)	0
Q1-23 results excluding exceptional items		**5,810**	**(4,531)**	**(329)**	**49**	**1,018**	**570**

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income - Group share
Pro forma reported Q1-22 results		**6,149**	**(4,585)**	**(411)**	**37**	**1,206**	**755**
Transformation and reorganization costs	*Business lines/ Corporate center*	3	(76)	0	21	(52)	(33)
Disposals	*Corporate center*	0	2	0	14	16	15
Pro forma Q1-22 results excluding exceptional items		**6,146**	**(4,511)**	**(411)**	**3**	**1,243**	**773**

Groupe BPCE: underlying cost to income ratio excluding SRF

€m	Net banking income	Operating expenses	Cost income ratio
Q1-23 reported figures	**5,815**	**(4,587)**	
Impact of exceptional items	4	(56)	
SRF		(585)	
Q1-23 underlying figures excluding SRF	**5,810**	**(3,946)**	**67.9%**

€m	Net banking income	Operating expenses	Cost income ratio
Q1-22 Pro forma reported figures	**6,149**	**(4,585)**	
Impact of exceptional items	3	(74)	
SRF		(596)	
Q1-22 Pro forma underlying figures excluding SRF	**6,146**	**(3,916)**	**63.7%**

Groupe BPCE: quarterly income statement per business line

	RETAIL BANKING & INSURANCE		GLOBAL FINANCIAL SERVICES		CORPORATE CENTER		GROUPE BPCE		
€m	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	%
Net banking income	3,891	4,205	1,822	1,782	102	162	5,815	6,149	(5)%
Operating expenses	(2,496)	(2,481)	(1,303)	(1 275)	(788)	(829)	(4,587)	(4,585)	0%
Gross operating income	**1,395**	**1,724**	**519**	**507**	**(686)**	**(667)**	**1,228**	**1,564**	**(22)%**
Cost of risk	(308)	(330)	27	(85)	(46)	4	(326)	(411)	(21)%
Income before tax	**1,107**	**1,409**	**590**	**440**	**(729)**	**(643)**	**968**	**1,206**	**(20)%**
Income tax	(269)	(355)	(146)	(115)	(10)	37	(425)	(434)	(2)%
Non-controlling interests	2	(5)	(12)	(12)	0	0	(9)	(17)	(46)%
Net income – Group share	**840**	**1,049**	**432**	**313**	**(739)**	**(606)**	**533**	**755**	**(29)%**

Groupe BPCE: quarterly series

	GROUPE BPCE				
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	6,149	6,569	6,309	6,252	5,815
Operating expenses	(4,585)	(4,250)	(4,258)	(4,608)	(4,587)
Gross operating income	**1,564**	**2,319**	**2,051**	**1,644**	**1 228**
Cost of risk	(411)	(457)	(347)	(772)	(326)
Income before tax	**1,206**	**1,886**	**1,732**	**885**	**968**
Net income – Group share	**755**	**1,329**	**1,288**	**549**	**533**

Consolidated balance sheet

ASSETS €m	March 31, 2023
Cash and amounts due from central banks	147,754
Financial assets at fair value through profit or loss	200,180
Hedging derivatives	11,488
Financial assets at fair value through shareholders' equity	46,300
Financial assets at amortized cost	28,534
Loans and receivables due from credit institutions and similar at amortized cost	103,765
Loans and receivables due from customers at amortized cost	828,560
Revaluation difference on interest rate risk-hedged portfolios	(6,129)
Financial investments of insurance activities	97,086
Insurance contracts written - Assets	1,229
Reinsurance contracts ceded - Assets	8,849
Current tax assets	760
Deferred tax assets	4,844
Accrued income and other assets	16,832
Non-current assets held for sale	134
Deferred profit sharing	0
Investments in associates	1,606
Investment property	751
Property, plant and equipment	5,925
Intangible assets	1,092
Goodwill	4,252
TOTAL ASSETS	**1,503,813**

LIABILITIES €m	March 31, 2023
Amounts due to central banks	6
Financial liabilities at fair value through profit or loss	191,705
Hedging derivatives	15,545
Debt securities	255,972
Amounts due to credit institutions	103,927
Amounts due to customers	702,072
Revaluation difference on interest rate risk-hedged portfolios	340
Current tax liabilities	1,920
Deferred tax liabilities	2,020
Accrued expenses and other liabilities	23,237
Liabilities associated with non-current assets held for sale	114
Liabilities related to insurance contracts	98,113
Reinsurance contracts ceded - Liabilities	143
Provisions	4,714
Subordinated debt	20,452
Shareholders' equity	**83,534**
Equity attributable to equity holders of the parent	*83,070*
Non-controlling interests	*464*
TOTAL LIABILITIES	**1,503,813**

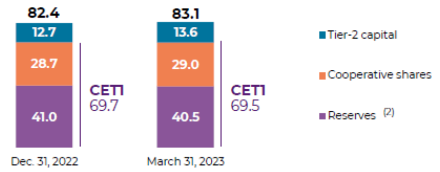
Statement of changes in shareholders' equity

€m	Equity attributable to shareholders' equity Groupe BPCE
December 31, 2022	**82,079**
Impact of changes relating to the first-time application of IFRS 17	312
Impact of changes relating to the first-time application of IFRS 9 to insurance activities	(455)
January 1st, 2023 comparative	**81,936**
Distributions	-
Capital increase (cooperative shares)	388
Impact of acquisitions and disposals on non-controlling interests (minority interests)	1
Income	533
Changes in gains & losses directly recognized in equity	213
Others	(1)
March 31, 2023	**83,070**

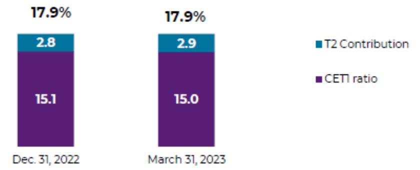
Financial structure: changes in regulatory capital and fully-loaded ratios

€bn	March 31, 2023	Dec. 31, 2022
Equity attribuable to shareholders' equity Groupe BPCE	**83.1**	**82.1**
Cancelation of hybrid securities in equity attributable to equity holders of the parent	-	-
Non-controlling interests[1]	0.2	0.2
Goodwill and intangibles	(4.9)	(4.9)
EL/Prov. Difference	(0.2)	(0.2)
Deduction of excess backstop under Pillar II	(1.0)	(1.0)
IPC	(1.0)	(1.0)
Other regulatory adjustments	(6.6)	(5.5)
Common Equity Tier-1 capital	**69.5**	**69.7**
Additional Tier-1 capital	-	-
Tier-1 capital	**69.5**	**69.7**
Tier-2 capital	14.3	13.5
T2 regulatory adjustments	(0.7)	(0.8)
Total capital	**83.1**	**82.4**

Regulatory capital (in €bn)



Total capital ratios (as a %)



(1) Non-controlling interests (prudential definition), taking into account only the part from Oney after regulatory clipping at March 31, 2023 (2) Reserves net of prudential restatements

Financial structure: distance to MDA

Jan. 1, 2023	Pillar I requirement	Pillar II requirement	Capital conservation buffer	G-SIB buffer	Countercyclical buffer (CCyB)	Total
CET 1 ratio requirement	4.50%	1.50%	2.50%	1.00%	0.03%	9.53%
Tier 1 ratio requirement	6.00%	1.50%	2.50%	1.00%	0.03%	11.03%
Total capital ratio requirement	8.00%	2.00%	2.50%	1.00%	0.03%	13.53%
Leverage ratio requirement	3.00%			0.50%		3.50%

Dec. 31, 2022	Actual levels	Distance to requirement (€bn)
CET 1 ratio	15.12%	25.7
Tier 1 ratio	15.12%	18.8
Total capital ratio	17.88%	20.1
Leverage ratio	5.02%	21.1
Lowest of the 4 distances to requirement		**18.8**

March 31, 2023	Pillar I requirement	Pillar II requirement	Capital conservation buffer	G-SIB buffer	Countercyclical buffer (CCyB)	Total
CET 1 ratio requirement	4.50%	1.50%	2.50%	1.00%	0.03%	9.53%
Tier 1 ratio requirement	6.00%	1.50%	2.50%	1.00%	0.03%	11.03%
Total capital ratio requirement	8.00%	2.00%	2.50%	1.00%	0.03%	13.53%
Leverage ratio requirement	3.00%			0.50%		3.50%

March 31, 2023	Actual levels (est.)	Distance to requirement (€bn)
CET 1 ratio	15.01%	25.4
Tier 1 ratio	15.01%	18.4
Total capital ratio	17.95%	20.4
Leverage ratio	5.01%	20.9
Lowest of the 4 distances to requirement		**18.4**

Significant buffer over MDA trigger threshold: €18.4bn

Capital adequacy, Total loss-absorbing capacity – see note on methodology

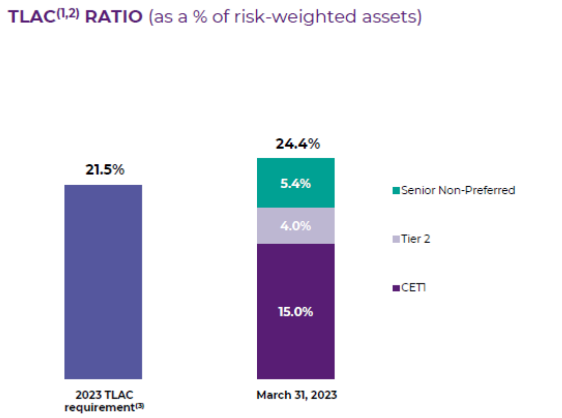
Financial structure: prudential ratios and credit ratings

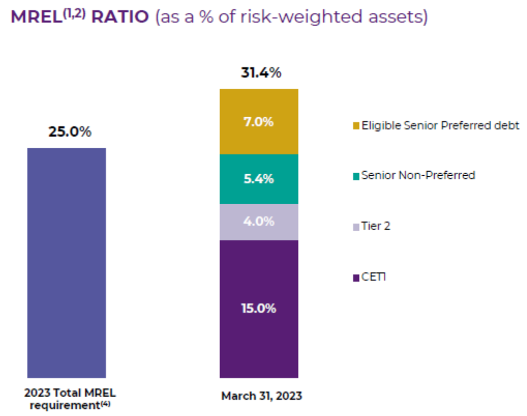
	March 31, 2023[1]	Dec. 31, 2022	Dec. 31, 2021
Total risk-weighed assets	€463bn	€461bn	€441bn
Common Equity Tier-1 capital	€69.5bn	€69.7bn	€69.8bn
Tier-1 capital	€69.5bn	€69.7bn	€69.8bn
Total capital	€83.1bn	€82.4bn	€82.7bn
Common Equity Tier-1 ratio	15.0%	15.1%	15.8%
Tier-1 ratio	15.0%	15.1%	15.8%
Total capital adequacy ratio	17.9%	17.9%	18.7%

Long-term SENIOR PREFERRED credit ratings (May 3, 2023)	
FitchRatings	AA- negative outlook
Moody's	A1 stable outlook
R&I	A+ stable outlook
Standard & Poor's	A stable outlook

(1) Estimate at March 31, 2023, with irrevocable payment commitments now deducted from equity

TLAC / MREL ratio

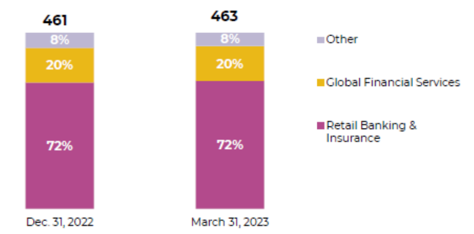




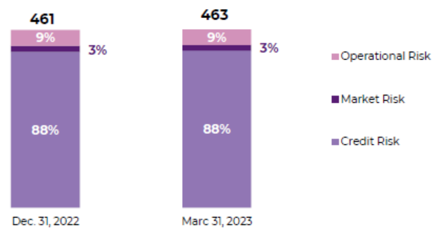
Capital adequacy, Total loss-absorbing capacity – see note on methodology (1) Estimate at March 31, 2023 (2) Le Groupe BPCE has chosen to waive the possibility offered by Article 72 Ter (3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements (3) Based on FSB TLAC term sheet dated Nov. 9, 2015 (4) 2023 requirements

Risk-Weighted Assets

BREAKDOWN PER BUSINESS LINE (in €bn)



BREAKDOWN PER TYPE OF RISK[1] (in €bn)



CHANGE OVER A 3-MONTH PERIOD (in €bn)

(1) The CVA is included under Credit risk. It accounted for less than 1% of RWA at March 31, 2023 and December 31, 2022

Leverage ratio

€bn	March 31, 2023[1]	Dec. 31, 2022
Tier-1 capital	**69.5**	**69.7**
Balance sheet total[2]	**1,503.8**	**1,530.5**
Prudential restatements	(104.2)	(127.0)
Prudential balance sheet total[2]	**1,399.6**	**1,403.5**
Adjustments related to exposure to derivates [3]	(15.7)	(26.3)
Adjustments related to security financing operations[4]	7.3	9.0
Off-balance sheet (financing and guarantee commitments)	98.9	99.2
Deduction of central bank exposure		
Deduction of the centralized regulated savings	(90.3)	(85.0)
Deduction of intragroup exposures	(4.0)	(4.0)
Regulatory adjustments	(7.7)	(7.7)
Total leverage exposure	**1,388.1**	**1,388.7**
Leverage ratio[5]	**5.0 %**	**5.0 %**

(1) Estimate at March 31, 2023 calculated in accordance with Regulation (EU) 2019/876 (2) The main difference between the statutory balance sheet and the prudential balance sheet lies in the method used for consolidating insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method (3) Inclusion of the effects of offsetting applicable to derivatives according to the rules of the Delegated Act (4) Inclusion of adjustments applicable to security financing operations according to the rules of the Delegated Act (5) The overall leverage ratio requirement is 3.5% as of March 31, 2023

Financial conglomerate

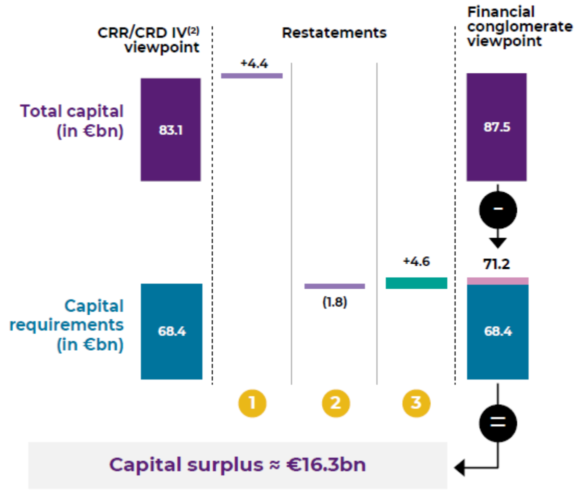
FINANCIAL CONGLOMERATE RATIO

RESTATEMENTS APPLIED

1. Shift from a prudential to a statuory scope[3]
2. Cancellation of the capital requirements of insurance companies calculated under CRR/CRD IV
3. Inclusion of the solvency margin calculated under Solvency 2

CONSEQUENCES

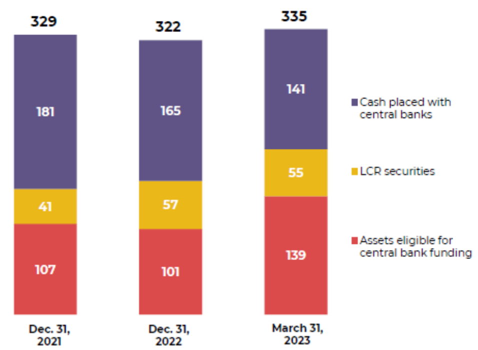
- Total capital restatement: +€4.4bn
- Net restatement of capital requirements: +€2.8bn



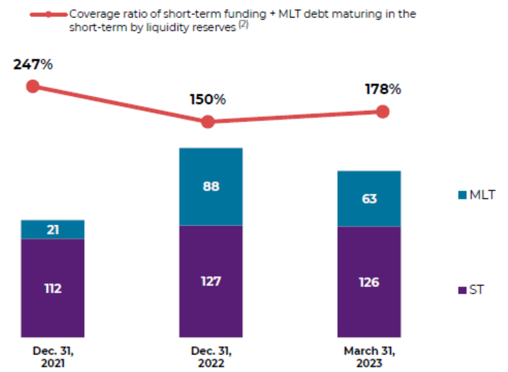
(1) CR = capital requirements, i.e. 14.76% of risk-weighted assets according to CRR/CRD IV (2) Estimate – Taking account of transitional measures; subject to the provisions of article 26.2 of regulation (EU) n° 575/2013
(3) The main difference between the two scopes lies in the method used to consolidate insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method

Liquidity reserves and short-term funding

TOTAL LIQUIDITY RESERVES OF GROUPE BPCE[1] (in €bn)



SHORT-TERM FUNDING AND MLT DEBT MATURING IN THE SHORT TERM (in €bn)



(1) Excluding MMF US Natixis deposits (2) Coverage ratio = Total liquidity reserves of Groupe BPCE / [Short-term funding +MLT debt maturing in the short term]

Non-financial ratings

RANKINGS

Top 21%
banks worldwide

« C Prime » status – 1st decile
of world banks(1)

Top 30%
banks worldwide(2)

Top 13%
banks worldwide(3)

Top 3%
banks worldwide(4)

(1) 2023 rating, (2) Panel of 190 banks (3) Panel of 415 banks (4) Panel of 4,902 financial sector companies

