



SocramBanque

2023 ANNUAL REPORT





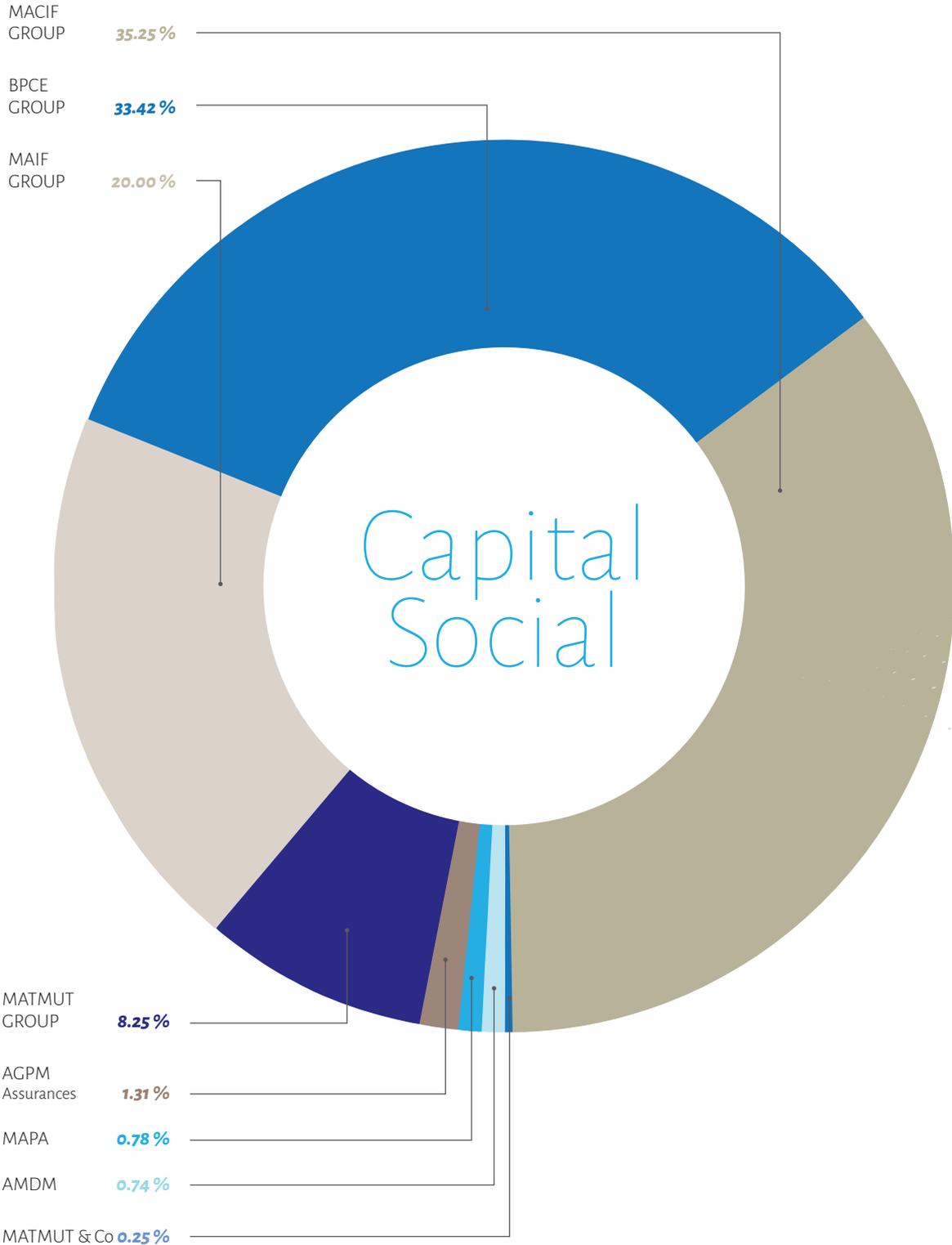


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Socram Banque





Shareholders

On January 1st, 2024	Number of shares held
MACIF GROUP	1,233,742
BPCE GROUP	1,169,700
MAIF GROUP	700,004
MATMUT	288,750
AGPM ASSURANCES	45,693
MAPA	27,328
AMDM	26,024
MATMUT & CO	8,750
OTHERS	9
Total	3,500,000

Board of directors

on January 1st, 2024



Administrators

Pascal MICHARD

Chairman of the Management Board

- **MACIF GROUP**

Mutuelle Assurance des Commerçants et Industriels de France

Represented by **Odile EZERZER**, Mutavie's Managing Director

Rémi CERDAN

Macif's Board Member

Alain LEBRUN

Macif's Board Member

Luca HAIDARI

Macif's Strategy and Performance Director

- **BPCE GROUP**

BPCE

Represented by **Thierry MIRANDE**, Natixis' Borrower's Insurance Director

Daniel SPITEZKI

BPCE Group's Strategic Management Control Director

- **MAIF GROUP**

Mutuelle d'Assurance des Instituteurs de France

Represented by **Arnaud COURDESSES**, Maif's Board Member

Hélène N'DIAYE

Maif's Deputy Managing Director - Division of Life Insurance services, Data and Actuarial related products

Milène GREHAN

Maif's Strategic holdings, M&A and Financing Director

- **MATMUT GROUP**

Mutuelle Assurance des Travailleurs Mutualistes

Represented by Virginie LE MEE, Matmut's Strategic Coordination of Risks and Finance Director

Matmut & Co

Represented by Tristan de LA FONCHAIS, Matmut & Co's Deputy Managing Director

- **AGPM ASSURANCES**

Assurance Générale de Prévoyance Militaire

Represented by Ugo Marinelli, AGPM's Chief Finance Officer

- **MAPA**

Mutuelle d'Assurance des Professions Alimentaires

Represented by Vincent LOIZEIL, MAPA's Managing Director

- **AMDM**

Assurance Mutuelle des Motards

Represented by Patrick JACQUOT, AMDM's Chairman and Managing Director

Non-voting directors

Nicolas GOMART

Matmut's Managing Director

Jocelyn CHARLIER

Macif's Distribution and Customer relations Director

Management

on January 1st, 2024

Executive Committee

within the meaning of article L.511-13 of the French Monetary and Financial Code

Philippe MOULAY

Managing Director

Jean-Paul MÉNAGÉ

Deputy Managing Director

Management Committee

Philippe MOULAY

Managing Director

Jean-Paul MÉNAGÉ

Deputy Managing Director

Jean-Marcel CHESNEAU

Organization, Projects and Information system Director

Fabrice DALLET

Director of Legal Affairs, Risk Management and Compliance

Gérard DUFOORT

Business development and Customer experience Director

Nadège DUPRIEZ-BENTO

Human Resources Director

Marie-Bénédicte JAMME-FEULVARC'H

Mission Director

Yann MARCHAND

Audit Director

Jean-Paul MÉNAGÉ (par intérim)

Finance, Accounting and Economic Control Director

Isabelle PREDIAL

Customer relations and Banking operations Director

Key figures



2023

2022

New loans generated during the year	60,002	55 233
Savings accounts opened during the year	8,125	9 083
Customers	402,620	407 735
Outstanding loans (in number)	187,405	179,923
Current accounts	73,190	87,813
Savings accounts	110,970	112,904
Outstanding of current and savings accounts	€1,044 M	€1,118 M
Not due outstanding loans	€1,375 M	€1,249 M
Consolidated net banking income	€41.6 M	€44.5 M
Consolidated net profit or loss	€1.7 M	€2.7 M



Extract from the 2023 management report

Ladies and Gentlemen,

We have invited you to attend the Ordinary General Meeting, in accordance with the provisions set forth in the law and our company's articles of association, to report to you on the transactions carried out in the 2023 financial year and to submit for your approval the financial statements for the year ended 31 December 2023. You were invited to the Meeting in the prescribed legal manner, and all documents and papers specified by the regulations in force were made available to you within the legal deadlines.