47 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Retail Banking & Insurance: quarterly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			DIGITAL & PAYMENTS			OTHER NETWORK			RETAIL BANKING & INSURANCE		
€m	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%	Q1-23	Q1-22pf	%
Net banking income	1,557	1,713	(9)%	1,536	1,755	(12)%	315	295	7%	180	127	41%	205	231	(11)%	97	84	16%	3,891	4,205	(7)%
Operating expenses	(1,018)	(1,003)	2%	(1,065)	(1,062)	0%	(157)	(149)	6%	(43)	(36)	20%	(161)	(182)	(11)%	(51)	(50)	2%	(2,496)	(2,481)	1%
Gross operating income	**539**	**711**	**(24)%**	**471**	**693**	**(32)%**	**158**	**146**	**8%**	**137**	**91**	**50%**	**44**	**49**	**(9)%**	**46**	**34**	**37%**	**1,395**	**1,724**	**(19)%**
Cost of risk	(132)	(154)	(14)%	(136)	(130)	4%	(6)	(13)	(52)%	2	(1)		(32)	(29)	12%	(2)	(5)	(62)%	(308)	(330)	(7)%
Income before tax	**422**	**572**	**(26)%**	**334**	**563**	**(41)%**	**151**	**133**	**14%**	**139**	**90**	**54%**	**8**	**21**	**(62)%**	**52**	**29**	**78%**	**1,107**	**1,409**	**(21)%**
Income tax	(98)	(139)	(29)%	(80)	(149)	(46)%	(40)	(37)	8%	(30)	(19)	58%	(8)	(4)	94%	(13)	(7)	82%	(269)	(355)	(24)%
Non-controlling interests	(4)	(3)	(27)%	(1)	(1)	(34)%	0	0		0	0	ns	7	(1)	ns	0	0		2	(5)	(141)%
Net income - Group share	**320**	**430**	**(25)%**	**253**	**413**	**(39)%**	**112**	**97**	**16%**	**109**	**72**	**52%**	**7**	**16**	**(56)%**	**39**	**22**	**76%**	**840**	**1,049**	**(20)%**

48 ● RESULTS FOR THE 1ST QUARTER OF 2023 GROUPE BPCE

Retail Banking & Insurance: quarterly series

RETAIL BANKING & INSURANCE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	4,205	4,630	4,437	4,244	3,891
Operating expenses	(2,481)	(2,819)	(2,756)	(3,008)	(2,496)
Gross operating income	**1,724**	**1,812**	**1,681**	**1,236**	**1,395**
Cost of risk	(330)	(392)	(366)	(652)	(308)
Income before tax	**1,409**	**1,430**	**1,332**	**881**	**1,107**
Net income – Group share	**1,409**	**1,056**	**995**	**680**	**840**

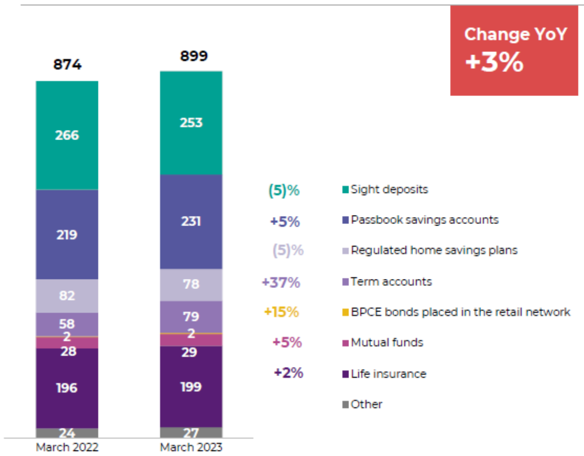
Retail Banking & Insurance: Banque Populaire and Caisse d'Epargne networks quarterly series

BANQUE POPULAIRE NETWORK					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	1,713	1,818	1,771	1,683	1,557
Operating expenses	(1,003)	(1,100)	(1,115)	(1,165)	(1,018)
Gross operating income	**711**	**718**	**656**	**518**	**539**
Cost of risk	(154)	(200)	(166)	(279)	(132)
Income before tax	**572**	**532**	**504**	**248**	**422**
Net income – Group share	**430**	**405**	**380**	**177**	**320**

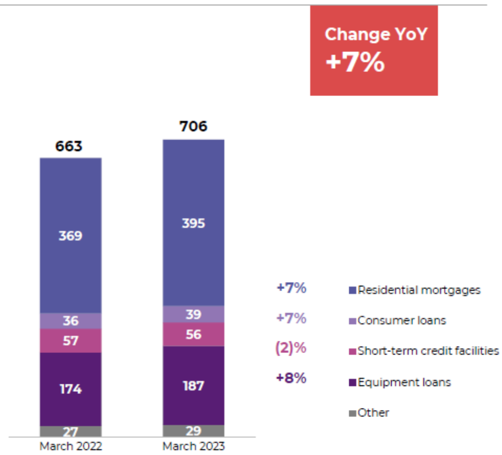
CAISSE D'EPARGNE NETWORK					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	1,755	1,894	1,812	1,654	1,536
Operating expenses	(1,062)	(1,189)	(1,119)	(1,245)	(1,065)
Gross operating income	**693**	**705**	**693**	**409**	**471**
Cost of risk	(130)	(115)	(152)	(248)	(136)
Income before tax	**563**	**589**	**541**	**166**	**334**
Net income – Group share	**413**	**426**	**398**	**95**	**253**

Retail Banking & Insurance

DEPOSITS & SAVINGS (in €bn)



LOAN OUTSTANDINGS (in €bn)

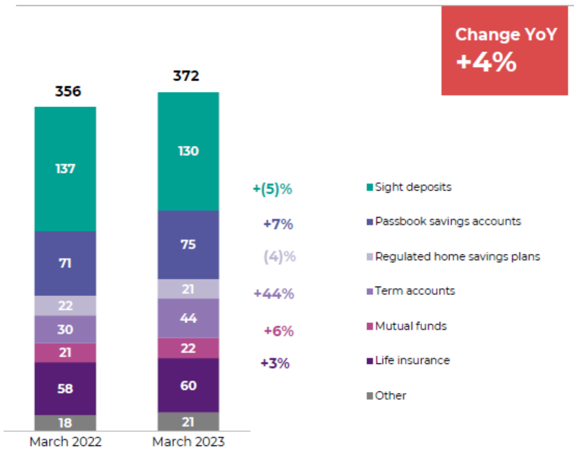


51 • RESULTS FOR THE 1ST QUARTER OF 2023

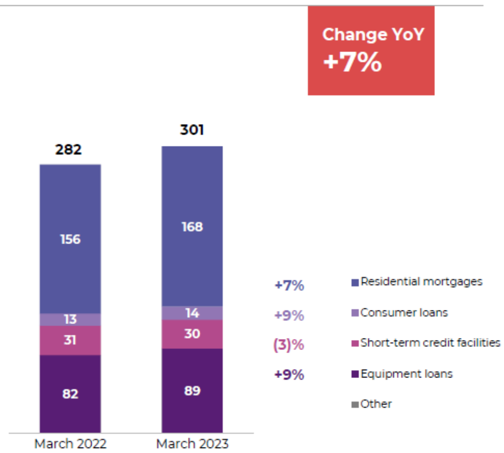
GROUPE BPCE

Retail Banking & Insurance: Banque Populaire network

DEPOSITS & SAVINGS (in €bn)



LOAN OUTSTANDINGS (in €bn)

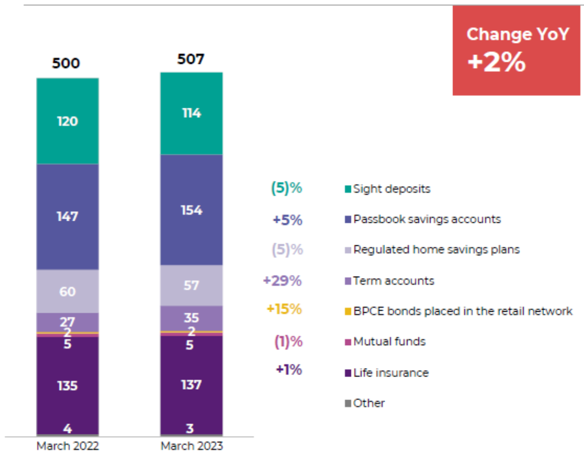


52 • RESULTS FOR THE 1ST QUARTER OF 2023

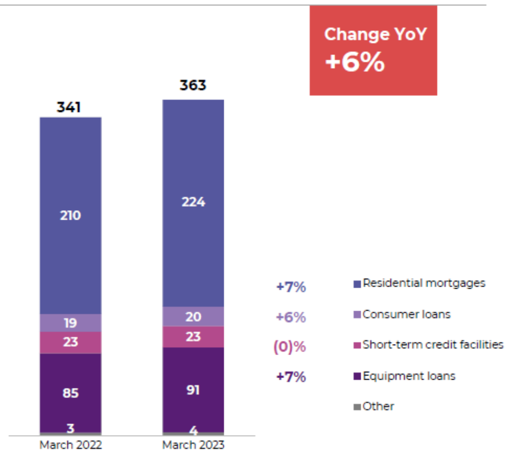
GROUPE BPCE

Retail Banking & Insurance: Caisse d'Epargne network

DEPOSITS & SAVINGS (in €bn)



LOAN OUTSTANDINGS (in €bn)



Retail Banking & Insurance: FSE quarterly series

FINANCIAL SOLUTIONS & EXPERTISE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	295	332	321	328	315
Operating expenses	(149)	(163)	(163)	(180)	(157)
Gross operating income	**146**	**169**	**158**	**148**	**158**
Cost of risk	(13)	(27)	(23)	(45)	(6)
Income before tax	**133**	**141**	**135**	**103**	**151**
Net income – Group share	**97**	**107**	**101**	**75**	**112**

Retail Banking & Insurance: Insurance quarterly series

INSURANCE					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	127	257	207	251	180
Operating expenses	(36)	(129)	(123)	(138)	(43)
Gross operating income	**91**	**128**	**84**	**113**	**137**
Income before tax	**90**	**126**	**84**	**114**	**139**
Net income – Group share	**72**	**86**	**66**	**80**	**109**

Retail Banking & Insurance: Digital & Payments quarterly series

DIGITAL & PAYMENTS						
€m	Q1-22pf	Q1-22pf (at constant scope, excluding Bimpli)	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	231	207	239	241	240	205
Operating expenses	(182)	(160)	(184)	(187)	(222)	(161)
Gross operating income	**49**	**47**	**54**	**53**	**18**	**44**
Income before tax	**21**	**20**	**24**	**29**	**251**	**8**
Net income – Group share	**16**	**15**	**18**	**21**	**253**	**7**

Retail Banking & Insurance: Other network quarterly series

OTHER NETWORK €m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	84	89	86	88	97
Operating expenses	(50)	(52)	(49)	(58)	(51)
Gross operating income	**34**	**37**	**37**	**30**	**46**
Cost of risk	(5)	(19)	0	(32)	(2)
Income before tax	**29**	**19**	**39**	**0**	**52**
Net income – Group share	**22**	**14**	**29**	**0**	**39**

Global Financial Services: quarterly income statement per business line

	ASSET AND WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		GLOBAL FINANCIAL SERVICES		
€m	Q1-23	Q1-22pf	Q1-23	Q1-22pf	Q1-23	Q1-22pf	%
Net banking income	784	812	1 038	970	1,822	1,782	2%
Operating expenses	(642)	(644)	(662)	(631)	(1,303)	(1,275)	2%
Gross operating income	**142**	**168**	**376**	**339**	**519**	**507**	**2%**
Cost of risk	6	6	21	(90)	27	(85)	ns
Net gains or losses on other assets	41	15	0	0	41	15	ns
Income before tax	**189**	**189**	**401**	**252**	**590**	**440**	**34%**
Net income – Group share	**138**	**126**	**294**	**187**	**432**	**313**	**38%**

Global Financial Services: quarterly series

GLOBAL FINANCIAL SERVICES					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	1,782	1,769	1,692	1,863	1,822
Operating expenses	(1,275)	(1,252)	(1,265)	(1,376)	(1,303)
Gross operating income	**507**	**517**	**427**	**487**	**519**
Cost of risk	(85)	(84)	(19)	(60)	27
Income before tax	**440**	**436**	**411**	**432**	**590**
Net income – Group share	**313**	**315**	**293**	**296**	**432**

Asset & Wealth Management: quarterly series

ASSET & WEALTH MANAGEMENT					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	812	814	796	928	784
Operating expenses	(644)	(650)	(640)	(704)	(642)
Gross operating income	**168**	**164**	**156**	**224**	**142**
Cost of risk	6	(6)	4	1	6
Income before tax	**189**	**158**	**160**	**226**	**189**
Net income – Group share	**126**	**111**	**109**	**145**	**138**

Corporate & Investment Banking: quarterly series

CORPORATE & INVESTMENT BANKING					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	970	955	897	935	1 038
Operating expenses	(631)	(602)	(626)	(671)	(662)
Gross operating income	**339**	**353**	**271**	**263**	**376**
Cost of risk	(90)	(78)	(23)	(61)	21
Income before tax	**252**	**278**	**250**	**206**	**401**
Net income – Group share	**187**	**204**	**185**	**151**	**294**

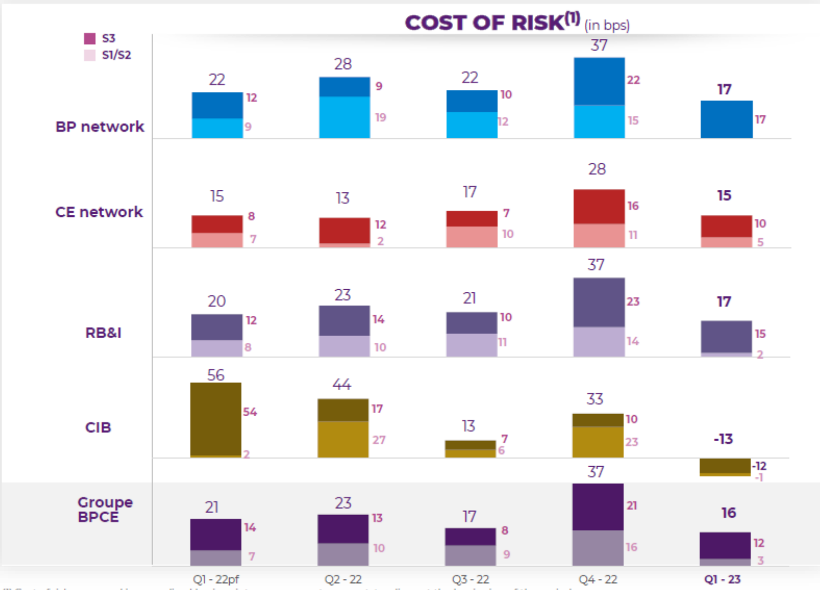
Corporate center: quarterly series

CORPORATE CENTER					
€m	Q1-22pf	Q2-22	Q3-22	Q4-22	Q1-23
Net banking income	162	170	179	146	102
Operating expenses	(829)	(179)	(236)	(224)	(788)
Gross operating income	**(667)**	**(9)**	**(57)**	**(79)**	**(686)**
Cost of risk	4	18	38	(60)	(46)
Share in income of associates	3	3	(1)	(31)	2
Net gains or losses on other assets	18	8	10	(18)	(0)
Income before tax	**(643)**	**20**	**(11)**	**(429)**	**(729)**
Net income – Group share	**(606)**	**(42)**	**0**	**(427)**	**(739)**

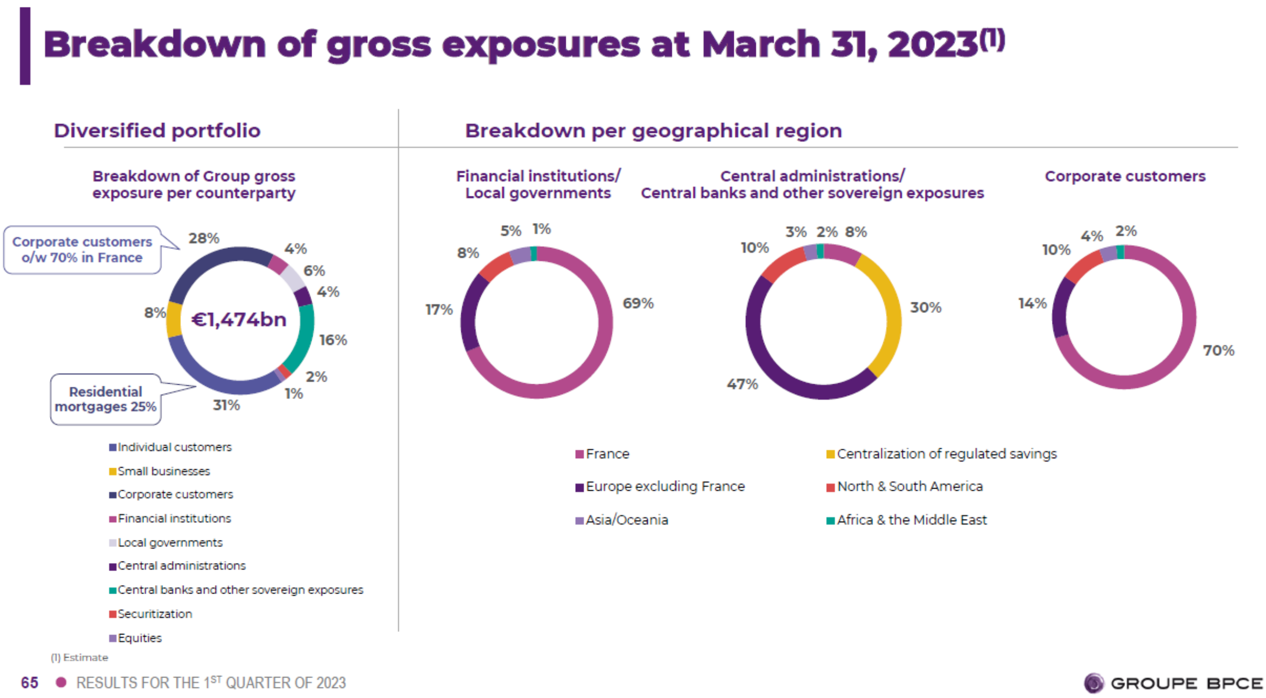
Performing & non-performing loans and impairment

€bn	Mar. 31, 2023	Dec.31, 2022
Gross outstanding loans to customers and credit institutions	**946.2**	**938.9**
O/w S1 outstandings	799.9	789.4
O/w S2 outstandings	126.0	128.1
O/w S3 outstandings	20.3	21.4
Non-performing loans/gross outstanding loans	**2.1 %**	**2.3%**
S1 impairments recognized	1.3	1.3
S2 impairments recognized	4.2	4.1
S3 impairments recognized	8.4	8.8
Impairments recognized/non-performing loans	**41.6%**	**41.2%**
Coverage ratio (including guarantees related to impaired outstandings)	**69.4%**	**68.9%**

Cost of risk by business lines



(1) Cost of risk expressed in annualized basis points on gross customer outstandings at the beginning of the period



GROUPE BPCE

PREMIUM PARTNER

PARIS 2024

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2.3 Material changes

Groupe BPCE’s quarterly results as of March 31, 2023 were approved by the Management Board on May 2, 2023.