At its meeting on 10 May 2023, the Board of Directors adopted its Rules of Procedure. These rules specify the Board's operating procedures (notices of meetings, attendance sheets, role of the chairman in organising discussions, votes, minutes, etc.), particularly in the context of remote meetings.

We present below the joint management report relating to the corporate financial statements and the consolidated financial statements.

Company activity

● MACROECONOMIC CONTEXT

After rebounding in 2022, French economic growth slowed in 2023 to 0.8% (vs. 1.5% in 2022).

Impacted by inflation, consumer spending fell in the food and energy sectors but continued to grow in services.

Consumer prices rose further in 2023 (+3.7% on an annual average compared to 2022 vs. +5.2% in 2022) due to the year-on-year acceleration in energy and services prices. Manufactured goods and food prices fell.

As a corollary of this weaker economic environment, interest rates rose sharply at the beginning of the year, before stabilising in the last quarter. Coupled with rising inflation, this led to higher rates of return on regulated savings. A freeze on Livret A and LDDS passbook savings account rates was decided by the Ministry of the Economy and Finance from 1st August 2023 for a period of 18 months.

With the unemployment rate climbing by +0.4% over the year, the labour market contracted.

As measured by the Association des Sociétés Financières (Financial Companies Association), the production of consumer loans to individuals was down over the year (-2.3%) with a marked slowdown at the end of the year in "conventional" loans offset by a sharp increase in activity in the lease-to-purchase option segment.

Against this backdrop, the French automotive market regained its health thanks to a catch-up phenomenon. Persistent semiconductor shortages and various logistics bottlenecks gradually eased, allowing manufacturers to deliver a good portion of pending orders.

New passenger car registrations amounted to 1.77 million vehicles, down 16% compared with 2022 (vs. -7.8% in 2021).



Flat growth in the new-build market in 2023 after a three-year decline impacted the second-hand market due to the scarcity of recent vehicles, especially electric ones. It stagnated at -0.2% year-on-year. This reduction in supply sent prices higher.

It should be noted that in this market, the share of electric and hybrid vehicles is still growing, reaching 47% of new vehicles sold this year.

Within the scope of the Association of Financial Companies, conventional credit financing for new cars fell by -6.6% while leasing transactions with a purchase option increased by +15.5%.

For used vehicles, lease financing, although still in the minority, increased (+13.1%) compared with traditional credit (-0.4%).

● HIGHLIGHTS OF THE YEAR

The third consecutive year of crises (2020 health crisis, 2021 logistics and sector crisis, 2022 and 2023 geopolitical crises with strong inflationary pressures), 2023 saw a slowdown in consumption in a context of rising refinancing rates, which inevitably impacts our activities.

In this generally troubled economic environment, in 2023 Socram Banque restored excellent production momentum, driven in particular by the resolute approach of mutual insurance companies, the competitiveness of its rates, the development of its offers and the simplification of its subscription processes. In 2023, we continued work on the strategic plan in which our practices, processes and tools have been updated. Overall, we are achieving the objectives we set ourselves.

In terms of development, our actions focused mainly on deploying solutions to manage a lease-to-purchase offer for new vehicles, broadening the digitalisation of our credit range, simplifying the subscription process and implementing a “boosted” rate on passbook savings accounts.

We continued to diversify our financing of customer projects with encouraging results and, ultimately, a little less exposure to the automotive sector.

The operational security system for the information system, the anti-money laundering system and the transaction compliance system continued to be strengthened in 2023.

Our customers are particularly satisfied with our relationship, with a perception of the quality of our services (>90% on credit).

A refinancing operation built on the basis of a new “private securitisation” financing operation, backed by the pledging of Socram Banque car loans, provided a €250 million liquidity line. At 31 December 2023, €50 million had been drawn down.

We have also started work on developing the future Information System master plan in connection with the company's new scope of activity.

More generally, we are continuing our transformations, including organisational changes within banking operations, in order to strengthen the performance, cohesion and commitment of our teams. Our financial strength combined with our strategic upgrading work are strengths that will underpin our growth.

● SOCRAM BANQUE'S ACTIVITY

In this context of sluggish economic growth, Socram Banque recorded stronger business results than in 2022 in consumer credit and slightly weaker results in bank savings.

LENDING ACTIVITY

Socram Banque's production grew by 8.6% compared with 2022 in terms of loan approvals, with 60,002 loans granted, and by 12.1% in terms of funds dispursed to €664 million.

Outstandings

At the end of the financial year, Socram Banque's loan book contained 187,405 outstanding loans with a value of €1,374,678 K, up 10% from 2022.

CURRENT ACCOUNT AND SAVINGS ACCOUNT ACTIVITIES

The savings account business fell by 10.5% with 8,125 passbook accounts opened during the year.

At the year end of the financial year, the portfolio comprised a total of 184,160 current and savings accounts (down 8.2%), for outstandings of €1,044 million.

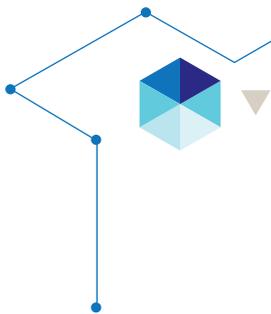
Sight and savings deposits were little changed from 2022 (-6.6%).

Number of accounts opened	2023	2022
Current accounts	7	64
Passbook and savings accounts	8,125	9,083
TOTAL	8,132	9,147

Portfolio at the end of the financial year	2023	2022
Current accounts	73,190	87,813
Passbook and savings accounts	110,970	112,904
TOTAL	184,160	200,717

Month-end/year-end balance (€K)	2023	2022
Current accounts	319,362	382,177
Passbook and savings accounts	724,794	735,917
TOTAL	1,044,156	1,118,094

* Management data at 31/12/2023



Financial policy and refinancing

The main goal of Socram Banque's financial management is to help ensure the company's financial equilibrium by combining the best sources of financing, in the best conditions, with security, solvency and profitability mechanisms.

It is determined according to changes in the structure of its balance sheet, characterised by an increase in the difference between customer loans (increase in outstanding loans) and customer deposits (decrease in

deposits held on the balance sheet) due to the run-off management of current accounts.