There has been no significant change in Groupe BPCE's financial performance or in its financial and commercial position, nor since the end of the last period for which audited financial statements were published and in particular since the signature of the Statutory Auditors' report on the consolidated financial statements on March 24, 2023.

3 UPDATE OF CHAPTER 6 RISK MANAGEMENT AND PILLAR III REPORT

3.1 Risk factors

The banking and financial environment in which Groupe BPCE operates exposes it to a multitude of risks and requires it to implement an increasingly demanding and rigorous policy to control and manage these risks (see Article 16 of Regulation (EU) No. 2017/1129 known as "Prospectus 3" of June 14, 2017, the provisions of which relating to risk factors entered into force on July 21, 2019).

Some of the risks to which Groupe BPCE is exposed are set out below. However, this is not a comprehensive list of all of the risks incurred by Groupe BPCE in the course of conducting its business or given the environment in which it operates. The risks presented below are those identified to date as significant and specific to Groupe BPCE, and liable to have a material adverse impact on its business, financial position and/or results. For each of the risk sub-classes listed below, the risk factor considered to date by Groupe BPCE as the most significant is listed first.

The risks presented below are those identified to date as liable to have an adverse impact on the businesses of BPCE SA group and BPCE SA.

The risk factors described below are presented as of the date of this document and the situation described is subject to ongoing developments and may change, even significantly, at any time.

STRATEGIC, BUSINESS AND ECOSYSTEM RISKS

Groupe BPCE may be vulnerable to political, macro-economic and financial environments or to specific circumstances in its countries of operation.

Some Groupe BPCE entities are exposed to country risk, which is the risk that economic, financial, political or social conditions in a foreign country (particularly in countries where the Group conducts business) may affect their financial interests. Groupe BPCE predominantly does business in France (81% of net banking income for the fiscal year ended December 31, 2022) and North America (11% of net banking income for the fiscal year ended December 31, 2022), with other European countries and the rest of the world accounting for 4% and 4%, respectively, of net banking income for the fiscal year ended December 31, 2022. Note 12.6 "Locations by country" to the consolidated financial statements of Groupe BPCE, contained in the 2022 universal registration document, lists the entities established in each country and gives a breakdown of net banking income and income before tax by country of establishment.

A significant change in the political or macro-economic environment of such countries or regions may generate additional expenses or reduce profits earned by Groupe BPCE.

In March 2023, the risk of financial instability suddenly re-emerged, fortunately without producing an impact equivalent to that of the 2007-2008 subprime mortgage crisis and, so far, without revealing other areas of fragility, such as liquidity issues, which have again risen in prominence in recent months. Two of the three largest bank failures to occur in the United States in the last fifty years have spread this banking panic to one of the thirty systemically important global banks in Europe. These failures (SVB, Signature, and Credit Suisse) are linked to management errors and specific circumstances such as a large base of unsecured and volatile deposits, an inadequate hedge against interest rate risk, an overexposure to tech and crypto entities or a loss in standing. More fundamentally, these failures stem from the maturity mismatch between assets and liabilities on the banks' balance sheets. Ultimately, they were caused by the fastest rise in key interest rates since the increase orchestrated by Paul Volcker in 1980, which pushed up the entire interest rate curve. This led to a 15 to 20% drop in the value of most bond securities, generating unrealized losses, which were particularly dangerous for banks faced with a process of deposit leakage. These financial upheavals – which came as a further blow to a global economic situation already subject to a significant downturn – are likely to put a further brake on the distribution of credit to private agents, without necessarily leading to the emergence of a veritable "credit crunch" process. However, the situation in which the banking system finds itself seems better than in 2008, with largely stronger capitalization and liquidity ratios and loan outstandings representing less leverage in relation to deposits, especially in Europe. What is more, the central banks have extended safety nets to ensure liquidity. Eurozone banks are also more closely supervised, with balance sheets less loaded with bonds than their US counterparts.

Apart from the return of the risk of financial instability or the possible occurrence of natural disasters, the extent of the imbalances to be eliminated (mismatch between supply and demand in the goods and labor markets, public and private debt, inflationary mechanics of expectations, heterogeneity of geographical and sectoral situations), combined with numerous overlapping global risks, can always tip developed economies into a downward spiral. To date, these joint threats mainly relate to: geopolitical and health uncertainties (risks on supplies and value chains, evolution of the Russian-Ukrainian military situation and sanctions against Russia, increased tension between Taiwan and China, availability of nuclear weapons in Iran, the resurgence of inflation following the discontinuation of the zero-Covid policy in China); the development of protectionist trends, particularly in the United States (such as the Chips Act - $270 billion - and the Inflation Reduction Act (IRA) - $370 billion - enacted in August 2022, both of which massively subsidize the microprocessor industry and renewable energies); delays in the negative impacts of successive monetary tightening and reduced budget support; contract renegotiations, particularly for natural gas and electricity in the Euro zone, particularly in the event of a recurrence of an energy crisis. More specifically, the development of the war in Ukraine, by its geographical proximity, maintains both uncertainty and fear and weariness in the face of the continuation of rapid repetitive crises, especially after the pandemic. What is more, China, which launched large-scale military exercises around Taiwan in early April, has thus implicitly reasserted its desire to reintegrate the island for complete reunification. This poses a major risk to the world economy, especially for trade flows through the Taiwan Strait. This body of water is used by nearly half of the world's container ships, linking electronic equipment factories (especially semiconductors) in East Asia to the rest of the world. This corridor also serves to supply the continent with natural gas and oil.

In addition to any serious economic disruption, such as current inflation and its impact on the economy, or such as the financial crisis of 2008 or the sovereign debt crisis in Europe in 2011 or a major geopolitical crisis, could have a significant negative impact on all Groupe BPCE activities, in particular if the disruption is characterized by a lack of market liquidity making it difficult for Groupe BPCE to obtain funding. In particular, some risks do not occur in the normal economic cycle because they are externally generated. Examples include the increase in credit risk associated with corporate debt around the world (leveraged loans market) and the threat of the Covid-19 epidemic growing even worse, or the longer-term impacts of climate change. During the financial crisis of 2008 and 2011, the financial markets were subject to strong volatility in response to various events, including but not limited to the decline in oil and commodity prices, the slowdown in emerging economies and turbulence on the equity markets, which directly or indirectly impacted several Groupe BPCE businesses (primarily securities transactions and financial services).

Similarly, the armed conflict triggered by the Russian Federation following its invasion of Ukraine constitutes a significant change that directly or indirectly penalizes the economic activity of the counterparties financed by Groupe BPCE, and entails additional expenses for or reduces the profits of Groupe BPCE, in particular by discontinuing its activities in this geographical area. For information, as of December 31, 2022, Ukrainian counterparties were impaired in the amount of €35 million, corresponding to a gross exposure of €91 million. The Russian counterparties were impaired in the amount of €85 million corresponding to a gross exposure of €1,088 million. These exposures are very limited in view of Groupe BPCE's €939 billion in gross outstanding loans and advances at amortized cost at December 31, 2022 (customers and banks).

For more detailed information, see Sections 4.2.1 "Economic and financial environment" and 4.7 "Outlook for Groupe BPCE" of the 2022 universal registration document.

The risk of a pandemic (such as the coronavirus - Covid-19) and its economic consequences may adversely impact the Group's operations, results and financial position.

The emergence of Covid-19 in late 2019 and rapid spread of the pandemic across the globe led to a deterioration in economic conditions in multiple business sectors, a deterioration in the financial position of economic players, while also disrupting the financial markets. In response, many affected countries were forced to implement preventive health measures (closed borders, lockdown measures, restrictions on certain economic activities, etc.). Government (guaranteed loans, tax and social assistance, etc.) and banking (moratoriums) schemes were put in place. Some counterparties may emerge weakened from this unprecedented period.

Massive fiscal and monetary policy measures to support activity were put in place between 2020 and 2022, notably by the French government (State-guaranteed loans for businesses and professional customers, for individual customers, short-time working measures as well as numerous other fiscal, social and bill-paying measures) and by the European Central Bank (more abundant and cheaper access to very large refinancing packages). Groupe BPCE has actively participated in the French State-guaranteed loan program in the interest of financially supporting its customers and helping them overcome the effects of this crisis on their activities and income (*e.g.* automatic six-month deferral on loans to certain professional customers and micro-enterprises/SMEs). There is no way to guarantee, however, that such measures will be enough to offset the negative impacts of the pandemic on the economy or to fully stabilize the financial markets over the long term. In particular, the repayment of State-guaranteed loans may lead to defaults on the part of borrowers and financial losses for Groupe BPCE up to the portion not guaranteed by the State.

Groupe BPCE may not achieve the objectives of its BPCE 2024 strategic plan.

On July 8, 2021, Groupe BPCE announced its BPCE 2024 strategic plan. It is structured around the following three strategic priorities: (i) a winning spirit, with €1.5 billion in additional revenues in five priority areas, (ii) customers, by offering them the highest quality service with an adapted relationship model, and (iii) the climate, through concrete and measurable commitments that are part of a Net zero trajectory. The BPCE 2024 strategic plan is based on the following three key principles: (i) be simple: because Groupe BPCE seeks efficiency and customer satisfaction, it aims for greater simplicity; (ii) be innovative: because Groupe BPCE is driven by an entrepreneurial spirit and is aware of the reality of the changes underway, it strengthens its capacity for innovation; and (iii) be safe, because Groupe BPCE is committed to a long-term approach, it prioritizes the security of its development model with regard to its ambitions. These strategic objectives were developed in the context of the Covid-19 crisis, which has acted as an indicator and accelerator of fundamental trends (in particular, digitization, hybrid work, energy transition) and reflects Groupe BPCE's desire to accelerate its development by supporting its customers in their economic recovery and their projects to emerge from the health crisis. The success of the BPCE 2024 strategic plan is based on a very large number of initiatives to be implemented within the various business lines of Groupe BPCE. Although many of these targets can be achieved, it is possible that not all of them will be, nor is it possible to predict which of these goals will not. The BPCE 2024 strategic plan also calls for significant investments, but if the plan's objectives are not met, the return on these investments may be lower than expected. If Groupe BPCE does not achieve the targets defined in its BPCE 2024 strategic plan, its financial position and results could be more or less significantly affected.

The physical and transition components of climate risk, together with their repercussions for economic players, could adversely affect the activities, income and financial position of Groupe BPCE.

The risks associated with climate change are factors that exacerbate existing risks, including credit risk, operational risk and market risk. In particular, BPCE is exposed to physical and transition climate risk. They potentially carry an image and/or reputation risk.

Physical risk leads to increased economic costs and financial losses resulting from the severity and increased frequency of extreme weather events related to climate change (such as heat waves, landslides, floods, late frosts, fires and storms), as well as long-term gradual changes in climate (such as changes in rainfall patterns, extreme weather variability, and rising sea levels and average temperatures). It could have an extensive impact in terms of scope and magnitude, that may affect a wide variety of geographic areas and economic sectors relevant to Groupe BPCE. For example, the Cévennes episodes that affect the south-east of France every year can cause buildings, factories and offices to flood, slowing down or even making it impossible for some of the Group's customers to carry out their activities. Moreover, physical climate risk can spread along the value chain of Groupe BPCE's corporate customers, which can lead to default and thus generate financial losses for Groupe BPCE. These physical climate risks are likely to increase and could lead to significant losses for Groupe BPCE.

The transition risk is connected to the process of adjusting to a low-carbon economy. The process of reducing emissions is likely to have a significant impact on all sectors of the economy by affecting the value of financial assets and the profitability of companies. The increase in costs related to this energy transition for economic players, whether corporates or individual customers, could lead to an increase in defaults and thus significantly increase Groupe BPCE's losses. For example, the French "Énergie-Climat" law of November 8, 2019 is expected to limit from 2023, and completely limit from 2028, the sale and rental of real estate with very low energy performances. Some of Groupe BPCE's customers will therefore have to plan renovation work for a possible future sale or lease of such type of properties. The risk lies in the impossibility for Groupe BPCE's customers to carry out this costly work and consequently being unable to complete the financial transaction necessary to balance their budget. These customers of Groupe BPCE could therefore become insolvent, which would result in significant financial losses for Groupe BPCE.

Groupe BPCE may encounter difficulties in adapting, implementing and incorporating its policy governing acquisitions or joint ventures.

Although acquisitions are not a major part of Groupe BPCE's current strategy, the Group may nonetheless consider acquisition or partnership opportunities in the future. Although Groupe BPCE carries out an in-depth analysis of any potential acquisitions or joint ventures, in general it is impossible to carry out an exhaustive appraisal in every respect. As a result, Groupe BPCE may have to manage initially unforeseen liabilities. Similarly, the results of the acquired company or joint venture may prove disappointing and the expected synergies may not be realized in whole or in part, or the transaction may give rise to higher-than-expected costs. Groupe BPCE may also encounter difficulties with the consolidation of new entities. The failure of an announced acquisition or failure to consolidate a new entity or joint venture may place a strain on Groupe BPCE's profitability. This situation may also lead to the departure of key employees. In the event that Groupe BPCE is obliged to offer financial incentives to its employees in order to retain them, this situation may also lead to an increase in costs and a decline in profitability. Joint ventures expose Groupe BPCE to additional risks and uncertainties in that it may depend on systems, controls and persons that are outside its control and may, in this respect, see its liability incurred, suffer losses or incur damage to its reputation. Moreover, conflicts or disagreements between Groupe BPCE and its joint venture partners may have a negative impact on the targeted benefits of the joint venture. At March 31, 2023, total investments in companies accounted for by the equity method amounted to €1.6 billion. For further information, please refer to Note 12.4 "Partnerships and associates" to the consolidated financial statements of Groupe BPCE, included in the 2022 universal registration document.

Intense competition in France, Groupe BPCE's main market, or internationally, may cause its net income and profitability to decline.

Groupe BPCE's main business lines operate in a very competitive environment both in France and other parts of the world where it does substantial business. This competition is heightened by consolidation, either through mergers and acquisitions or cooperation and arrangements. Consolidation has created a certain number of companies which, like Groupe BPCE, can offer a wide range of products and services ranging from insurance, loans and deposits to brokerage, investment banking and asset management. Groupe BPCE is in competition with other entities based on a number of factors, including the execution of transactions, products and services offered, innovation, reputation and price. If Groupe BPCE is unable to maintain its competitiveness in France or in its other major markets by offering a range of attractive and profitable products and services, it may lose market share in certain key business lines or incur losses in some or all of its activities.

For example, at December 31, 2022, in France, Groupe BPCE was the number one bank for SMEs[1], and number two for individual customers[2]. It has a 26.2% market share in home loans[(2)]. At March 31, 2023, for the Retail Banking & Insurance business unit, customer loan outstandings amounted to €706 billion and customer deposits & savings stood at €662 billion.

In addition, any slowdown in the global economy or in the economies in which Groupe BPCE's main markets are located is likely to increase competitive pressure, in particular through increased pressure on prices and a contraction in the volume of activity of Groupe BPCE and its competitors. New, more competitive rivals subject to separate or more flexible regulation or other prudential ratio requirements could also enter the market. These new market participants would thus be able to offer more competitive products and services. Advances in technology and the growth of e-commerce have made it possible for institutions other than custodians to offer products and services that were traditionally considered as banking products, and for financial institutions and other companies to provide electronic and internet-based financial solutions, including electronic securities trading. These new entrants may put downward pressure on the price of Groupe BPCE's products and services or affect Groupe BPCE's market share. Advances in technology could lead to rapid and unexpected changes on Groupe BPCE's markets of operation. Groupe BPCE's competitive position, net earnings and

1 53% (rank 1) in terms of total penetration rate (Kantar 2021 SME-SMI survey).

2 Retail market share: 21.9% in household savings and 26.2% in mortgage loans to households (Banque de France Q3-2022). Overall penetration rate of 29.7% (rank 2) among retail customers (SOFIA Kantar study, March 2021). For professionals: 38.4% (rank 2) penetration rate among professional customers and individual entrepreneurs (Pépites CSA 2020-2021 survey).

profitability may be adversely affected should it prove unable to adequately adapt its activities or strategy in response to such changes.

Groupe BPCE's ability to attract and retain skilled employees is paramount to the success of its business and failing to do so may affect its performance.

The employees of Groupe BPCE entities are the Group's most valuable resource. Competition to attract qualified employees is fierce in many areas of the financial services sector. Groupe BPCE's earnings and performance depend on its ability to attract new employees and retain and motivate existing employees. Changes in the economic environment (in particular tax and other measures aimed at limiting the pay of banking sector employees) may compel Groupe BPCE to transfer its employees from one unit to another, or reduce the workforce in certain business lines, which may cause temporary disruptions due to the time required for employees to adapt to their new duties, and may limit Groupe BPCE's ability to benefit from improvements in the economic environment. This may prevent Groupe BPCE from taking advantage of potential opportunities in terms of sales or efficiency, which could in turn affect its performance.

At December 31, 2022, Groupe BPCE had 99,800 employees. 8,700 permanent employees were recruited during the year (for more information, see Section 2.4 "A committed and socially responsible group" of the 2022 universal registration document).

FINANCIAL RISKS

Significant changes in interest rates may have a material adverse impact on Groupe BPCE's net banking income and profitability.

The net interest margin collected by Groupe BPCE during a given period represents a significant portion of its net banking income. Consequently, changes in the latter have a significant impact on Groupe BPCE's profitability. The cost of the resource as well as the conditions of return on the asset and in particular those attached to new production are therefore very sensitive elements, particularly to factors that may be beyond Groupe BPCE's control. These significant changes can have significant temporary or lasting repercussions, even if the rise in interest rates should be generally favorable in the medium to long term.

After a decade of low or even negative interest rates, a sharp and rapid rise in interest rates and strong inflationary pressures have emerged, reinforced by the consequences of the health crisis and the conflict in Ukraine. The exposure to interest rate risk was increased by the combination of unfavorable elements, namely the increase in inflation (major impact on regulated rates), the rapid exit from the negative interest rate policy (deposit arbitrage), the rise in interbank spreads, while, conversely, new loan production is constrained by the attrition rate and the competitive environment.

The sensitivity of the net present value of Groupe BPCE's balance sheet to a +/-200 bp variation in interest rates remains below the 15% Tier 1 limit. At December 31, 2022, Groupe BPCE's sensitivity to interest rate increases stood at -13.94% compared to Tier 1 *versus* -11.37% at December 31, 2021. As of December 31, 2022, the small upward shock (+25 bps) would have a negative impact of 2.2% on the projected net interest margin (expected loss of €126 million) over a rolling year, whereas the small downward scenario (-25 bps) would have a positive impact of 2.5% (expected gain of €145 million).

Market fluctuations and volatility expose Groupe BPCE to losses in its trading and investment activities, which may adversely impact Groupe BPCE's results and financial position.

In the course of its third-party trading or investment activities, Groupe BPCE may carry positions in the bond, currency, commodity and equity markets, and in unlisted securities, real estate assets and other asset classes. These positions may be affected by volatility on the markets (especially the financial markets), *i.e.* the degree of price fluctuations over a given period on a given market, regardless of the levels on the market in question. Certain market configurations and fluctuations may also generate losses on a broad range of trading and hedging products used, including swaps, futures, options and structured products, which could adversely impact Groupe BPCE's results and financial position. Similarly, extended market declines and/or major crises may reduce the liquidity of certain asset classes, making it difficult to sell certain assets and in turn generating material losses.

The market risk-weighted assets totaled €14.4 billion, *i.e.* around 3% of Groupe BPCE's total risk-weighted assets, on December 31, 2022. For information, the weight of Corporate & Investment Banking activities in the Group's net banking income was 18% for the year 2023.

Groupe BPCE is dependent on its access to funding and other sources of liquidity, which may be limited for reasons outside its control, thus potentially having a material adverse impact on its results.

Access to short-term and long-term funding is critical for the conduct of Groupe BPCE's business. Non-collateralized sources of funding for Groupe BPCE include deposits, issues of long-term debt and short/medium-term negotiable debt securities, banks loans and credit lines. Groupe BPCE also uses guaranteed financing, in particular through the conclusion of repurchase agreements and the issuance of covered bonds. If Groupe BPCE were unable to access the secured and/or unsecured debt market at conditions deemed acceptable, or incurred an unexpected outflow of cash or collateral, including a significant decline in customer deposits, its liquidity may be negatively affected. Furthermore, if Groupe BPCE were unable to maintain a satisfactory level of customer deposits (*e.g.* in the event its competitors offer higher rates of return on deposits), it may be forced to obtain funding at higher rates, which would reduce its net interest income and results.

Groupe BPCE's liquidity, and therefore its results, may also be affected by unforeseen events outside its control, such as general market disruptions, which may in particular be related to geopolitical or health crises, operational hardships affecting third parties, negative opinions on financial services in general or on the short/long-term outlook for Groupe BPCE, changes in Groupe BPCE's credit rating, or even the perception of the position of Groupe BPCE or other financial institutions among market operators.

Groupe BPCE's access to the capital markets, and the cost of long-term unsecured funding, are directly related to changes in its credit spreads on the bond and credit derivatives markets, which it can neither predict nor control. Liquidity constraints may have a material adverse impact on Groupe BPCE's financial position, results and ability to meet its obligations to its counterparties. Similarly, a change in the monetary policy stance, in particular that of the European Central Bank, may impact Groupe BPCE's financial position.

However, to deal with these risk factors, Groupe BPCE has liquidity reserves made up of cash deposits with central banks and available securities and receivables eligible for central bank refinancing. Groupe BPCE's liquidity reserve amounted to €335 billion on March 31, 2023, making it possible to cover 178% of short-term funding and short-term maturities of MLT debt. The Liquidity Coverage Ratio (LCR) for Groupe BPCE standing at 153% based on the average of end-of-month LCRs in the first quarter of 2023.*versus* 139% on December 31, 2021. Given the importance of these risks for Groupe BPCE in terms of impact and probability, these risks are monitored proactively and closely, with Groupe BPCE also pursuing a very active policy of diversification of its investors.

Changes in the fair value of Groupe BPCE's portfolios of securities and derivative products, and its own debt, are liable to have an adverse impact on the net carrying amount of these assets and liabilities, and as a result on Groupe BPCE's net income and equity.

The net carrying amount of Groupe BPCE's securities, derivative products and other types of assets at fair value, and of its own debt, is adjusted (at balance sheet level) at the date of each new financial statement. These adjustments are predominantly based on changes in the fair value of assets and liabilities during an accounting period, *i.e.* changes taken to profit or loss or recognized directly in other comprehensive income. Changes recorded in the income statement, but not offset by corresponding changes in the fair value of other assets, have an impact on net banking income and thus on net income. All fair value adjustments have an impact on equity and thus on Groupe BPCE's capital adequacy ratios. Such adjustments are also liable to have an adverse impact on the net carrying amount of Groupe BPCE's assets and liabilities, and thus on its net income and equity. The fact that fair value adjustments are recorded over an accounting period does not mean that additional adjustments will not be necessary in subsequent periods.

On March 31, 2023, financial assets at fair value totaled €200 billion and financial liabilities at fair value totaled €192 billion.

Groupe BPCE's revenues from brokerage and other activities associated with fee and commission income may decrease in the event of market downturns.

A market downturn is liable to lower the volume of transactions (particularly financial services and securities transactions) executed by Groupe BPCE entities for their customers and as a market maker, thus reducing the net banking income from these activities. In particular, in the event of a decline in market conditions, Groupe BPCE may record a lower volume of customer transactions and a drop in the corresponding fees, thus reducing revenues earned from this activity. Furthermore, as management fees invoiced by Groupe BPCE entities to their customers are generally based on the value or performance of portfolios, any decline in the markets causing the value of these portfolios to decrease or generating an increase in the amount of redemptions would reduce the revenues earned by these entities through the distribution of mutual funds or other investment products (for the Caisses d'Epargne and the Banques Populaires) or through asset management activities, by an unfavorable evolution of management or superperformance fees. In addition, any deterioration in the economic environment could have an unfavorable impact on the seed money contributed to asset management structures with a risk of partial or total loss.

Even where there is no market decline, if funds managed for third parties throughout Groupe BPCE and other Groupe BPCE products underperform the market, redemptions may increase and/or inflows decrease as a result, with a potential corresponding impact on revenues from the asset management business.

For more detailed information on the amounts of fees and commissions received by Groupe BPCE, see Note 4.2 ("Fee and commission income and expenses") to the consolidated financial statements of Groupe BPCE in the 2022 universal registration document.

Downgraded credit ratings could have an adverse impact on BPCE's funding cost, profitability and business continuity.

Groupe BPCE's long-term ratings on March 31, 2023 were AA- for Fitch Ratings, A1 for Moody's, A+ for R&I and A for Standard & Poor's. The decision to downgrade these credit ratings may have a negative impact on the funding of BPCE and its affiliates active in the financial markets. A ratings downgrade may affect Groupe BPCE's liquidity and competitive position, increase funding costs, limit access to financial markets and trigger obligations under some bilateral contracts governing trading, derivative and collateralized funding transactions, thus adversely impacting its profitability and business continuity.

Furthermore, BPCE's unsecured long-term funding cost is directly linked to its credit spreads (the yield spread over and above the yield on government issues with the same maturity that is paid to bond investors), which in turn are heavily dependent on its ratings. An increase in credit spreads may materially raise BPCE's funding cost. Shifts in credit spreads are correlated to the market and sometimes subject to unforeseen and highly volatile changes. Credit spreads are also influenced by market perception of issuer solvency. Accordingly, a change in perception of an issuer solvency due to a rating downgrade could have an adverse impact on that issuer's profitability and business continuity.

CREDIT AND COUNTERPARTY RISKS

Groupe BPCE is exposed to credit and counterparty risks that could have a material adverse effect on the Group's business, financial position and income.

Groupe BPCE is significantly exposed to credit and counterparty risk through its financing or market activities. The Group could thus incur losses in the event of default by one or more counterparties, in particular if the Group encounters legal or other difficulties in exercising its collateral or if the value of the collateral does not allow it to fully cover the exposure in the event of a default. Despite the due diligence carried out by the Group, aimed at limiting the effects of having a concentrated credit portfolio, counterparty defaults may be amplified within a specific economic sector or world region by the effects of interdependence between these counterparties. Default by one or more major counterparties could thus have a material adverse effect on the Group's cost of risk, income and financial position.

For information, on March 31, 2023, Groupe BPCE's gross exposure to credit risk amounted to €1,474 billion, with the following breakdown for the main types of counterparty: 39% for retail customers, 28% for corporates, 16% for central banks and other sovereign exposures, and 6% for the public sector and similar entities. The credit risk-weighted assets amounted to €407 billion (including counterparty risk).

Groupe BPCE develops its activities mainly in France.

A substantial increase in impairments or provisions for expected credit losses recognized in respect of Groupe BPCE's portfolio of loans and advances could have a material adverse effect on its income and financial position.

In the course of its lending activities, Groupe BPCE regularly recognizes charges for asset impairments in order to reflect, if necessary, actual or potential losses on its portfolio of loans and advances. Such impairments are booked in the income statement under "Cost of risk." Groupe BPCE's total charges for asset impairments are based on the Group's measurement of past losses on loans, volumes and types of loans granted, industry standards, loans in arrears, economic conditions and other factors associated with the recoverability of various types of loans. While Groupe BPCE makes every effort to set aside a sufficient level of provisions for asset impairment expenses, its lending activities may cause it in the future to have to increase its expenses for losses on loans, due to a rise in non-performing loans or for other reasons such as the deterioration of market conditions or factors affecting certain countries. Any substantial increase in charges for losses on loans, material change in Groupe BPCE's estimate of the risk of loss associated with its portfolio of loans, or any loss on loans exceeding past impairment expenses, could have an adverse impact on Groupe BPCE's results and financial position.

For information, Groupe BPCE's cost of risk amounted to €326 million in the first quarter of 2023 compared to €411 million in the first quarter of 2022, with credit risks accounting for 88% of Groupe BPCE's risk-weighted assets. On the basis of gross exposures, 39% relate to retail customers and 28% to corporate customers (of which 70% of exposures are located in France).

Consequently, the risk associated with a significant increase in impairment expenses on assets booked to Groupe BPCE's loans and advances portfolio is significant for Groupe BPCE in terms of impact and probability, and is therefore monitored carefully and proactively. In addition, prudential requirements supplement these provisioning mechanisms *via* the prudential backstop process, which results in a total deduction in equity of non-performing loans beyond a certain maturity in line with the quality of the guarantees and according to a regulatory timetable.

A decline in the financial strength and performance of other financial institutions and market players may have an unfavorable impact on Groupe BPCE.

Groupe BPCE's ability to execute transactions may be affected by a decline in the financial strength of other financial institutions and market players. Institutions are closely interconnected owing to their trading, clearing, counterparty and financing operations. A default by a significant sector player (systematic risk), or even mere rumors or concerns regarding one or more financial institutions or the financial industry in general, may lead to a general contraction in market liquidity and subsequently to losses or further defaults in the future. Groupe BPCE is directly or indirectly exposed to various financial counterparties, such as investment service providers, commercial or investment banks, clearing houses and CCPs, mutual funds, hedge funds, and other institutional clients, with which it regularly conducts transactions. The default or failure of any such counterparties may have an adverse impact on Groupe BPCE's financial position. Moreover, Groupe BPCE may be exposed to the risk associated with the growing involvement of operators subject to little or no regulation in its business sector and to the emergence of new products subject to little or no regulation (including in particular crowdfunding and trading platforms). This risk would be exacerbated if the assets held as collateral by Groupe BPCE could not be sold or if their selling price would not cover all of Groupe BPCE's exposure to defaulted loans or derivatives, or in the event of fraud, embezzlement or other misappropriation of funds committed by financial sector participants in general to which Groupe BPCE is exposed, or if a key market operator such as a CCP defaults.

The exposures to the "financial institutions" asset class represented 4% of Groupe BPCE's total gross exposures, which stood at €1,474 billion on March 31, 2023.

NON-FINANCIAL RISKS

In the event of non-compliance with applicable laws and regulations, Groupe BPCE could be exposed to significant fines and other administrative and criminal penalties that could have a material adverse effect on its financial position, activities and reputation.

The risk of non-compliance is defined as the risk of sanction – judicial, administrative or disciplinary – but also of financial loss or damage to reputation, resulting from non-compliance with laws and regulations, professional standards and practices, and ethical standards specific to banking and insurance activities, whether national or international.

The banking and insurance sectors are subject to increased regulatory oversight, both in France and internationally. Recent years have seen a particularly substantial increase in the volume of new regulations that have introduced significant changes affecting both the financial markets and the relationships between investment service providers and customers or investors (*e.g.* MIFID II, PRIIPS, the directive on the Insurance Distribution, Market Abuse Regulation, fourth Anti-Money Laundering and Terrorism Financing directive, Personal Data Protection Regulation, Benchmark Index Regulation, etc.). These new regulations have major impacts on the company's operational processes.

The realization of the risk of non-compliance could result, for example, in the use of inappropriate means to promote and market the bank's products and services, inadequate management of potential conflicts of interest, the disclosure of confidential information, or privileged, failure to comply with due diligence on entering into relations with suppliers and customers, particularly in terms of financial security (in particular the fight against money laundering and the financing of terrorism, compliance with embargoes, the fight against fraud or corruption).

Within BPCE, the Compliance function is responsible for overseeing the system for preventing and managing non-compliance risks. Despite this system, Groupe BPCE remains exposed to the risk of fines or other significant sanctions from the regulatory and supervisory authorities, as well as civil or criminal legal proceedings that could have a significant adverse impact on its financial position, activities and reputation.

Any interruption or failure of the information systems belonging to Groupe BPCE or third parties may generate losses (including commercial losses) and may have a material adverse impact on Groupe BPCE's results.

As is the case for the majority of its competitors, Groupe BPCE is highly dependent on information and communication systems, as a large number of increasingly complex transactions are processed in the course of its activities. Any failure, interruption or malfunction in these systems may cause errors or interruptions in the systems used to manage customer accounts, general ledgers, deposits, transactions and/or to process loans. For example, if Groupe BPCE's information systems were to malfunction, even for a short period, the affected entities would be unable to meet their customers' needs in time and could thus lose transaction opportunities. Similarly, a temporary failure in Groupe BPCE's information systems despite back-up systems and contingency plans could also generate substantial information recovery and verification costs, or even a decline in its proprietary activities if, for example, such a failure were to occur during the implementation of a hedging transaction. The inability of Groupe BPCE's systems to adapt to an increasing volume of transactions may also limit its ability to develop its activities and generate losses, particularly losses in sales, and may therefore have a material adverse impact on Groupe BPCE's results.