To this end, Socram Banque formalised with its shareholders the renewal of the support protocol in the event of a liquidity crisis for an amount of €150 million, with effect from 1 April 2022 for a period of 3 years.

In addition, the Board of Directors meeting of 6 October approved the following refinancing policy:

Type of instrument	Coverage of needs (excluding own funds and guarantee funds)
Bank deposits	≥ 50 %
Bank loans	0 % - 10 %
Unsecured debt securities	10 % - 30 %
Securitisation and loans secured with loan collateral	20 %- 40 %

Financing raised on the markets comes from the issuance of securities at market interest rates as part of the short- or medium-term marketable securities programme.

In 2023, Socram Banque issued €345 million in negotiable debt securities, including €55 million to mutual insurance companies.

At the end of the financial year, Socram Banque had €60 million in bank loans, €288 million in negotiable debt securities and €50 million related to the private securitisation transaction initiated in December 2023.

At 31 December 2023, the bank's refinancing structure was as follows:

Refinancing	2023 In €K	2023 As a %
Equity	232,136	15.53 %
Guarantee fund	52,500	3.51 %
Bank deposits	811,900	54.32 %
Bank loans	60,000	4.01 %
Market rate securities	233,000	15.59 %
Mutual fixed-income securities	55,000	3.68 %
Securitisation	50,000	3.35 %
TOTAL	1,494,536	100 %



Risk management policy

● INTERNAL CONTROL

Socram Banque has implemented its internal control system to meet the requirements of banking regulations, and in particular the updated Ministerial Order of 3 November 2014, as well as the Ministerial Order of 6 January 2021 on the internal control system in the fight against money laundering and terrorist financing, the freezing of assets and the prohibition on the provision or use of funds and economic resources.

This system, steered by management and integrated into the bank's operational processes, is focused on two departments: Risks and Compliance and Internal Audit, with the aim of preventing and controlling the various risks linked to Socram Banque's activity, as defined by the regulatory and prudential frameworks.

PERMANENT CONTROL

In accordance with Article 13 of the amended order of 3 November 2014, Socram Banque has introduced a permanent control system placed under the responsibility of the Risks and Compliance department, reporting to the Deputy Chief Executive Officer, who is also in charge of the risk management function.

The Risks and Compliance Manager is responsible for permanent control and compliance management, two of the internal control system's four key functions.

Socram Banque has defined the organisation of internal control functions at all levels and for all departments in conditions that ensure:

- ▶ the separation of tasks between departments in charge of carrying out transactions and departments in charge of validating and settling them,
- ▶ the existence of two levels of permanent control.

The permanent control roles assigned to the Risks and Compliance department are:

- ▶ drawing up the mapping to ensure that all Socram Banque's risks are covered by a risk management system, including outsourced services,
- ▶ carrying out permanent control of compliance, security and transaction validation,
- ▶ working with project managers to roll out permanent control IT tools,
- ▶ ensuring the consolidation and quality of first-level controls.
- ▶ establishing and implementing the second-level control plan and action plans according to the results of the controls,
- ▶ contributing to the risk policies covering all of the bank's risks and the control of its activities,
- ▶ drawing up action plans to mitigate compliance risk,
- ▶ coordinating with the French Prudential Supervision and Resolution Authority (ACPR).

At a general level, the results of these permanent controls and any identified risks or anomalies are reported to General Management, in particular to dedicated committees, and give rise, if applicable, to the implementation of action plans designed to prevent or correct identified risks.

PERIODIC CONTROL

The Internal Audit Manager, who reports to the Chief Executive Officer, is responsible for internal audit control, one of the internal control system's four key functions.

The mission of Socram Banque's Internal Audit Department is to ensure, through a 3rd level periodic control, the consistency and effectiveness of the entire internal control system, in accordance with the provisions of the amended Order of 3 November 2014 and the Order of 6 January 2021 on the fight against money laundering and terrorist financing and the freezing of assets. Internal audits are carried out on all Socram Banque's activities, including those that are outsourced.

Their priority goals are to assess and to report to Socram Banque's effective managers and supervisory body on:

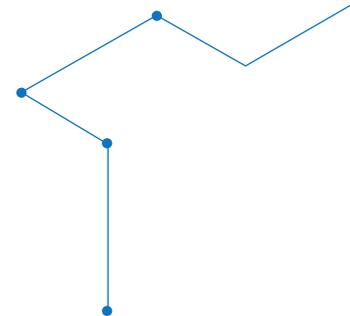
- ▶ the level of incurred risk, procedural compliance, transactional compliance, and the effectiveness and appropriateness of the bank's permanent control systems,
- ▶ the consistency, appropriateness and due functioning of its risk assessment and control systems and its internal control system,
- ▶ the adequacy of the processes put in place to control its activities and manage its risks,
- ▶ the effective implementation of recommendations made by previous audits and by regulators.

To fulfil its mission, the Internal Audit department draws up and keeps up to date an inventory of the audit scope. It ensures that all activities and corresponding risks are covered by full audits, carried out in cycles at a frequency defined according to each activity's and process' overall risk level and which, in any case, may not exceed five years. If necessary it uses external expertise to help carry out audit assignments.

The Audit and Risks Committee validates the annual programme of the Internal Audit department.

Internal audit missions give rise to recommendations ranked by order of importance and reviewed regularly.

In 2023, the Internal Audit department completed its audit plan as scheduled. At the request of the Audit and Risks Committee, it also reported on the implementation of recommendations to facilitate the escalation of any alerts in accordance with the amended order of 3 November 2014 on internal control.



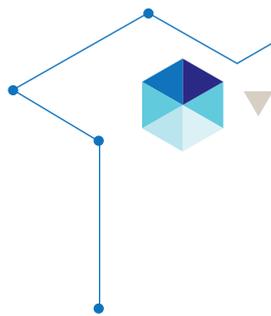
● RISK PREVENTION, CONTROL AND MONITORING

In the context of the organisation of its internal control system, Socram Banque has defined its business and risk management policy for the types of risk to which it is exposed in the following charters:

- ▶ General Organisation Policy Charter,
- ▶ Internal Control System Management Charter,
- ▶ Financial Activity and Financial Risk Management Charter,
- ▶ Lending Activity and Credit and Counterparty Risk Management Charter,
- ▶ Business and Operational Risk Management Charter, Business Compliance and Compliance Risk Management Charter.

In accordance with the provisions of the CRD4 directives and the amended order of 3 November 2014 on internal control as regards risk assessment, monitoring and control, at its meeting of 10 September 2015 the Board of Directors entrusted the Deputy Chief Executive Officer and effective manager with responsibility for the risk management function. This person both oversees and is assisted by the Risks and Compliance department to carry out this risk management role.

The Preventive Recovery Plan was put in place in the first half of 2017 and has since been updated at most every two years.



CREDIT AND COUNTERPARTY RISK

Socram Banque's activities expose it to:

- ▶ **credit and counterparty risks**, given that its main business is granting loans,
- ▶ **concentration risk on a single group of customers:** Socram Banque distributes its products mainly to individuals who are members and customers of mutual insurance companies, as well as to these companies' subsidiaries and employees,

Each of these risks is monitored using reports that track the quality of the customer portfolio (existing and new business), for both the lending and the current or savings accounts activities.