Groupe BPCE is also exposed to the risk of malfunction or operational failure by one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to carry out or facilitate its securities transactions. As interconnectivity with its customers continues to grow, Groupe BPCE may also become increasingly exposed to the risk of the operational malfunction of customer information systems. Groupe BPCE's communication and information systems, and those of its customers, service providers and counterparties, may also be subject to failures or interruptions resulting from cybercriminal or cyberterrorist acts. For example, as a result of its digital transformation, Groupe BPCE's information systems are becoming increasingly open to the outside (cloud computing, big data, etc.). Many of its processes are gradually going digital. Use of the Internet and connected devices (tablets, smartphones, apps used on tablets and mobiles, etc.) by employees and customers is on the rise, increasing the number of channels serving as potential vectors for attacks and disruptions, and the number of devices and applications vulnerable to attacks and disruptions. Consequently, the software and hardware used by Groupe BPCE's employees and external agents are constantly and increasingly subject to cyberthreats. As a result of any such attacks, Groupe BPCE may face malfunctions or interruptions in its own systems or in third-party systems that may not be adequately resolved. Any interruption or failure of the information systems belonging to Groupe BPCE or third parties may generate losses (including commercial losses) due to the disruption of its operations and the possibility that its customers may turn to other financial institutions during and/or after any such interruptions or failures.

The risk associated with any interruption or failure of the information systems belonging to Groupe BPCE or third parties is significant for Groupe BPCE in terms of impact and probability, and is therefore carefully and proactively monitored.

Reputational and legal risks could unfavorably impact Groupe BPCE's profitability and business outlook.

Groupe BPCE's reputation is of paramount importance when it comes to attracting and retaining customers. The use of inappropriate means to promote and market Group products and services, inadequate management of potential conflicts of interest, legal and regulatory requirements, ethical issues, money laundering laws, economic sanctions, data security policies, sales and trading practices, and inadequate customer protection systems could adversely affect Groupe BPCE's reputation. Its reputation could also be harmed by inappropriate employee behavior, cybercrime or cyber-terrorist attacks on Groupe BPCE's information and communication systems, or any fraud, embezzlement or other misappropriation of funds committed by financial sector participants to which Groupe BPCE is exposed, or any legal ruling or regulatory action with a potentially unfavorable outcome. Any such harm to Groupe BPCE's reputation may have a negative impact on its profitability and business outlook.

Ineffective management of reputational risk could also increase Groupe BPCE's legal risk, the number of legal disputes in which it is involved and the amount of damages claimed, or may expose the Group to regulatory sanctions. For more information, see Chapter 10 “Legal risks” of this document. The financial consequences of these disputes may have an impact on the financial position of the Group, in which case they may also adversely impact Groupe BPCE’s profitability and business outlook.

Unforeseen events may interrupt Groupe BPCE’s operations and cause losses and additional costs.

Unforeseen events, such as a serious natural disaster, events related to climate risk (physical risk directly associated with climate change), new pandemics, attacks or any other emergency situation can cause an abrupt interruption in the operations of Groupe BPCE entities, affecting in particular the Group’s core business lines (liquidity, payment instruments, securities services, loans to individual and corporate customers, and fiduciary services) and trigger material losses, if the Group is not covered or not sufficiently covered by an insurance policy. These losses could relate to material assets, financial assets, market positions or key employees, and have a direct and potentially material impact on Groupe BPCE’s net income. Moreover, such events may also disrupt Groupe BPCE’s infrastructure, or that of a third party with which Groupe BPCE does business, and generate additional costs (relating in particular to the cost of re-housing the affected personnel) and increase Groupe BPCE’s costs (such as insurance premiums). Such events may invalidate insurance coverage of certain risks and thus increase Groupe BPCE’s overall level of risk.

At March 31, 2023, operational risks accounted for 9% of Groupe BPCE’s risk-weighted assets, the same as on December 31, 2022.

The failure or inadequacy of Groupe BPCE’s risk management and hedging policies, procedures and strategies may expose it to unidentified or unexpected risks which may trigger unforeseen losses.

Groupe BPCE’s risk management and hedging policies, procedures and strategies may not succeed in effectively limiting its exposure to all types of market environments or all kinds of risks, and may even prove ineffective for some risks that the Group was unable to identify or anticipate. Furthermore, the risk management techniques and strategies employed by Groupe BPCE may not effectively limit its exposure to risk and do not guarantee that overall risk will actually be lowered. These techniques and strategies may prove ineffective against certain types of risk, in particular risks that Groupe BPCE had not already identified or anticipated, given that the tools used by Groupe BPCE to develop risk management procedures are based on assessments, analyses and assumptions that may prove inaccurate. Some of the indicators and qualitative tools used by Groupe BPCE to manage risk are based on the observation of past market performance. To measure risk exposures, the heads of risk management carry out a statistical analysis of these observations.

These tools or indicators may not be capable of predicting future exposure to risk. For example, these risk exposures may be due to factors that Groupe BPCE may not have anticipated or correctly assessed in its statistical models or due to unexpected or unprecedented shifts in the market. This would limit Groupe BPCE’s risk management capability. As a result, losses incurred by Groupe BPCE may be higher than those anticipated on the basis of past measurements. Moreover, the Group’s quantitative models cannot factor in all risks. While no significant problem has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. Some risks are subject to a more qualitative analysis, which may prove inadequate and thus expose Groupe BPCE to unexpected losses.

Actual results may vary compared to assumptions used to prepare Groupe BPCE’s financial statements, which may expose it to unexpected losses.

In accordance with current IFRS standards and interpretations, Groupe BPCE must base its financial statements on certain estimates, in particular accounting estimates relating to the determination of provisions for non-performing loans and advances, provisions for potential claims and litigation, and the fair value of certain assets and liabilities. If the values used for the estimates by Groupe BPCE prove to be materially inaccurate, in particular in the event of major and/or unexpected market trends, or if the methods used to calculate these values are modified due to future changes in IFRS standards or interpretations, Groupe BPCE may be exposed to unexpected losses.

Information on the use of estimates and judgments is provided in Note 2.3 “Use of estimates and judgments” to the consolidated financial statements of Groupe BPCE in the 2022 universal registration document.

INSURANCE RISKS

Groupe BPCE generates 11% of its net banking income from its insurance businesses. The net banking income from life and non-life insurance activities amounted to €2,927 million for the year 2022, compared to €2,860 million for 2021.

A deterioration in market conditions, and in particular excessive interest rate increases or decreases, could have a material adverse impact on the personal insurance business and income of the Group.

The main risk to which Groupe BPCE's insurance business subsidiaries are exposed in their personal insurance business is market risk. Exposure to market risk is mainly related to the capital guarantee as applicable to euro-denominated savings products.

Among market risks, interest rate risk is structurally significant for BPCE Assurances, as its general funds consist primarily of bonds. Interest rate fluctuations may:

- in the case of higher rates: reduce the competitiveness of the euro-denominated offer (by making new investments more attractive) and trigger waves of redemptions and major arbitrages on unfavorable terms with unrealized capital losses on outstanding bonds;
- in the case of lower rates: in the long term, make the return on general funds too low to enable them to honor their capital guarantees.

As a result of the allocation of general funds, the widening of spreads and the decline in the equity markets could also have a significant unfavorable impact on the results of Groupe BPCE's life and health insurance business, through the recording of provisions for impairment due to the decline in the valuation of investments at fair value through profit or loss.

A mismatch between the loss experience expected by the insurer and the amounts actually paid by the Group to policyholders could have a significant adverse impact on its non-life insurance business and on the personal protection insurance portion of its insurance business, as well as its results and its financial position.

The main risk to which Groupe BPCE's insurance business subsidiaries are exposed in connection with these latter activities is underwriting risk. This risk results from a mismatch between i) claims actually recorded and benefits actually paid as compensation for these claims and ii) the assumptions used by the subsidiaries to set the prices for their insurance products and to establish technical reserves for potential compensation.

The Group uses both its own experience and industry data to develop estimates of future policy benefits, including information used in pricing insurance products and establishing the related actuarial liabilities. However, actual experience may not match these estimates, and unforeseen risks such as pandemics or natural disasters could result in higher-than-expected payments to policyholders. In this respect, changes in climate phenomena (known as "physical" climate risks) are subject to particular vigilance.

In the event that the amounts actually paid by the Group to policyholders are greater than the underlying assumptions initially used to establish provisions, or if events or trends lead the Group to modify the underlying assumptions, the Group may be exposed to more significant liabilities than expected, which could have a negative impact on the non-life insurance business for the personal protection portion, as well as on the results and financial position of the Group.

The various actions taken over the last few years, particularly in terms of financial coverage, reinsurance, business diversification and management of investments, have also contributed to the solidity and resilience of the solvency of BPCE Assurances. It should be noted that the deterioration of the economic and financial environment, in particular the decline in the equity markets and the level of interest rates, could adversely affect the solvency of BPCE Assurances, by adversely affecting future margins.

REGULATORY RISKS

Groupe BPCE is subject to significant regulation in France and in several other countries around the world where it operates; regulatory measures and changes could have a material adverse impact on Groupe BPCE's business and results.

The business and results of Group entities may be materially impacted by the policies and actions of various regulatory authorities in France, other governments of the European Union, the United States, foreign governments and international organizations. Such constraints may limit the ability of Groupe BPCE entities to expand their businesses or conduct certain activities. The nature and impact of future changes in such policies and regulatory measures are unpredictable and are beyond Groupe BPCE's control. Moreover, the general political environment has evolved unfavorably for banks and the financial industry, resulting in additional pressure on the part of legislative and regulatory bodies to adopt more stringent regulatory measures, despite the fact that these measures may have adverse consequences on lending and other financial activities, and on the economy. Because of the continuing uncertainty surrounding the new legislative and regulatory measures, it is not possible to predict what impact they will have on Groupe BPCE; however, this impact may be highly adverse.

Groupe BPCE may have to reduce the size of some of its activities to comply with new requirements. New measures are also liable to increase the cost of compliance with new regulations. This could cause revenues and consolidated profit to decline in the relevant business lines, sales to decline in certain activities and asset portfolios, and asset impairment expenses.

The purpose of the 2019 adoption of the final versions of the Banking Package was to align prudential requirements for banks with Basel III standards. The implementation of these reforms may result in higher capital and liquidity requirements, which could impact Groupe BPCE funding costs.

On November 11, 2020, the Financial Stability Board ("FSB"), in consultation with the Basel Committee on Banking Supervision and national authorities, reported the 2020 list of global systemically important banks ("G-SIBs"). Groupe BPCE is classified as a G-SIB by the FSB. Groupe BPCE also appears on the list of global systematically important institutions ("G-SIIs").

These regulatory measures, which may apply to various Groupe BPCE entities, and any changes in such measures may have a material adverse impact on Groupe BPCE's business and results.

Legislation and regulations have recently been enacted or proposed in recent years with a view to introducing a number of changes, some permanent, in the global financial environment. These new measures, aimed at avoiding a new global financial crisis, have significantly altered the operating environment of Groupe BPCE and other financial institutions, and may continue to alter this environment in the future. Groupe BPCE is exposed to the risk associated with changes in legislation and regulations. These include the new prudential backstop rules, which measure the difference between the actual provisioning levels of defaulted loans and guidelines including target rates, depending on the age of the default and the presence of guarantees.

In today's evolving legislative and regulatory environment, it is impossible to foresee the impact of these new measures on Groupe BPCE. The development of programs aimed at complying with these new legislative and regulatory measures (and updates to existing programs), and changes to the Group's information systems in response to or in preparation for new measures generates significant costs for the Group, and may continue to do so in the future. Despite its best efforts, Groupe BPCE may also be unable to fully comply with all applicable laws and regulations and may thus be subject to financial or administrative penalties. Furthermore, new legislative and regulatory measures may require the Group to adapt its operations and/or may affect its results and financial position. Lastly, new regulations may require Groupe BPCE to strengthen its capital or increase its total funding costs.

The risk associated with regulatory measures and subsequent changes to such measures is significant for Groupe BPCE in terms of impact and probability, and is therefore carefully and proactively monitored.

BPCE may have to help entities belonging to the financial solidarity mechanism in the event they experience financial difficulties, including entities in which BPCE holds no economic interest.

As the central institution of Groupe BPCE, BPCE is responsible for ensuring the liquidity and solvency of each regional bank (Banques Populaires and Caisses d'Epargne) and the other members of the group of affiliates which have credit institution status subject to French regulations. The group of affiliates includes BPCE subsidiaries, such as Natixis, Crédit Foncier de France, Oney and Banque Palatine. For Groupe BPCE, all entities affiliated with the central institution of Groupe BPCE benefit from a guarantee and solidarity mechanism, the aim of which, in accordance with Articles L. 511-31, L. 512-107-5 and L. 512-107-6 of the French Monetary and Financial Code, is to ensure the liquidity and solvency of all affiliated entities and to organize financial solidarity throughout the Group.

This financial solidarity is based on legislative provisions establishing a legal principle of solidarity with obligation of results requiring the central institution to restore the liquidity or solvency of affiliates in difficulty, and/or all of the Group's affiliates, by virtue of the unlimited nature of the principle of solidarity, BPCE is entitled at any time to ask any one or more or all of the affiliates to contribute to the financial efforts necessary to restore the situation, and may, if necessary, mobilize up to all the cash and cash equivalents of the affiliates in the event of difficulty for one or more of them.

The three guarantee funds created to cover Groupe BPCE's liquidity and insolvency risks are described in Note 1.2 "Guarantee mechanism" to the consolidated financial statements of Groupe BPCE included in the 2022 universal registration document. At December 31, 2022, the Banque Populaire and Caisse d'Epargne funds each contained €450 million. The Mutual Guarantee Fund holds €157 million in deposits per network. The regional banks are obligated to make additional contributions to the guarantee fund on their future profits. While the guarantee fund represents a substantial source of resources to fund the solidarity mechanism, there is no guarantee these revenues will be sufficient. If the guarantee funds prove insufficient, BPCE, due to its missions as a central institution, will have to do everything necessary to restore the situation and will have the obligation to make up the deficit by implementing the internal solidarity mechanism that it has put in place, by mobilizing its own resources, and may also make unlimited use of the resources of several or all of its affiliates.

As a result of this obligation, if a member of the Group were to encounter major financial difficulties, the event underlying these financial difficulties could have a negative impact on the financial position of BPCE and that of the other affiliates thus called upon to provide support under the principle of financial solidarity.

Investors in BPCE's securities could suffer losses if BPCE and all of its affiliates were to be subject to liquidation or resolution procedures.

The EU regulation on the Single Resolution Mechanism No. 806/214 and the EU directive for the recovery and resolution of banks No. 2014/59, as amended by the EU directive No. 2019/879 (the "BRRD"), as transposed into French law in Book VI of the French Monetary and Financial Code, give the resolution authorities the power to impair BPCE securities or, in the case of debt securities, to convert them to equity.

Resolution authorities may write down or convert capital instruments, such as BPCE's Tier 2 subordinated debt securities, if the issuing institution or the group to which it belongs is failing or likely to fail (and there is no reasonable prospect that another measure would avoid such failure within a reasonable time period), becomes non-viable, or requires extraordinary public support (subject to certain exceptions). They shall write down or convert capital instruments before opening a resolution proceeding, or if doing so is necessary to maintain the viability of an institution. Any write-down or conversion of capital instruments shall be effected in order of seniority, so that Common Equity Tier 1 instruments are to be written down first, then additional Tier 1 instruments are to be written down or converted to equity, followed by Tier 2 instruments. If the write-down or conversion of capital instruments is not sufficient to restore the financial health of the institution, the bail-in power held by the resolution authorities may be applied to write down or convert eligible liabilities, such as BPCE's senior non-preferred and senior preferred securities.

At March 31, 2022, total Tier 1 capital amounted to €69.5 billion and Tier 2 prudential capital to €13.6 billion. The senior non-preferred debt instruments amounted to €28.6 billion at that date, of which €25 billion had a maturity of more than one year and were therefore eligible for TLAC and MREL at March 31, 2023.

As a result of the complete legal solidarity, and in the extreme case of a liquidation or resolution proceeding, one or more affiliates may not find itself subject to court-ordered liquidation, or be affected by resolution measures within the meaning of the "BRRD", without all affiliates and BPCE also being affected. In accordance with Articles L. 613-29 and L. 613-5-5 of the French Monetary and Financial Code, the judicial liquidation proceedings and resolution measures are therefore brought in a coordinated manner with regard to the central institution and all of its affiliates.

Article L. 613-29 also provides that, in the event of court-ordered liquidation proceedings being brought against all affiliates, the external creditors (of the same rank or enjoying identical rights) of all affiliates would be treated equally according to the ranking of the creditors and regardless of whether they are attached to a particular affiliated entity. As a result, investors in AT1 instruments and other pari passu securities would be more affected than investors in Tier 2 instruments and other pari passu securities, which in turn would be more affected than investors in external senior non-preferred debt, which in turn would be more affected than investors in external senior preferred debt. Similarly, in the event of resolution, and in accordance with Article L. 613-55-5 of the French Monetary and Financial Code, identical depreciation and/or conversion rates would be applied to debts and receivables of the same rank, regardless of their attachment to a particular affiliated entity in the order of the hierarchy recalled above.

Due to the systemic nature of Groupe BPCE and the assessment currently made by the resolution authorities, resolution measures would be more likely to be taken than the opening of judicial liquidation proceedings. A resolution procedure may be initiated against BPCE and all affiliated entities if (i) the default of BPCE and all affiliated entities is proven or foreseeable, (ii) there is no reasonable expectation that another measure could prevent this failure within a reasonable timeframe and (iii) a resolution measure is required to achieve the objectives of the resolution: (a) guarantee the continuity of critical functions, (b) avoid material adverse impacts to financial stability, (c) protect State resources by minimizing the use of exceptional public financial support and (d) protect client funds and assets, particularly those of depositors. Failure of an institution means that it does not respect requirements for continuing authorization, it is unable to pay its debts or other liabilities when they fall due, it requires extraordinary public financial support (subject to limited exceptions), or the value of its liabilities exceeds the value of its assets.

In addition to the bail-in power, resolution authorities are provided with broad powers to implement other resolution measures with respect to failing institutions or, under certain circumstances, their groups, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a temporary administrator (*administrateur spécial*) and the issuance of new equity or own funds.

The exercise of the powers described above by resolution authorities could result in the partial or total write-down or conversion to equity of the capital instruments and the debt instruments issued by BPCE, or may substantially affect the amount of resources available to BPCE to make payments on such instruments, potentially causing BPCE investors to incur losses.

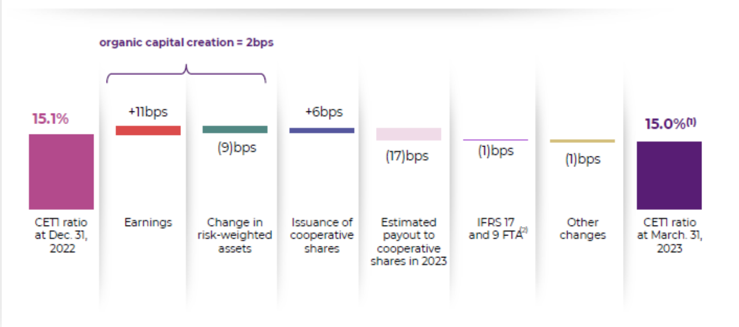
Tax legislation and its application in France and in countries where Groupe BPCE operates are likely to have an adverse impact on Groupe BPCE's profits.

As a multinational banking group that carries out large and complex international transactions, Groupe BPCE (particularly Natixis) is subject to tax legislation in a large number of countries throughout the world, and structures its activity in compliance with applicable tax rules. Changes in tax schemes by the competent authorities in these countries could materially impact Groupe BPCE's profits. Groupe BPCE manages its activities with a view to creating value from the synergies and sales capabilities of its various constituent entities. It also works to structure financial products sold to its customers from a tax efficiency standpoint in compliance with all applicable tax legislation. The structure of intra-group transactions and financial products sold by entities of Groupe BPCE are based on its own interpretations of applicable tax regulations and laws, generally based on opinions given by independent tax experts, and, as needed, on decisions or specific interpretations by the competent tax authorities. It is possible that in the future tax authorities may challenge some of these interpretations, as a result of which the tax positions of Groupe BPCE entities may be disputed by the tax authorities, potentially resulting in tax re-assessments, which may in turn have an adverse impact on Groupe BPCE's results.

3.2 Equity and prudential ratios

Capital and Loss-absorbing Capacity

CHANGE IN THE CET 1 RATIO (in bps)



- **CET1 capital equal to €69.5bn(1) as at March 31, 2023**
- **Total loss-absorbing capacity stood at €113.0bn(1) as at March 31, 2023**
- **Leverage ratio equal to 5.0%(1) as at March 31, 2023**

	Requirements March 31, 2023	**Actual levels as at** March 31, 2023(1)
CET1 ratio	**9.53%(3)** *(ECB)*	**15.0%**
Total capital ratio	**13.53%(3)** *(ECB)*	**17.9%**
TLAC ratio	**21.53%** *(FSB)*	**24.4%(4)**
Subordinated MREL ratio	**21.53%(5)** *(SRB)*	**24.4%(4)**
Total MREL ratio	**25.04%(5)** *(SRB)*	**31.4%**

Capital adequacy, Total loss-absorbing capacity – see note on methodology (1) Estimate as at March 31, 2023 (2) Impact of the first-time application of IFRS 17 and IFRS 9 (FTA) for subsidiaries with insurance contracts (3) ECB requirements as of April 1st, 2023, excluding "Pillar 2 Guidance" with a countercyclical capital buffer rate of 0.03%; as of April 7, 2023, it will increase to 0.43% (4) Groupe BPCE has chosen to waive the possibility offered by Article 72 ter (3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements (5) 2023 requirements

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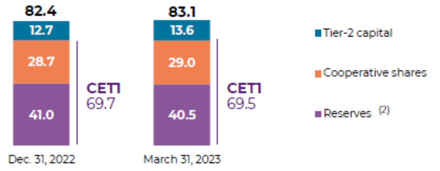
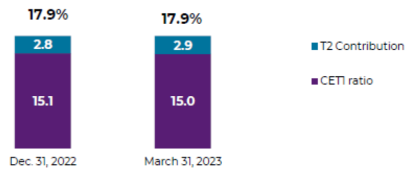
Financial structure: changes in regulatory capital and fully-loaded ratios

€bn	March 31, 2023	Dec. 31, 2022
Equity attributable to shareholders' equity Groupe BPCE	**83.1**	**82.1**
Cancelation of hybrid securities in equity attributable to equity holders of the parent	-	-
Non-controlling interests[1]	0.2	0.2
Goodwill and intangibles	(4.9)	(4.9)
EL/Prov. Difference	(0.2)	(0.2)
Deduction of excess backstop under Pillar II	(1.0)	(1.0)
IPC	(1.0)	(1.0)
Other regulatory adjustments	(6.6)	(5.5)
Common Equity Tier-1 capital	**69.5**	**69.7**
Additional Tier-1 capital	-	-
Tier-1 capital	**69.5**	**69.7**
Tier-2 capital	14.3	13.5
T2 regulatory adjustments	(0.7)	(0.8)
Total capital	**83.1**	**82.4**

Regulatory capital (in €bn)



Total capital ratios (as a %)



(1) Non-controlling interests (prudential definition), taking into account only the part from Oney after regulatory clipping at March 31, 2023 (2) Reserves net of prudential restatements

GROUPE BPCE

Financial structure: distance to MDA

Jan. 1, 2023	Pillar I requirement	Pillar II requirement	Capital conservation buffer	G-SIB buffer	Countercyclical buffer (CCyB)	Total
CET 1 ratio requirement	4.50%	1.50%	2.50%	1.00%	0.03%	9.53%
Tier 1 ratio requirement	6.00%	1.50%	2.50%	1.00%	0.03%	11.03%
Total capital ratio requirement	8.00%	2.00%	2.50%	1.00%	0.03%	13.53%
Leverage ratio requirement	3.00%			0.50%		3.50%

Dec. 31, 2022	Actual levels	Distance to requirement (€bn)
CET 1 ratio	15.12%	25.7
Tier 1 ratio	15.12%	18.8
Total capital ratio	17.88%	20.1
Leverage ratio	5.02%	21.1
Lowest of the 4 distances to requirement		**18.8**

March 31, 2023	Pillar I requirement	Pillar II requirement	Capital conservation buffer	G-SIB buffer	Countercyclical buffer (CCyB)	Total
CET 1 ratio requirement	4.50%	1.50%	2.50%	1.00%	0.03%	9.53%
Tier 1 ratio requirement	6.00%	1.50%	2.50%	1.00%	0.03%	11.03%
Total capital ratio requirement	8.00%	2.00%	2.50%	1.00%	0.03%	13.53%
Leverage ratio requirement	3.00%			0.50%		3.50%

March 31, 2023	Actual levels (est.)	Distance to requirement (€bn)
CET 1 ratio	15.01%	25.4
Tier 1 ratio	15.01%	18.4
Total capital ratio	17.95%	20.4
Leverage ratio	5.01%	20.9
Lowest of the 4 distances to requirement		**18.4**

Significant buffer over MDA trigger threshold: €18.4bn

Capital adequacy, Total loss-absorbing capacity – see note on methodology

GROUPE BPCE

Financial structure: prudential ratios and credit ratings

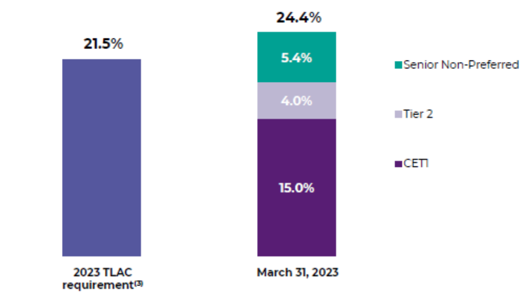
	March 31, 2023[1]	Dec. 31, 2022	Dec. 31, 2021
Total risk-weighed assets	€463bn	€461bn	€441bn
Common Equity Tier-1 capital	€69.5bn	€69.7bn	€69.8bn
Tier-1 capital	€69.5bn	€69.7bn	€69.8bn
Total capital	€83.1bn	€82.4bn	€82.7bn
Common Equity Tier-1 ratio	15.0%	15.1%	15.8%
Tier-1 ratio	15.0%	15.1%	15.8%
Total capital adequacy ratio	17.9%	17.9%	18.7%

Long-term SENIOR PREFERRED credit ratings (May 3, 2023)	
FitchRatings	AA- negative outlook
Moody's	A1 stable outlook
R&I	A+ stable outlook
Standard & Poor's	A stable outlook

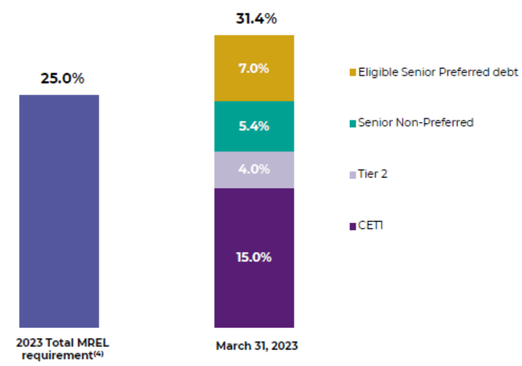
(1) Estimate at March 31, 2023, with irrevocable payment commitments now deducted from equity

TLAC / MREL ratio

TLAC[1,2] RATIO (as a % of risk-weighted assets)



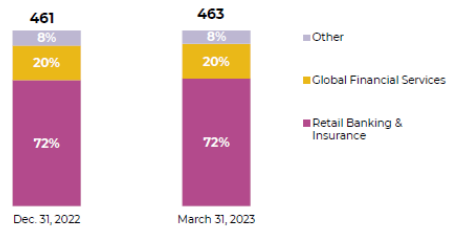
MREL[1,2] RATIO (as a % of risk-weighted assets)



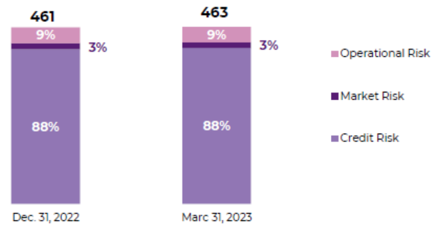
Capital adequacy, Total loss-absorbing capacity – see note on methodology (1) Estimate at March 31, 2023 (2) Le Groupe BPCE has chosen to waive the possibility offered by Article 72 Ter (3) of the Capital Requirements Regulation to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements (3) Based on FSB TLAC term sheet dated Nov. 9, 2015 (4) 2023 requirements

Risk-Weighted Assets

BREAKDOWN PER BUSINESS LINE (in €bn)



BREAKDOWN PER TYPE OF RISK[1] (in €bn)



CHANGE OVER A 3-MONTH PERIOD (in €bn)

(1) The CVA is included under Credit risk. It accounted for less than 1% of RWA at March 31, 2023 and December 31, 2022

Leverage ratio

€bn	March 31, 2023[1]	Dec. 31, 2022
Tier-1 capital	**69.5**	**69.7**
Balance sheet total[2]	**1,503.8**	**1,530.5**
Prudential restatements	(104.2)	(127.0)
Prudential balance sheet total[2]	**1,399.6**	**1,403.5**
Adjustments related to exposure to derivates [3]	(15.7)	(26.3)
Adjustments related to security financing operations[4]	7.3	9.0
Off-balance sheet (financing and guarantee commitments)	98.9	99.2
Deduction of central bank exposure		
Deduction of the centralized regulated savings	(90.3)	(85.0)
Deduction of intragroup exposures	(4.0)	(4.0)
Regulatory adjustments	(7.7)	(7.7)
Total leverage exposure	**1,388.1**	**1,388.7**
Leverage ratio[5]	**5.0 %**	**5.0 %**

(1) Estimate at March 31, 2023 calculated in accordance with Regulation (EU) 2019/876 (2) The main difference between the statutory balance sheet and the prudential balance sheet lies in the method used for consolidating insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method (3) Inclusion of the effects of offsetting applicable to derivatives according to the rules of the Delegated Act (4) Inclusion of adjustments applicable to security financing operations according to the rules of the Delegated Act (5) The overall leverage ratio requirement is 3.5% as of March 31, 2023

Financial conglomerate

FINANCIAL CONGLOMERATE RATIO

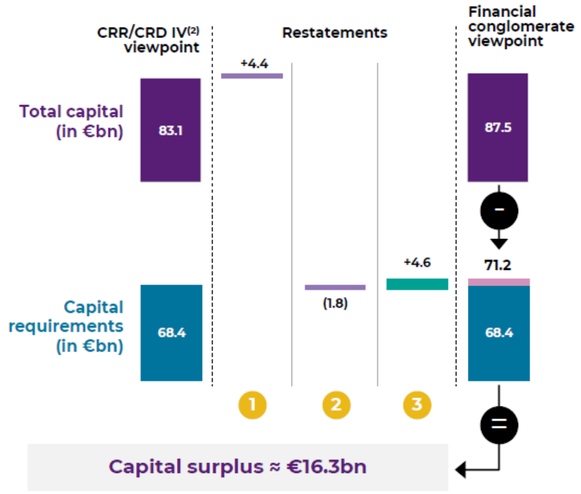
Regulatory capital / **Banking CR**[1] (CRR/CRD IV) + **Insurance CR**[1] (Solvency 2)

RESTATEMENTS APPLIED

1. Shift from a prudential to a statuory scope[3]
2. Cancellation of the capital requirements of insurance companies calculated under CRR/CRD IV
3. Inclusion of the solvency margin calculated under Solvency 2

CONSEQUENCES

- Total capital restatement: +€4.4bn
- Net restatement of capital requirements: +€2.8bn



(1) CR = capital requirements, i.e. 14.76% of risk-weighted assets according to CRR/CRD IV (2) Estimate – Taking account of transitional measures; subject to the provisions of article 26.2 of regulation (EU) n° 575/2013
(3) The main difference between the two scopes lies in the method used to consolidate insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method

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3.3 Liquidity

Liquidity: 63% of 2023 MLT funding plan already completed(1)

2023 MLT WHOLESALE FUNDING PLAN

Target: €29bn[(2)] / Raised[(1,2)]: €18.3bn or 63%

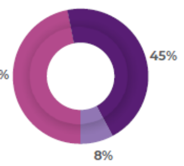
- **TLAC funding**
  Target: €10.0bn (€2bn Tier 2 / €8bn SNP)
  Raised[(1,2)]: €6.1bn or **61%** (€1.5bn Tier 2 or **75%** / €4.6bn SNP or **58%**)
- **Senior Preferred**
  Target: €7.0bn / Raised[(1,2)]: €3.1bn or **45%**
- **Covered Bonds**
  Target: €12.0bn / Raised[(1,2)]: €9.0bn or **75%**

Asset-Backed Securities: target: €1.7bn / Raised[(1)]: €1.55bn or 91%

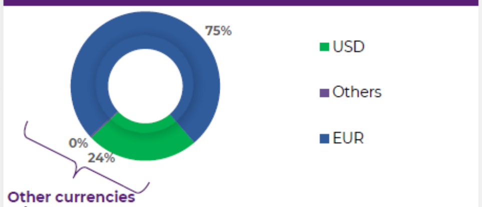
After recent market volatility, 2 very successful bond issues totaling €3bn:

- **BPCE SFH: €2bn 5-year Covered Bond, subscribed 2.3 times despite large size thanks to very large and diversified order book (€4.7bn); 4bps new issue premium**
- **BPCE: €1bn 3-year Senior Preferred, subscribed 2.7 times with large and diversified order book (€2.7bn); 13bps new issue premium**

Structure of MLT wholesale funding raised in 2023[(1,3)]



Diversification of the investor base/ unsecured MLT wholesale funding raised in 2023[(1,3)]



TLTRO III

- TLTRO III outstanding amount: €43.2bn at end-March 2023, after €40bn repayment in March 2023
- Repayment at maturity fully integrated in our MLT funding plans

HIGH LIQUIDITY LEVELS

- Average end-of-month LCRs in Q1-23: 153%
- Liquidity reserves: €335bn at end-March 2023
- Coverage ratio of short-term debt obligations: 178% at end-March 2023

(1) As of 21 April 2023 (2) Excluding structured private placements and asset-backed securities (3) Excluding structured private placements