As regards credit and counterparty risk, counterparty default risk is defined as Socram Banque's failure to recover debts owed by its customers, either in the form of loans or, for its current account activity, debit balances.

As regards concentration risk, Socram Banque assesses its exposure by counterparty or group of counterparties at a level that it deems reasonable given that it carries out business almost exclusively with individuals in France for low average unit amounts.

As well as applying regulatory ratios, the bank sets internal limits, monitors compliance therewith and reports on the results to the various bodies concerned

At the regulatory level, Socram Banque calculates its weighted exposures using the standard method.

FINANCIAL RISKS

In the context of its financial activities, Socram Banque is exposed to:

- ▶ **Interest rate risk**, given that it enters into fixed- and variable-rate transactions, both on and off the balance sheet.

Socram Banque applies a hedging policy to manage its interest rate risk. This policy:

- is designed to protect its financial margin,
- is based on a rate gap maturity tranche approach,
- favours the use of fixed rate payer swaps.

- ▶ **Liquidity risk**, given that Socram Banque can tap the financial markets or banking partners to round out the refinancing of its lending activity.

In the context of its liquidity management, in accordance with the amended order of 3 November 2014 Socram Banque has defined:

- the bank's liquidity risk tolerance level and related limits,

- emergency plans: simulations to deal with a temporary market closure, taking into account the shareholder support agreement that came into force on 1 April 2022, for a period of three years, i.e. until 31 March 2025, and whose renewal for a new three-year period has been approved by shareholders,
- a liquidity restoration plan based on shareholder support.

- ▶ **Counterparty and concentration risk**, on its securities portfolio, on refinancing commitment drawdowns and on derivatives.

Socram Banque mitigates this risk by choosing counterparties for its refinancing commitments and derivatives transactions solely among highly-rated European banks.

Socram Banque monitors these risks by means of reports that measure both risk exposure and compliance with the bank's related thresholds and limits.

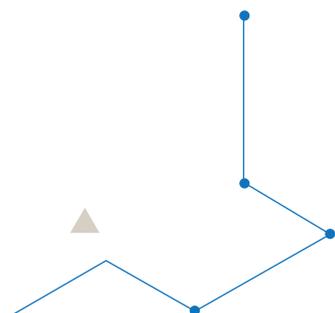
OPERATIONAL RISKS

Socram Banque's business exposes it to operational risks affecting its day-to-day activities. The bank defines its operational risk as the risk of loss due to inadequacies or failures attributable to internal procedures, staff or internal systems or to external events.

Socram Banque has introduced guidelines on exposure to operational risks in the form of:

- ▶ **guidelines for managing** outsourced essential services,
- ▶ **guidelines for IT risk management** and the information system security policy,
- ▶ **guidelines for the continuity management system**,
- ▶ **guidelines for the protection** of personal data protection
- ▶ **incident collection**, which makes it possible to identify risk components, measure their criticality and, if necessary, adapt the risk rating established by risk mapping as well as the related action plans.

These operational risks are monitored by the various bodies concerned through reports or specific update meetings, depending on the risks noted.



COMPLIANCE RISK

Socram Banque's business exposes it to compliance risks arising from its day-to-day activities and its regulatory environment.

The bank's definition of compliance risk refers in particular to anti-money laundering and terrorist financing (AML/TF) due diligence, the application of the asset-freezing mechanism against corruption and influence peddling and compliance with customer protection rules.

On Compliance: the Compliance department's opinion must be sought for on-going projects and new processes and products.

Socram Banque has introduced a regulatory watch system revolving around the compliance function with the goal of preparing for regulatory changes and so ensuring that they are built into future plans.

CSR policy

Committed to contributing to a fairer and more sustainable world, Socram Banque is continuing its commitment to a transition that responds to current environmental, societal, territorial and digital challenges. Its CSR Charter formalises a global approach in line with its values, business lines and ambitions, which is based on three major commitments:

- ▶ Acting as a committed financial institution
- ▶ Acting as a willing economic player within its region
- ▶ Acting as a responsible employer

In 2023, Socram Banque carried out its first carbon review in order to better integrate sustainable development issues into both its strategy and its operations. Two main levers have been highlighted to reduce our carbon footprint: facilitating the energy transition through responsible financing and savings on the one hand, and reducing the direct emissions linked to our operations on the other.

With regard to the first lever, Socram Banque, eager to promote sustainable mobility and energy renovation work, continued to work in 2023 to put in place a responsible financing offer, the first of which was the electric mobility loan. The work initiated with the marketing of these subsidised-rate loans for the purchase of electric and hybrid vehicles and energy renovation loans will actively be continued.

Under its 2024-2026 strategic plan, Socram Banque has set itself a major ambition: to become a leading player in supporting and financing societal and environmental transitions. The aim is to offer solutions adapted to the new needs of members, whether it is to finance the ecological transition, to offer a range of

committed savings products or to support purchasing power and inclusion.

With regard to the second lever, the company continued to roll out its energy efficiency plan throughout 2023; these measures resulted in a significant reduction in electricity and gas consumption at its two buildings. In addition, a project was launched to install photovoltaic shade canopies in the car park of its historic building, with completion scheduled for April 2024.

Looking beyond these environmental challenges, Socram Banque is committed to the local territory, in conjunction with its stakeholders; 2023 was an opportunity to confirm its support for local associations and participate in cultural and sporting initiatives contributing to the reputation of the Niort region.

Lastly, the company is strengthening its practices in terms of skills development, professional equality and diversity and quality of life at work.



Financial statements

● CORPORATE FINANCIAL STATEMENT

ACCOUNTING METHOD

There were no accounting method changes in the 2023 financial year.

EARNINGS

The 2023 financial year closed with a net profit of €1,846,070.53.

As Socram Banque was not subject to any tax adjustments in the 2023 financial year, Article 223 d of the French General Tax Code (Code général des impôts) does not apply.

Net income was characterised by a decline in net banking income, mainly due to the decline in new business over the last three years, the impact of the rise in interest rates and the continued run-off of current accounts. Net additions to/reversals from provisions for loan losses decreased due to the decline in non-performing outstandings under the new default definition.

Overall, corporate net income was down €436k compared with 2022.

● CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTING METHOD

There were no accounting method changes in the 2023 financial year.

CONSOLIDATION SCOPE

The bank's consolidated scope includes the following entities:

- ▶ Socram Banque,
- ▶ The following non-trading property companies (sociétés civiles immobilières) wholly owned by Socram Banque:
 - SCI du 24 février,
 - SCI du Vieux Colombier,
 - SCI 24/24.

▶ SARL Socram Immo, fully owned by Socram Banque, whose corporate purpose is to rent assets of any kind and in particular furniture, information technology equipment and structures.

● RECONCILIATION OF CORPORATE AND CONSOLIDATED FINANCIAL STATEMENTS

The corporate and consolidated financial statements are reconciled as follows:

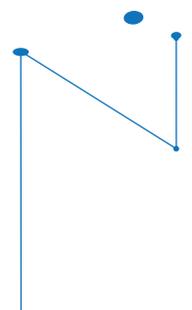
Profit for the period	+€ 1,846 K
Net profit from consolidated subsidiaries	+€ 502 K
Cancellation of the impact of accelerated depreciation and amortisation	
Impact of desecuritisations	+€ 244 K
Impact on taxes	-€ 872 K
Consolidated net profit for the period	+€ 1,720 K

● CORPORATE RESULTS

Consolidated net banking income contracted by 6.6% under the combined effect of lower production in recent years, the rise in interest rates and the continued run-off of the current account portfolio.

Net additions to/reversals from provisions for loan losses were down €1.04 million due to the decrease in non-performing loans related to the new default definition.

Overall, consolidated net income was €1,720k, down €990k compared with 2022.



Regulatory ratios

On the basis of the consolidated financial statements, the regulatory ratios* were as follows on 31 December 2023:

● SOLVENCY RATIO

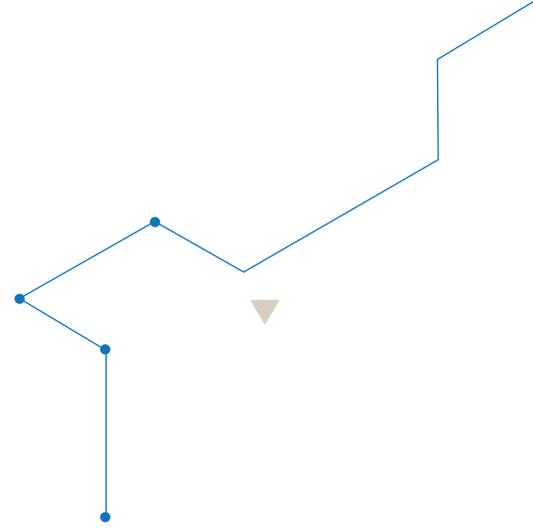
Tier 1 capital	€229,426 K
Tier 2 capital	None
Weighted exposure	€1,164,305 K
Solvency ratio	19.70 %
Minimum regulatory ratio at 31/12/2023	11 %

● LIQUIDITY RATIO: LIQUIDITY COVERAGE RATIO (LCR), FOR A REGULATORY REQUIREMENT OF 100%, CALCULATED ON 31/12/2023

Net cash outflows	6,813 K€
High-quality liquid assets: Level 1	127,463 K€
High-quality liquid assets: Level 2	0 K€
LCR ratio	187.96 %

● RISK DIVISION RATIO: NO OUTSTANDINGS WITH A SINGLE CUSTOMER EXCEED 25% OF SOCRAM BANQUE'S EQUITY.

*These ratios were not audited by the Statutory Auditors.

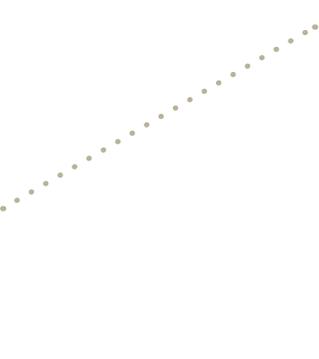


Breakdown of trade payables balance (corporate financial statements)

INVOICES RECEIVED AND ISSUED NOT SETTLED AT THE CLOSING OF THE FINANCIAL YEAR AND WHOSE TERM IS IN ARREARS (CHART TO BE PUBLISHED IN I OF ARTICLE D441-4 OF THE FRENCH TRADE CODE)

This data only concerns transactions outside of banking activities.

	Article D. 441-I.1°: Past due invoices received but not settled at the end of the reporting period					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Length of payment arrears						
Number of invoices concerned	57					17
Total amount of total invoices including VAT	663,637.67	159,121.40	15,120.00	8,694.00	-	182,935.40
Percentage of the total amount of purchases in the financial year including VAT	2.59 %	0.62 %	0.06 %	0.03 %	-	0.71 %
Percentage of revenue in the financial year including VAT						
(B) Invoices excluded from (A) concerning contested or unrecognised payables and receivables						
Number of invoices excluded						-
Total amount of invoices excluded including VAT						-
(C) Reference payment terms used (contractual or statutory - Article L.441-6 or Article L.443-1 of the French commercial code)						
Payment terms used to calculate late payments	Contractual term specified on invoice					



Holdings

The controlled companies at 31 December 2023 are as follows:

- ▶ three Sociétés Civile Immobilières, holding the operating buildings of Socram Banque (SCI 2 rue du 24 Février, SCI 24R24, SCI Vieux Colombier),
- ▶ two LLCs, namely Socram Immo, owner of movable property that it leases to Socram Banque for the operation of the latter, and Via Finances, a “laboratory” of new products.



Shareholder structure

In accordance with the provisions of Article L.233-6 of the French commercial code, shareholders that owned a significant share of the company’s capital on 31 December 2023 are shown below:

- ▶ MACIF has over a third of the company’s capital,
- ▶ BPCE has over a third of the company’s capital,
- ▶ MAIF has a fifth of the company’s capital,
- ▶ MATMUT has over a twentieth of the company’s capital.

In accordance with the provisions set forth in Article L.225-102 of the French Trade Code, we inform you that no Socram Banque employees hold shares in our Company’s equity.



Corporate profit/loss: Allocation proposal

The last year produced a distributable profit that can be broken down as follows:

Net profit for the financial year	€1,846,070.53
Retained earnings	€5,877,191.52
	€ 7,723,262.05

We propose appropriating the net profit for the period as follows:

Dividend of €0.45 per share	€1,575,000
General reserve	€0.00
Retained earnings	€6,148,262.05
	€ 7,723,262.05

We would also like to remind you that the following dividends were distributed in respect of the last three financial years:

Year	2020	2021	2022
Dividend paid per share	€ 0	€ 0.40	€ 0.40

Directors' fees

In view of the projects under the strategic plan and the possibility of adding new specialised committees to the governance system, we propose an increase in the directors' fees for the 2023 financial year, to a maximum amount of €84,000

Monitoring of remuneration in the banking sector

We would like to inform you that all remuneration paid to the persons referred to in Article L.511-71 of the French Monetary and Financial Code amounts to €820,918.

Appointment of directors

In accordance with Article 16 of Socram Banque's articles of association, Ms Milène Gréhan was appointed on 10 May 2023 as director, to replace Mr Christophe Cases, who has resigned, for the remainder of his term of office, i.e. until the Ordinary General Meeting that will meet in 2027 to approve the financial statements for the financial year ending 31 December 2026.

Ms Virginie Le Mée was appointed on 11 December 2023 as Matmut's permanent representative in her capacity as a legal entity director, replacing Mr Stéphane Muller.

On 6 October 2023, Mr Ugo Marinelli was appointed permanent representative of AGPM Assurances in his capacity as a legal entity director, replacing Mr Régis Weisslinger.