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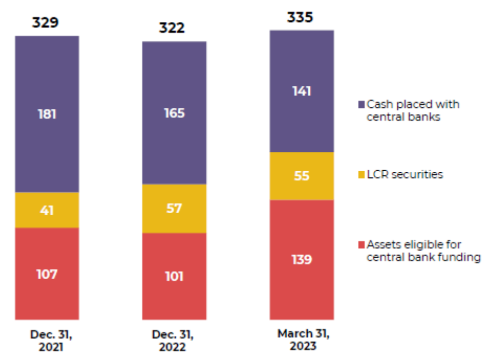
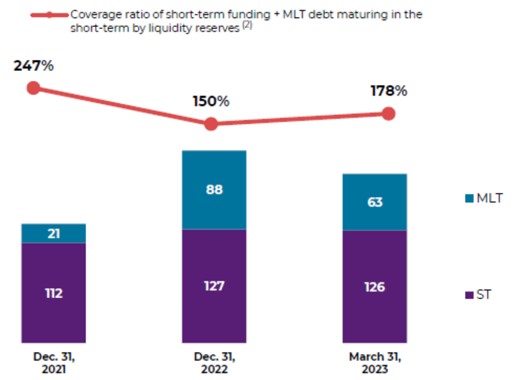
Liquidity reserves and short-term funding

TOTAL LIQUIDITY RESERVES OF GROUPE BPCE[(1)] (in €bn)



SHORT-TERM FUNDING AND MLT DEBT MATURING IN THE SHORT TERM (in €bn)



(1) Excluding MMF US Natixis deposits (2) Coverage ratio = Total liquidity reserves of Groupe BPCE / [Short-term funding +MLT debt maturing in the short term]

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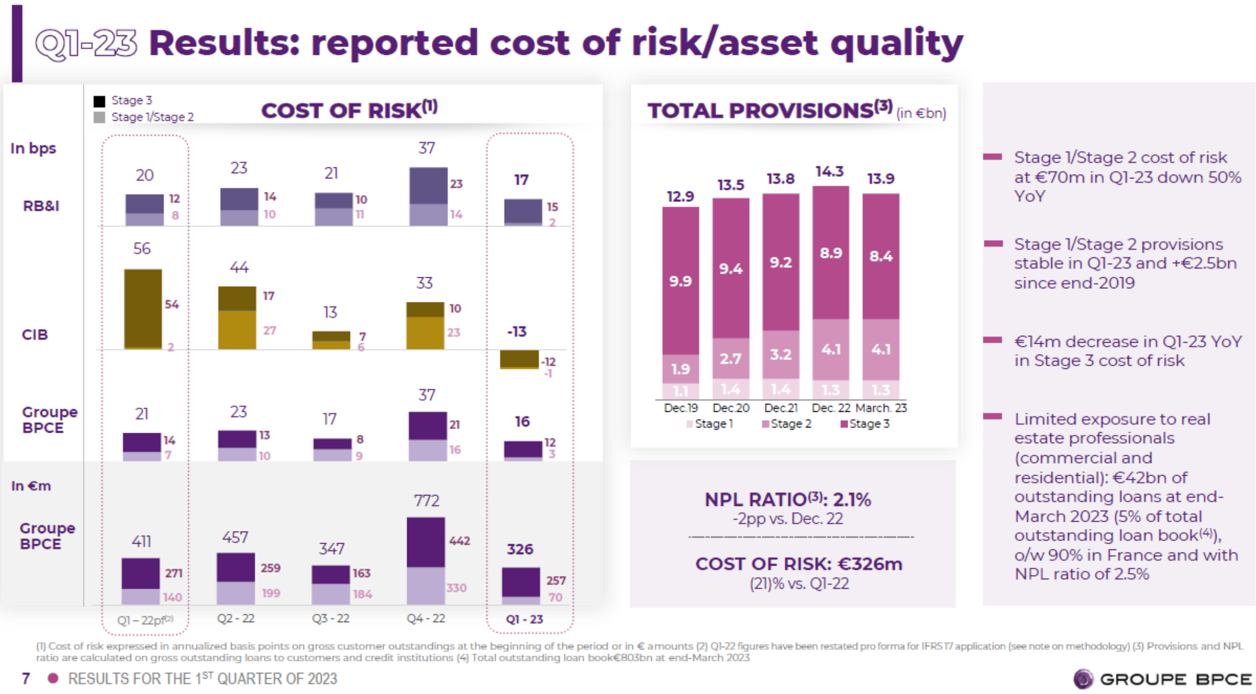
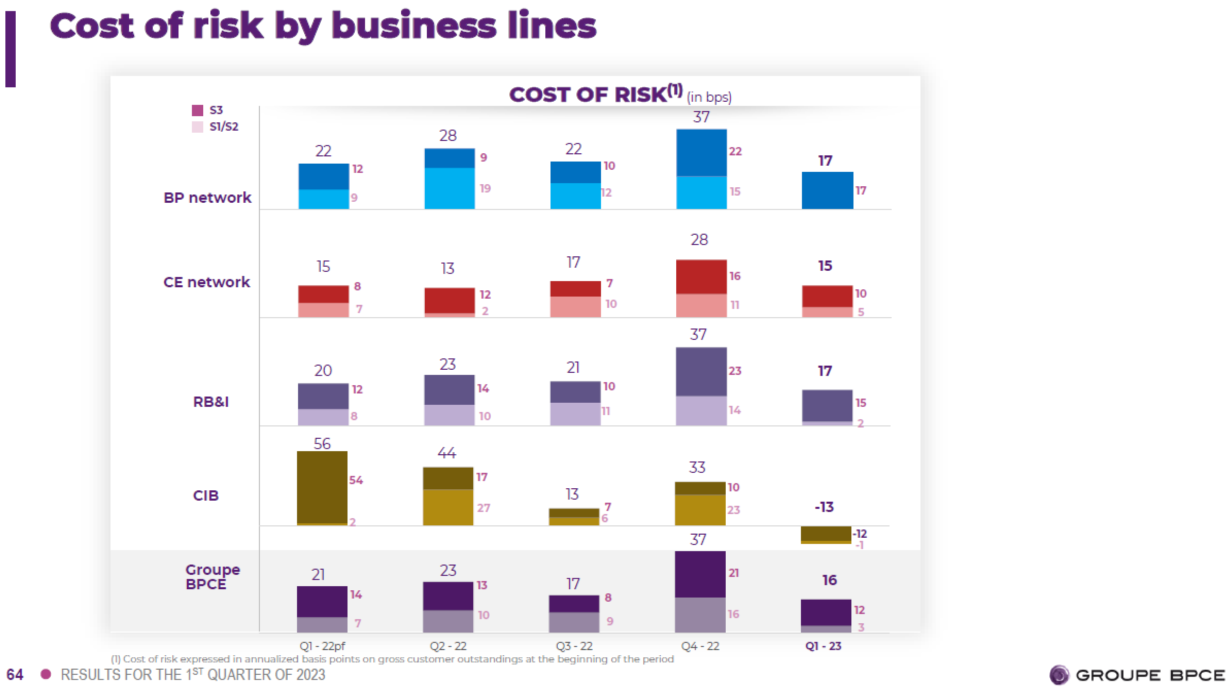
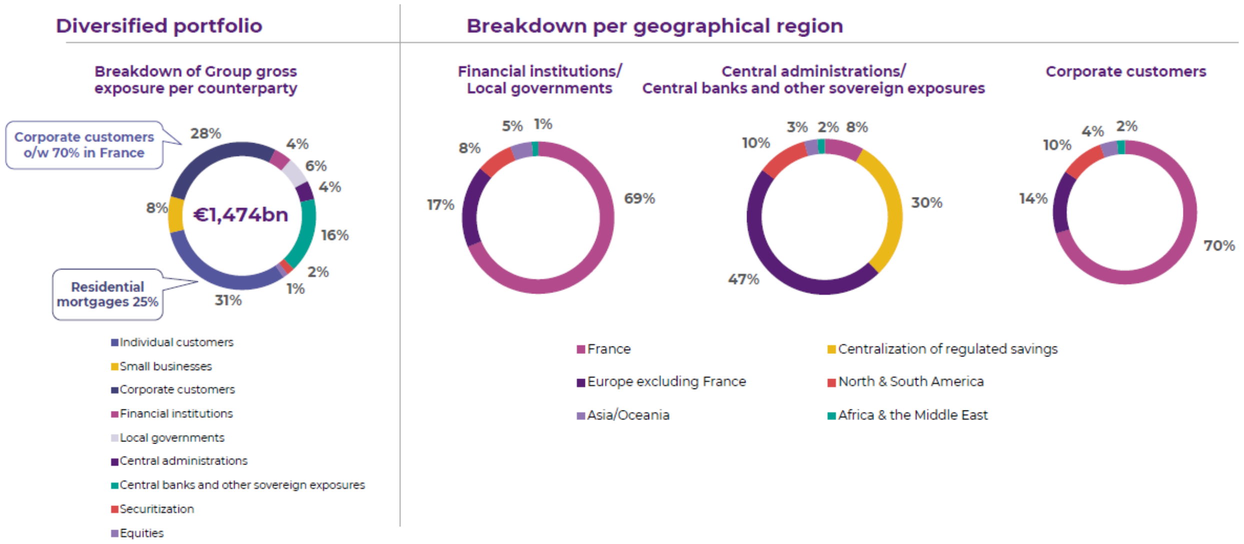
3.4 Credit and counterparty risk





Breakdown of gross exposures at March 31, 2023[1]



(1) Estimate

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3.5 Non-performing loans

Performing & non-performing loans and impairment

€bn	Mar. 31, 2023	Dec.31, 2022
Gross outstanding loans to customers and credit institutions	**946.2**	**938.9**
O/w S1 outstandings	799.9	789.4
O/w S2 outstandings	126.0	128.1
O/w S3 outstandings	20.3	21.4
Non-performing loans/gross outstanding loans	**2.1 %**	**2.3%**
S1 impairments recognized	1.3	1.3
S2 impairments recognized	4.2	4.1
S3 impairments recognized	8.4	8.8
Impairments recognized/non-performing loans	**41.6%**	**41.2%**
Coverage ratio (including guarantees related to impaired outstandings)	**69.4%**	**68.9%**

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3.6 Global systemically important bank indicators

As of December 31, 2021, the indicators relating to global systemically important banks were published on Groupe BPCE's website and are available at the following address:

https://groupebpce.com/en/investors/results-and-publications/pillar-iii

3.7 Report on the remuneration of the regulated population

The report on remuneration as of December 31, 2021 has been published on the BPCE Group website and is available at the following address:

https://groupebpce.com/en/investors/results-and-publications/pillar-iii

4 UPDATE OF CHAPTER 7 LEGAL INFORMATION

4.1 Combined General Meeting of BPCE of May 25, 2023

The Combined General Meeting of BPCE, chaired by the Chairman of the Supervisory Board, is to be held on May 25, 2023. The Management Board has submitted 16 resolutions.

Shareholders and various other persons to whom the law recognizes the same right were able to exercise their right to information within the time limits and under the conditions laid down by law.

The following resolutions are included in the agenda:

WITHIN THE COMPETENCE OF THE EXTRAORDINARY GENERAL MEETING

First resolution: Amendments to the Articles of Association

The Shareholders’ Meeting, voting under the conditions of quorum and majority applicable to an ExtraOrdinary General Meeting, after having reviewed the report of the Management Board, decides to modify articles “Definitions,” 7, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 12.2, 15, 16, 17.1, 18, 19, 21, 23, 24, 25, 26, 30, and 31.

WITHIN THE COMPETENCE OF THE ORDINARY GENERAL MEETING

Second resolution: Approval of the financial statements of BPCE SA for the year ended December 31, 2022

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, after having reviewed the Management Board's report on the management of the company, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the annual financial statements of BPCE for the year ended December 31, 2022, approves the annual financial statements showing a profit of 313,857,245.09 euros.

The Shareholders' Meeting notes that the financial statements of the previous fiscal year include 380,714 euros in non-deductible expenses referred to in Article 39-4 of the French General Tax Code. The additional tax in this respect amounts to 98,338 euros.

Third resolution: Approval of the consolidated financial statements of Groupe BPCE SA for the year ended December 31, 2022

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, after having reviewed the Management Board's report on the management of the company, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the consolidated financial statements of Groupe BPCE SA for the year ended December 31, 2022, approves the consolidated financial statements, which show net income attributable to equity holders of the parent of 1,360 million euros.

Fourth resolution: Approval of the consolidated financial statements of Groupe BPCE for the year ended December 31, 2022

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, after having reviewed the Management Board's report on the management of the company, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the consolidated financial statements of Groupe BPCE for the year ended December 31, 2022, approves the consolidated financial statements, which show net income attributable to equity holders of the parent of 3,951 million euros.

Fifth resolution: Appropriation of net income for the year ended December 31, 2022 and distribution of dividends

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, approves the proposal of the Management Board and decides to appropriate the net profit for the year of 313,857,245.09 euros as follows

- Allocation of the entire net profit to “Retained earnings,” bringing the total balance to 2,779,134,042.30 euros,
- Distribution of dividends of 808,903,606.14 euros to shareholders, i.e. 22.41 euros per share,
- Deduction of 808,903,606.14 euros from “Retained earnings,” bringing the total balance to 1,970,230,436.16 euros.

The cash dividend will be paid at the registered office no later than June 23, 2023.

This dividend is eligible, for individuals domiciled in France for tax purposes, for the tax rebate provided for in Article 158, paragraph 2 of the French General Tax Code.

The Shareholders' Meeting notes that dividends received by individuals domiciled in France for tax purposes, eligible for the rebate provided for in sub-paragraph 2 of paragraph 3 of Article 158 of the French Tax Code, are subject (unless an exemption is requested in accordance with the conditions provided for by law) to a mandatory flat-rate withholding tax on income, as provided for in Article 117 quater of the French Tax Code, at a rate of 12.8% (plus social security deductions).

In accordance with the provisions of Article 243 bis of the French Tax Code, the following dividends were distributed in respect of the previous three years:

Balance sheet date:	Dividend / income distributed per share	Portion of the dividend eligible for the 40% tax deduction	Portion of the dividend ineligible for the 40% tax deduction
December 31, 2019	Class “A” shares: €15.7340 Class “B” shares: €15.7340	€536,166,353.68	/
December 31, 2020	Class “A” shares: €37.6800 Class “B” shares: €37.6800	€1,297,374,005.20	/
December 31, 2021	Class “A” shares: €21.8300 Class “B” shares: €21.8300	€787,968,126.82	/

<u>Sixth resolution</u>: Option for the payment of the dividend in shares for fiscal year 2022

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, after having reviewed the Management Board's report and the special report of the auditors, and pursuant to the provisions of Articles L. 232-18 to L. 232-20 of the French Commercial Code and Article 33 of the Articles of Association, and noting that the share capital is fully paid up,

decides to grant each shareholder the option of receiving payment of the dividend in cash or in shares for the entire value of the dividend, as provided for in the fifth resolution.

The issue price of the new shares to be issued in payment of the dividend is set at €478.3882, including the premium of €473.3882, this price being calculated by dividing the amount of shareholders' equity appearing in the balance sheet for the financial year ending December 31, 2022 approved by this meeting, by the number of shares in circulation.

Shareholders wishing to opt for payment of the dividend in shares may exercise their option between May 30, 2023 and June 16, 2023 inclusive upon request submitted to the Company. Consequently, any shareholder who has not exercised his or her option by the end of the period set by this resolution shall only be entitled to receive the dividend in cash. The dividend will be paid at the latest on June 23, 2023; on this same date, the shares will be delivered to those who have opted for the payment in shares of the totality of the dividend due to them.

Subscription forms will be made available to shareholders.

Each shareholder may opt for one or the other method of payment, the two choices being mutually exclusive.

Subscriptions must be for whole numbers of shares. If the amount of the dividend for which the option is exercised does not correspond to a whole number of shares, each shareholder may receive the next higher whole number of shares by paying, on the day he/she exercises his/her option, the difference in cash, or the next lower whole number of shares plus a balancing payment in cash.

Full powers are granted to the Management Board, with the option to delegate these powers under the conditions provided for by law, to implement this resolution, to record the completion of the capital increase resulting from the exercise of the option to receive payment of the dividend in shares, to amend the Articles of Association accordingly, and to carry out the necessary formalities for publication.

<u>Seventh resolution</u>: Authorization to be granted to the Management Board to propose an option for the payment of interim dividends in shares for fiscal year 2023

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, after having reviewed the Management Board's report and applying the provisions of Articles L. 232-18 to L. 232-20 of the French Commercial Code and Article 33 of the Articles of Association, and noting that the share capital is fully paid up, authorizes the Management Board, should it decide to pay one or more interim dividends in respect of the 2023 fiscal year, to offer for each of these interim dividends an option between payment, at the shareholder's choice, either in cash or in new shares.

For each interim dividend that may be decided, each shareholder may opt for payment in cash or payment in shares, the two choices being mutually exclusive.

Consequently, the Shareholders' Meeting authorizes the Management Board to set, if necessary:

- The issue price of each share delivered in payment of the interim dividend(s) by dividing the amount of shareholders' equity appearing in the balance sheet for the current fiscal year by the number of shares in circulation.

Subscriptions must be for whole numbers of shares. If the amount of the interim dividend for which the option is exercised does not correspond to a whole number of shares, each shareholder may receive the next higher whole number of shares by paying the difference in cash on the day the option is exercised, or the next lower whole number of shares plus a balancing payment in cash.

- The period during which, as from its decision to distribute an interim dividend, shareholders may request payment of this interim dividend in shares, it being specified that this period may not exceed three months.

Full powers are granted to the Management Board, with the option to delegate these powers under the conditions provided for by law, to record, where applicable, the completion of the capital increase resulting from the exercise of the option to pay the dividend in shares, to charge the costs of the said capital increase to the amount of the related premium, to amend the Articles of Association accordingly, and to carry out the necessary formalities for publication.