Renewal of directorships

At the Annual General Meeting on 10 May 2023, the terms of the following directors were renewed for a six-year period ending at the General Meeting in 2029 to approve results for the financial year ending on 31 December, 2028:

- ▶ Mr Daniel Spitezki,
- ▶ BPCE,
- ▶ MAIF,
- ▶ MATMUT,
- ▶ AMDM.

Employee share ownership

None of Socram Banque's employees own shares in the company.

Significant events arising between the end of the reporting period and the date of drafting of this report

On the date the accounts were closed by the Management Board, there were no events subsequent to the closure that could have a significant impact on the annual accounts.

Future prospects

In a particularly uncertain environment, we are maintaining our present course, which is demonstrating its relevance through encouraging results.

The diversification of our banking activities seems even more essential in order to be less dependent on the automotive sector, which is at the heart of our historical activity and the subject of many uncertainties.

2023 marked a lasting change in the economic cycle with continued inflation and a rise in interest rates that ends the period of "cheap money", but also a period when arbitrage on savings has re-emerged.

Activity in 2024 is likely to remain slow in the 1st half before strengthening thanks to consumer spending under the dual effect of falling inflation, boosting the purchasing power of wages, and the falling savings rate.

The new 2024-2026 strategic plan, approved by the Board of Directors, focuses on growth and improving operational performance, drawing on the strengths of Socram Banque or its ecosystem, in response to the needs of Partners and their members through financing and savings.

Our ambition is to be a banking player committed to supporting transitions through financing (sustainable mobility, energy renovation, support for purchasing power, etc.) and responsible savings, and thus to position ourselves as a player at the heart of future societal changes.

Financial results for the past five years in euros

TYPE OF INDICATIONS	2019	2020	2021	2022	2023
Capital at the end of the financial year					
Equity	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000
Number of shares in issue	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Number of shares with a priority dividend	0	0	0	0	0
Global profit/loss on actual operations					
Turnover excluding tax	53,360,962	52,257,040	47,783,305	45,863,454	42,149,145
Result before tax depreciation and provisioning system	10,952,954	6,721,460	6,157,296	4,651,265	2,754,791
Corporation tax	3,428,590	2,320,425	1,580,720	1,135,176	0
Employees' investments due in respect of the financial year	0	0	0	0	0
Profits after tax, depreciation and provisions	4,826,934	290,029	574,571	2,282,461	1,846,071
Amount of profits distributed	0	0	1,400,000	1,400,000	1,575,000*
Operating profit/loss reduced to one share					
Profits after tax but before depreciation and provisions	2.28	1.26	0.45	2.02	0.87
Profits after tax, depreciation and provisions	1.38	0.08	0.16	0.65	0.53
Dividend paid on each share	0	0	0.4	0.4	0.45*
Personnel					
Average number of employees during the financial year	229	220	217	218	217
Total payroll amount	9,821,194	10,517,643	9,204,779	9,232,656	9,686,456
Sums paid in respect of social benefits (Social security, social projects, etc.)	4,976,256	5,366,415	4,574,257	4,657,020	4,529,064

(*) Proposal put to the Ordinary General Assembly held on May,7th 2023





Corporate Social Responsibility 2023 Report

Committed to contributing to a fairer and more sustainable world, Socram Banque is continuing its commitment to a transition that responds to current environmental, societal, regional and digital challenges. Its CSR Charter formalises a global approach in line with its values, business lines and ambitions, which is based on three major commitments:

- Acting as a committed financial institution
- Acting as a willing economic player within its region
- Acting as a responsible employer

The expectations of its stakeholders form the basis of its commitments:

- **FOR ITS END CUSTOMERS**

Propose a responsible offer in a relationship of quality and proximity and facilitate access to products and services.

- **FOR ITS DISTRIBUTORS**

Transpose the commitments made by them in their CSR strategy to the value chain.

- **FOR ITS EMPLOYEES**

Promote professional equality and diversity, the development of “human capital” and quality of life at work.

- **FOR THE COMPANY AND THE REGION**

Prioritise the local economy and responsible purchasing, contribute to community, cultural or sports projects in the region and support employees' civic engagement.

- **FOR THE PLANET**

Reduce the company's carbon footprint, encourage the energy transition and promote the circular economy.

In 2023, Socram Banque carried out its first Carbon Review to better integrate sustainable development issues into both its strategy and its operations.

To reduce our carbon footprint, we have two levers: reduce the Bank's direct carbon footprint on the one hand and facilitate the energy transition through responsible financing and savings on the other.

The analysis carried out highlights the preponderant share of greenhouse gas emissions generated by our lending operations. While it is not possible to call into question the historical heart of our business, that of financing mobility, we can nevertheless take action on the nature of the assets financed. This is what we are already doing voluntarily by offering subsidised rates for the purchase of electric or hybrid vehicles, and this should continue to guide our thinking.

Similarly, we are constantly working to reduce the greenhouse gas emissions generated by the operations of our establishment.

This report details the actions implemented throughout the year on the two identified levers, actions that contribute to driving a committed corporate culture within Socram Banque.



Acting as a committed financial institution

As a committed banking player, Socram Banque intends to contribute to major societal causes by developing and promoting products and services that meet environmental, social and regional challenges, in an ethical and high-quality customer relationship.

● CUSTOMER RELATIONS AT SOCRAM BANQUE

Since 2020, Socram Banque has been QUALICERT certified on the “quality of telephone and digital relations for our customers and distributors” standard.

In addition, 2023 saw the renewal of the “100% France Remote Customer Relations” and “Guaranteed France Service” certifications obtained in 2022. They certify that 100% of the remote Customer Relationship service, including pre-sales, sales and after-sales, is produced in France.

These awards recognise the commitment of the teams who work every day to offer our customers high-quality and local service. The objective has been fully achieved, as evidenced by the results of the satisfaction survey conducted in 2023 to obtain their opinion on the credit activity; they show an overall satisfaction rate of 93%.

● TOWARDS AN EXPANSION OF RESPONSIBLE PRODUCT OFFERINGS

Socram Banque wishes to support members in the energy transition by promoting sustainable mobility and enabling them to carry out renovation work on their homes (especially energy efficiency improvements) via appropriate financing solutions. Its teams are working on a responsible financing offer, for which the electric mobility loan is the first project.

We make this product available to all distribution mutuals and three of them offer it to their members. More than 2,500 clean vehicles (4 wheels, 2 wheels, bicycles, etc.) were financed for a total amount of more than €32m, i.e. twice as much as in 2022, and members were able to benefit from a significant reduction compared with the standard acquisition scale. Our aim for 2024 is to deploy this system with other distributors.

At the same time, more than 2,000 loans were granted for the energy renovation of old buildings, up 24%.

As part of its new 2024-2026 strategic plan, IMPACT, Socram Banque has set itself a major ambition: to become a leading player in supporting and financing societal and environmental transitions. The aim is to offer solutions adapted to customers' new needs, whether it is to finance the ecological transition, to offer a committed savings range or to support purchasing power and inclusion. We also want to distribute our offers via innovative pathways to better support subscribers.

In this context, IMPACT plans to include in its 2024/early 2025 trajectory the financing of energy renovation works in a comprehensive process ranging from energy diagnosis to the finalisation of the works by an RGE professional.

In terms of savings, we also aim to enhance the responsible offering and support the development of solidarity-based savings with our distributors to better meet the expectations of savers seeking both performance and a purpose.

In this context, in December 2023 Socram Banque applied for membership of FAIR, a French association whose purpose is to promote solidarity savings and finance, and the integration process has been launched. By joining this group, we want to actively contribute to the creation of a financial sector that is more inclusive and respectful of the environment, which is essential in supporting climate, energy and demographic transitions.

Acting as a willing economic player within its region

● TAKING ACTION TO LIMIT OUR ECOLOGICAL FOOTPRINT

Socram Banque is aware of the climate emergency and its duty to set an example and is continuously committed to controlling its ecological footprint.

REDUCE ENERGY CONSUMPTION

Socram Banque continues to roll out its energy efficiency plan in line with the national plan launched by the Government in October 2022. The main actions implemented throughout the year are as follows:

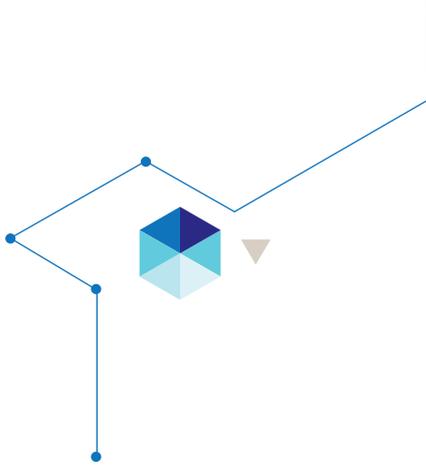
- ▶ End of deployment of LED lighting on our two buildings,
- ▶ Maintenance of heating (19°C) and air conditioning temperature instructions (triggered from 25.5°C),
- ▶ Complete shutdown of air conditioning and heating on weekends and public holidays,
- ▶ Change of the technical management centre equipping the historic building, thus optimising the system,
- ▶ Installation of a lighting control machine in certain areas of the same building.

All of these measures have resulted in a sharp reduction in the electricity and gas consumption of our two buildings:

Lastly, a project to install photovoltaic shade canopies in the car park of our historic building has been completed, with completion scheduled for April 2024. This project goes beyond energy autonomy by providing for a rainwater recovery system and the preservation of biodiversity through the greening of the car park (conservation of existing trees, planting of shrubs and plants and installation of Evergreen slabs made of recycled material that will allow parking in a green space all year round). Socram Banque invests for future generations!

Additional electric charging stations will be installed for both bicycles and electric vehicles, with the aim of promoting among employees the use of sustainable mobility for commuting to and from work.

Buildings	Change in electricity consumption	Change in gas consumption
2 rue du 24 février – Niort	- 31 %	- 11.43%
24 rue du 24 février – Niort	- 4.07%	- 3.43%



RAISING EMPLOYEE AWARENESS OF ECO-FRIENDLY ACTIONS

Deploying an internal energy efficiency plan implies, in addition to the structural measures already mentioned, a lasting transformation of everyone's habits and behaviours by strengthening the economical behaviours already in place. Its launch was therefore accompanied by a campaign to raise awareness of good practices, whose implementation - which continued in 2023 - was organised in 3 phases: Simple actions to save energy, reduce paper consumption and best digital practices.

In terms of sustainable mobility, Socram Banque participated for the second time in 2023 in the Mobility Challenge organised in Niort; the aim is to encourage alternatives to the individual use of cars for commuting. On this occasion, the company provided employees with a fleet of electric bicycles that they were able to test to carry out their home/work trips.

From 12 to 16 June, 15% of employees took up the challenge and travelled 5,592 km "differently", enabling Socram Banque to rise to the top of the podium in its category and to benefit from a communication campaign on buses in the city of Niort.

MANAGING WASTE

Recycling, at the heart of the circular economy, makes it possible to avoid wasting natural resources and energy, to secure the supply of raw materials to French industry and to reduce their environmental impact.

In 2023, 246 m³ of waste was collected and recycled at Socram Banque:

- ▶ Paper: 13,482 kg
- ▶ Archives et confidential documents: 1,394 kg
- ▶ Wood / wooden pallets: 48 kg
- ▶ Cardboards: 2,067 kg
- ▶ Batteries: 8 kg
- ▶ Sanitary waste (masks, tissues, sopalins, dressings): 25 kg

With nearly 13,500 kg, paper is the biggest collection and recycling flow. This figure, up sharply compared to last year, is the result of an exceptional sorting operation carried out in the archives of the Customer Relations and Banking Operations Department. Our paper consumption is indeed down, with 222 boxes purchased in 2023 compared with 316 in 2022 (a decrease of 30%) and 586 in 2020.

PROTECTING BIODIVERSITY

Despite the high summer temperatures and lack of water, the bees on the roof of Socram Banque did well in 2023, fed by the flowers of the surrounding gardens. The result is nearly 150 jars of honey donated to the Restos du Cœur de Niort during the holiday season.

● IMPLEMENTING A COMMITTED PURCHASING POLICY

In line with our CSR policy and our values, we want to guarantee ethics in our purchasing processes, i.e. implement a responsible purchasing policy, prevent any act of active or passive corruption, guarantee the conditions of fair competition, act in favour of social responsibility among our suppliers and create lasting links with them.

Socram Banque's purchasing policy rolled out in December 2022 laid down the general principles; our criteria for social progress and the protection and enhancement of the environment remain to be formalised in 2024.

In 2023, Socram Banque continued its actions in favour of the adapted and protected sector in order to promote access to employment for people with disabilities and/or those excluded from employment, in particular for the reconditioning of office equipment or the maintenance of green spaces.

Finally, we are anchoring new purchasing habits within the company by using second-hand or recycled furniture to equip our training and meeting rooms.

● **STRENGTHEN OUR REGIONAL ROOTS AND ENCOURAGE EMPLOYEES' CIVIC ENGAGEMENT**

Engagement within the local region, in conjunction with its stakeholders, is an integral part of the CSR policy of Socram Banque, which intends to contribute, through its actions, to the creation of local wealth and income.

2023 was an opportunity to confirm our support for local associations and participate in initiatives contributing to the influence of the Niort region.

Our partnership with the football stadium “ Les Chamois Niortais ” lasted until the summer of 2023 and the company offered match tickets to the “Un petit zeste de soleil” association, whose mission is to help children suffering from severe and chronic illnesses monitored at the Niort Hospital Centre.

For the 2023-2024 season, Socram Banque has forged new sporting partnerships with AS Niort Basket and Niort Rugby Club.

As a patron of the Coulée niortaise, it sent a team to the race to wear its colours.

Various solidarity initiatives were also implemented internally throughout the year, including a collection carried out in collaboration with Niort’s Family Planning , to combat menstrual poverty and financial support for the Niort Rugby Club’s Wheelchair Rugby section on the occasion of International Day of People with Disabilities. Socram Banque once again partnered with Restos du Cœur in Niort as part of the solidarity-based “Christmas Boxes” initiative; employees were invited to make gifts for the poorest families.