Eighth resolution: Transfer of the Company's registered office

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, ratifies the decision of the Supervisory Board of December 15, 2022, taken in accordance with the provisions of the Articles of Association, to transfer the Company's registered office from 50 avenue Pierre Mendès France - 75 013 Paris to 7 promenade Germaine Sablon, 75 013 Paris, with effect from January 1, 2023.

It also approves the resulting amendment to the Articles of Association in order to carry out the legal formalities.

Ninth resolution: Approval of the agreements referred to in Article L. 225-86 of the French Commercial Code

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, and having reviewed the special report of the Statutory Auditors on the agreements referred to in Article L. 225-86 of the French Commercial Code, approves, successively, each of the agreements newly entered into, amended or terminated referred to therein, which were previously authorized by the Supervisory Board during the fiscal year ended December 31, 2022.

Tenth resolution: Approval of an agreement referred to in Articles L.225-86 and L.225-90 of the French Commercial Code that has not been previously authorized

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, in light of the special report of the Statutory Auditors and pursuant to the provisions of Articles L.225-86 and L.225-90 of the French Commercial Code, approves the conclusion of the tax consolidation agreement between Natixis and BPCE.

Eleventh resolution: Approval of an agreement referred to in Articles L.225-86 and L.225-90 of the French Commercial Code that has not been previously authorized

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, in light of the special report of the statutory auditors and pursuant to the provisions of Articles L.225-86 and L.225-90 of the French Commercial Code, approves the conclusion of the tax consolidation agreement between BPCE Assurances and BPCE.

Twelfth resolution: Approval of an agreement referred to in Articles L.225-86 and L.225-90 of the French Commercial Code that has not been previously authorized

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, in light of the special report of the statutory auditors and pursuant to the provisions of Articles L.225-86 and L.225-90 of the French Commercial Code, approves the conclusion of the tax consolidation agreement between BPCE Assurances, BPCE Vie and BPCE.

Thirteenth resolution: Approval of an agreement referred to in Articles L.225-86 and L.225-90 of the French Commercial Code that has not been previously authorized

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, in light of the special report of the statutory auditors and pursuant to the provisions of Articles L.225-86 and

L.225-90 of the French Commercial Code, approves the conclusion of the tax consolidation agreement between BPCE Assurances, BPCE Assurances IARD and BPCE.

Fourteenth resolution: Consultation on the overall package of compensation of all kinds paid to the managers and categories of personnel referred to in Article L. 511-71 of the French Monetary and Financial Code, during the financial year ending December 31, 2022

The Ordinary General Meeting, having been consulted pursuant to Article L. 511-73 of the French Monetary and Financial Code, and having reviewed the report of the Management Board, approves the total remuneration package of all kinds paid during the fiscal year ending December 31, 2022 to the categories of personnel referred to in Article L. 511-71 of the French Monetary and Financial Code, amounting to €35,948,969.23.

Fifteenth resolution: Determination of the total remuneration package to be allocated to the members of the Supervisory Board for the 2023 and subsequent fiscal years

The Shareholders' Meeting, voting under the conditions of quorum and majority applicable to an Ordinary General Meeting, decides to set at €1,600,000 euros the total amount of remuneration to be allocated to members of the Supervisory Board for the 2023 and subsequent fiscal years, until a further decision is taken by a subsequent Shareholders' Meeting.

Sixteenth resolution: Powers to fulfill formalities

The Shareholders' Meeting grants full powers to the bearer of an extract or copy of the present document to fulfill all legal formalities.

5 STATUTORY AUDITORS

BPCE's Statutory Auditors are responsible for auditing the individual financial statements of BPCE and the consolidated financial statements of Groupe BPCE and BPCE SA group. At March 31, 2022, the Statutory Auditors were:

PricewaterhouseCoopers Audit	Deloitte & Associés	Mazars
63, rue de Villiers	6, place de la Pyramide	61, rue Henri-Regnault
92208 Neuilly-sur-Seine Cedex	92908 Paris-La Défense Cedex	92075 Paris-La Défense Cedex

PricewaterhouseCoopers Audit (672006483 RCS Nanterre), Deloitte et Associés (572028041 RCS Nanterre) and Mazars (784824153 RCS Nanterre) are registered as Statutory Auditors, members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* and under the authority of the *Haut Conseil du Commissariat aux Comptes*.

PRICEWATERHOUSECOOPERS AUDIT

The Combined General Meeting of BPCE of May 27, 2021, ruling under the quorum and majority conditions required for Ordinary General Meetings, resolved to renew the term of PricewaterhouseCoopers Audit for a period of six fiscal years, *i.e.* until the Ordinary General Meeting to be held in 2027, convened to approve the financial statements for the year ending December 31, 2026.

PricewaterhouseCoopers Audit is represented by Mr. Emmanuel Benoist and Mr. Antoine Priollaud.

Substitute: Jean-Baptiste Deschryver, of 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex, appointed for a period of six fiscal years, *i.e.* until the Ordinary General Meeting to be held in 2027, convened to approve the financial statements for the year ending December 31, 2026.

DELOITTE & ASSOCIÉS

The Combined General Meeting of BPCE of May 27, 2021, ruling under the quorum and majority conditions required for Ordinary General Meetings, resolved to appoint Deloitte & Associés for a period of six fiscal years, *i.e.* until the Ordinary General Meeting to be held in 2027, convened to approve the financial statements for the year ending December 31, 2026.

Deloitte & Associés is represented by Mrs. Marjorie Blanc Lourme.

Substitute: BEAS, represented by Damien Leurent, of 6, place de la Pyramide, 92908 Paris-La Défense, appointed for a period of six fiscal years, *i.e.* until the Ordinary General Meeting to be held in 2027, convened to approve the financial statements for the year ending December 31, 2026.

MAZARS

Following a proposal made by the Supervisory Board and the opinion of the Audit Committee, the General Meeting of BPCE of May 24, 2019, ruling under the quorum and majority conditions required for Ordinary General Meetings, resolved to renew the term of Mazars for a period of six fiscal years, *i.e.* until the Ordinary General Meeting to be held in 2025, convened to approve the financial statements for the year ending December 31, 2024.

Mazars is represented by Mrs. Laurence Karagulian and Mr. Emmanuel Thierry.

Substitute: Anne Veaute, of 61, rue Henri-Regnault, 92075 Paris-La Défense Cedex, appointed for a period of six fiscal years, *i.e.* until the Ordinary General Meeting held in 2025, convened to approve the financial statements for the year ended December 31, 2024.

6 ADDITIONAL INFORMATION

6.1 Documents on display

This document is available on the website https://groupebpce.com/en/investors/results-and-publications/registration-document or on that of the *Autorité des marchés financiers* (AMF), the French financial markets authority www.amf-france.org.

Any person wanting further information about Groupe BPCE may, with no commitment and free of charge, request documents by mail at the following address:

BPCE

Département Émissions et Communication Financière

7, promenade Germaine Sablon

75013 Paris

7 PERSON RESPONSIBLE FOR THE FIRST AMENDMENT TO THE UNIVERSAL REGISTRATION DOCUMENT

7.1 Statement by the person responsible

Jérôme Terpereau
Head of Finance, Member of the Management Board

To the best of my knowledge, all of the information contained in this amendment to the 2022 Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

Paris, May 10, 2023

Jérôme Terpereau
Head of Finance, Member of the Management Board

8 CROSS-REFERENCE TABLE

This Amendment to the Universal Registration Document must be read and interpreted in conjunction with the document listed below. This document is incorporated into this Amendment and is deemed to form an integral part thereof:

- the 2022 Universal Registration Document including the annual financial report, filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2024 under number D.23-0148, available on the BPCE website:

https://groupebpce.com/en/investors/results-and-publications/registration-document.

All the documents incorporated by reference in this Amendment to the Universal Registration Document were filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, and are available on the issuer's website (https://groupebpce.com/en/investors/results-and-publications/registration-document) and on the AMF website (https://www.amf-france.org/fr).

The information incorporated by reference should be read in accordance with the table below. Any information not referred to in this table but which is part of the documents incorporated by reference is provided for information purposes only.

Category referenced in Annexes 1 and 2 of Delegated Regulation No. 2019/2020		Universal Registration Document filed on March 24, 2023 Page No.	1st Amendment to the Universal Registration Document filed on May 10, 2023 Page No.
1	**Persons responsible**		
1.1; 1.2	Statement by the person responsible	782	91
1.3; 1.4	Information from third parties, expert statements and declaration of any interest	N/A	N/A
1.5	Approval of the competent authority	N/A	N/A
2	**Statutory Auditors**	628-629	89
3	**Risk factors**	638-648	64-76
4	**Information about the issuer**		
4.1	Company name and commercial name	760	96
4.2	Place of registration, registration number and ID of legal entity	760	96
4.3	Date of incorporation and term of Company	760	
4.4	Registered office and legal form	760	96
5	**Business overview**		
5.1	Principal activities	25-42 ; 240-251	
5.2	Principal markets	25-42 ; 240-251	
5.3	Highlights	22-24 ; 234-239 ; 270-271 ; 432-433 ; 567-568	4 ; 31
5.4	Strategy and objectives	6-9	
5.5	Dependence of the issuer on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	735	
5.6	Basis of statements made by the issuer regarding its competitive position	25-42	
5.7	Investments	256	
6	**Organizational structure of the Group**		
6.1	Description of the Group	2-15 ; 16-21 ; 260	
6.2	List of significant subsidiaries	5 ; 20 ; 391-397 ; 549-557 ; 600-603	
7	**Operating and financial review**		
7.1	Financial position	240-242	5 ; 33
7.2	Net operating income	240 ; 261 ; 423 ; 570 ; 575	5-6 ; 33
8	**Cash flow and capital resources**		
8.1	Information on the issuer's capital resources	252-253 ; 255 ; 264-265 ; 314 ; 426-427 ; 476 ; 611-612 ; 664-671	7 ; 34 ; 48-52 ; 77-80

8.2	Sources and amounts of issuer's cash flows	266 ; 428	
8.3	Information on the issuer's borrowing requirements and funding structure	241-242 ; 314 ; 476 ; 611-612 ; 725-726	7 ; 35 ; 52 ; 81
8.4	Information regarding any restrictions on the use of capital resources that have affected or could affect the issuer's operations	N/A	N/A
8.5	Information regarding the expected sources of funds needed to fulfill commitments referred to in point 5.7	N/A	N/A
9	**Regulatory environment**	**116 ; 271-279 ; 433-442 ; 579-580 ; 636-637 ; 664-665**	
10	**Trend information**	**257-258 ; 572**	
11	**Profit forecasts and estimates**	**N/A**	**N/A**
12	**Administrative, management and supervisory bodies and executive management**		
12.1	Administrative bodies	10-11 ; 150-208	
12.2	Conflicts of interest involving the administrative, management and supervisory bodies and executive management	154 ; 231	
13	**Remuneration and benefits**		
13.1	Amount of remuneration and benefits in kind	209-230 ; 383 ; 541 ; 617 ; 767-771	
13.2	Total amount set aside or accrued by the issuer to provide pension, retirement or similar benefits	209-230 ; 383 ; 541 ; 617 ; 767-771	
14	**Board practices**		
14.1	Date of expiration of the current term of office	163	
14.2	Service contracts with members of the administrative bodies	231 ; 767-771	
14.3	Information about the issuer's Audit Committee and Remuneration Committee	10-11 ; 153 ; 158-161 ; 200 ; 204	
14.4	Compliance with the country of incorporation's corporate governance regime	150-151	
14.5	Potential material impacts on corporate governance, including future changes in the composition of administrative and management bodies and committees	N/A	N/A
15	**Employees**		
15.1	Number of employees	1 ; 4 ; 119	
15.2	Shareholdings and stock options	224 ; 228-229 ; 617	
15.3	Arrangements allowing employees to purchase shares in the issuer	765	
16	**Major shareholders**		
16.1	Shareholders with over 5% of the issuer's capital or voting rights	765	
16.2	Different types of shareholder voting rights	764-765	
16.3	Control of the issuer	764-765	
16.4	Any arrangement, known to the issuer, which may at a subsequent date result in a change in control of the issuer	764-765	
17	**Related party transactions**	**383 ; 541**	
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information, accounting standards and changes in accounting standards, financial statements and date of most recent financial information	14-15 ; 240-241 ; 254 ; 261-262 ; 423-424 ; 575	5-6 ; 19 ; 21 ; 33 ; 43 ; 47
18.2	Interim financial information and other information	N/A	4-62
18.3	Auditing of historical annual financial information	415-422 ; 559-566 ; 618-621	
18.4	Pro forma financial information	254	19 ; 45
18.5	Dividend policy	571 ; 612 ; 761	85-87
18.6	Legal and arbitration proceedings	733-735	
18.7	Significant change in the issuer's financial position	765	63
19	**Additional information**		
19.1	Share capital	762-763	
19.2	Charter of incorporation and articles of association	760-761	
20	**Material contracts**	**765**	
21	**Documents on display**	**783**	**90**

In accordance with Article 19 of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in this Universal Registration Document:

- Groupe BPCE's consolidated financial statements for the fiscal year ended December 31, 2022 and the Statutory Auditors' report, presented on pages 261 to 422 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2023 under number D.23-0148;

- BPCE SA group's consolidated financial statements for the fiscal year ended December 31, 2022 and the Statutory Auditors' report, presented on pages 423 to 566 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2023 under number D.23-0148;

- BPCE's annual financial statements for the fiscal year ended December 31, 2022 and the Statutory Auditors' report, presented on pages 575 to 621 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2023 under number D.23-0148;

- Groupe BPCE's consolidated financial statements for the fiscal year ended December 31, 2021 and the Statutory Auditors' report, presented on pages 241 to 400 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 23, 2022 under number D.22-0135;

- BPCE SA group's consolidated financial statements for the fiscal year ended December 31, 2021 and the Statutory Auditors' report, presented on pages 401 to 539 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 23, 2022 under number D.22-0135;

- BPCE's annual financial statements for the fiscal year ended December 31, 2021 and the Statutory Auditors' report, presented on pages 548 to 593 of the Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 23, 2022 under number D.22-0135;

The 2022 Registration Document filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, on March 24, 2023 under number D.23-0148 and the 2021 Registration Document filed with the AMF on March 23, 2022 under number D.22-0135 are available at the following link:

https://groupebpce.com/en/investors/results-and-publications/registration-document.

All the documents incorporated in this Amendment to the Universal Registration Document were filed with the *Autorité des marchés financiers* (AMF), the French financial markets authority, and are available on the issuer's website (https://groupebpce.com/en/investors/results-and-publications/registration-document) and on the AMF website (https://www.amf-france.org/fr).

The information incorporated by reference should be read in accordance with the table below. Any information not referred to in this table but which is part of the documents incorporated by reference is provided for information purposes only.

The information incorporated by reference for previous fiscal years should be read in accordance with the table below.

Category referenced in Annexes 1 and 2 of Delegated Regulation No. 2019/2020		2021 Universal Registration Document filed on March 23, 2022 Page No.	2022 Universal Registration Document filed on March 24, 2023 Page No.
7.1	Financial position	220-221	240-242
7.2	Net operating income	220; 241; 401; 542; 548	240; 261; 423; 570; 575
8	**Cash flow and capital resources**		
8.1	Information on the issuer's capital resources	231-232; 234; 244-245; 292-295; 404-405; 451-453; 550; 583-584; 638-644	252-253; 255; 264-265; 314; 426-427; 476; 611-612; 664-671
8.2	Sources and amounts of issuer's cash flows	246; 406	266; 428
12	**Administrative, management and supervisory bodies and executive management**		
12.1	Administrative bodies	10-11; 132-191	10-11; 150-208
12.2	Conflicts of interest involving the administrative, management and supervisory bodies and executive management	135; 213-214	154; 231
13	**Remuneration and benefits**		

13.1	Amount of remuneration and benefits in kind	203-212; 360; 514; 589; 731-735	209-230; 383; 541; 617 ; 767-771
13.2	Total amount set aside or accrued by the issuer to provide pension, retirement or similar benefits	203-212; 360; 514; 589; 733-734	209-230; 383; 541; 617; 767-771
14	**Board practices**		
14.1	Date of expiration of the current term of office	142	163
14.2	Service contracts with members of the administrative bodies	213-214; 731-735	231; 767-771
14.3	Information about the issuer's Audit Committee and Remuneration Committee	10-1 ; 140-141; 184; 187; 599-600	10-11; 153; 158-161; 200; 204
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information, accounting standards and changes in accounting standards, financial statements and date of most recent financial information	14-15; 220-221; 233-234; 241-242; 401-407; 540-589	14-15; 240-241 ; 254; 261-262; 423-424; 575
18.2	Interim financial information and other information	N/A	N/A
18.3	Auditing of historical annual financial information	392-400; 532-539; 590-593	415-422; 559-566; 618-621
18.4	Pro forma financial information	220-221; 233-234	254
19.2	Charter of incorporation and articles of association	724-725	760-761

The information presented on Groupe BPCE's institutional website is not included in the Groupe BPCE Universal Registration Document, unless explicitly incorporated for reference purposes.

BPCE– French public limited company governed
by a Management Board and Supervisory Board with
a capital of 180,478,270 euros.
Registered office: 7, promenade Germaine Sablon, 75013 Paris.
Paris Trade & Companies Register No. 493 455 042. Tel.: +33 (0)1 58 40 41 42.

groupebpce.com

PARIS 2024

GROUPE BPCE

PREMIUM PARTNER

PARIS 2024