The French Association of Families for Organ Donation and the Leukaemia Espoir Federation also received a donation in 2023.

Socram Banque continued its cultural commitment in the region, supporting three musical events: the Niort Jazz Festival, the Estivales d’Artenetra and the Marché Gourmand de Coulon festival. It is also a patron of the Moulin du Roc, a Niortese theatre and cinema with the National Stage label.

Finally, Socram Banque promotes the civic commitment of its employees. In 2023, Socram Banque renewed an agreement with the Fire Brigade defining the procedures for the operational availability and training during working hours of two volunteer firefighter employees. In addition, we welcomed the Etablissement français du sang for a collection organised at our premises, a civic and solidarity initiative that nearly a quarter of our employees attended.

● **Acting as a responsible employer**

Well-being at work appears to be a major CSR commitment and strengthening its policy in this area makes it possible to both reduce psychosocial risks and act on the collective climate and motivation. Knowing better how employees feel, their expectations of the company and their level of satisfaction is an essential step. This is why, in September 2023, a new internal survey was carried out at Socram Banque, an opportunity during a period of transformation to give all employees a voice so we can gain their feedback, assess their level of commitment and trust and identify the general atmosphere within the institution.

The participation rate at 89% shows a very good level of engagement. The results of this survey highlight the satisfaction of employees with regard to the balance between their personal and professional lives. Areas for improvement have been identified and an action plan is being drawn up for deployment in 2024. Workshops are organised with company employees who will thus be stakeholders in the work.

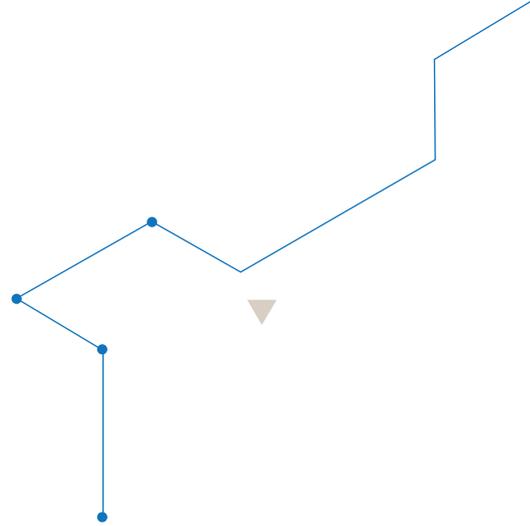
● **PROFESSIONAL EQUALITY AND DIVERSITY**

Between well-being at work and societal challenges, strengthening our practices in terms of professional equality, diversity and inclusion is one of the major ambitions of Socram Banque’s CSR policy.

We are continuing our efforts in this area to ensure fairness at all levels. Thus, in 2023, wage measures within the framework of gender equality in the workplace were once again implemented from a dedicated budget representing 0.2% of the payroll. At the same time, our gender equality index increased by one point to 98/100 for this exercise, at a very good level.

A week dedicated to women’s rights was organised in the establishment, including a retrospective on the emblematic milestones of women’s rights, awareness-raising on the mechanisms of ordinary sexism and a collection carried out in collaboration with the Niort Family Planning Department to combat menstrual poverty.

In the same way, because disability in the workplace is much more than a story of quotas, we have offered



our employees a better understanding of this subject thanks in particular to a simulation based on wheelchair rugby. Our ambition: make the company an inclusive space open to issues of disability at work. Finally, the company continues to be actively involved in the employment field by supporting 9 work-study trainees in the world of work.

- **SUPPORT AND DEVELOPMENT OF "HUMAN CAPITAL"**

Socram Banque wants to ensure that each employee takes advantage of their potential, in order to better influence their work. Training is an essential pillar of our CSR policy; our employees are trained throughout their career so that they have the best tools and skills in hand. In 2023, we invested 4.85% of payroll in training. This rate, one percentage point higher than last year, is also higher than that of the profession and therefore a very satisfactory level given the size of our establishment.

Also in terms of supporting and developing "human capital", career development opportunities were offered to our employees throughout the year. 22 internal transfers were carried out, representing 32% of recruitments in 2023.

E-Learning training was rolled out in 2023 for all teams to raise their awareness of the fight against money laundering and terrorist financing (AML-CTF).

The guide to managerial attitudes has also been enriched, in particular with the introduction of a training module on harassment prevention, the opportunity to clarify the concepts of psychological and sexual harassment, to identify risk factors and to recall how to manage a situation of this type.

- **OCCUPATIONAL HEALTH AND SAFETY**

Employees benefited from an initiative to raise awareness of good attitudes. In addition, a day dedicated to first aid measures was organised internally, with 3 training sessions delivered by the SDIS of Deux-Sèvres. The guide on the security of premises and people within Socram Banque was shared on this occasion.

- **QUALITY OF LIFE AT WORK**

We continued in 2023 our partnership with Teamstarter, a crowdfunding platform enabling the creation and financing of projects that notably improve the working environment and more generally the quality of life at work thanks to a personal monthly budget allocated by Socram Banque to its employees. They have the opportunity to propose actions and raise the funds needed to make them a reality or simply to help their colleagues bring their projects to fruition.

After the strong enthusiasm observed when it was set up in 2022, the system experienced a certain slowdown in 2023 with 10 projects financed, such as the delivery of fruit baskets to enhance the coffee break, the organisation of a "blood donation" operation mentioned above and the collective participation in the march organised by the Niortese association Les PrinTITsés as part of Pink October.

Organising discussion time with employees to share the company's strategy and results and listen to them is an integral part of the company's policy. Our 2023 calendar was marked by highlights: information meetings, "DG cafes", seminars, Socram Day, important moments in the context of professional life that allow us to combine work, collective commitment and moments of conviviality. The Christmas event that marked the whole month of December concluded these events that strengthen the cohesion of our collective.

- **In conclusion**

At the end of 2023, Socram Banque acquired essential tools to guide and consolidate its CSR policy in order to better contribute to a fairer and more sustainable world.

It clearly demonstrates its ambition for 2024-2026: to be a bank committed to supporting transitions, whether environmental, societal, demographic or digital, through responsible financing and savings!

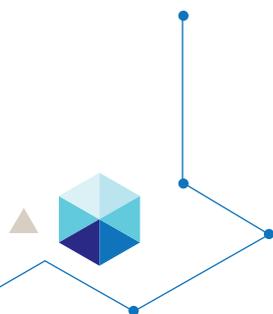


Consolidated balance sheet

Closed on December, 31th 2023

Assets

Consolidated balance sheet	31/12/2023 Thousands EUR	31/12/2022 Thousands EUR
Interbank and assimilated transactions	387,660.62	303,264.64
Customer transactions	1,358,304.78	1,231,164.21
Leasing and similar transactions	0.00	0.00
Bonds and other fixed-income securities	0.00	0.00
Shares and other variable-income securities	0.30	0.00
Insurance company investments	0.00	0.00
Shareholdings, shares in the linked companies, other long-term securities	0.00	0.00
Tangible and intangible fixed assets	11,483.08	11,548.10
Goodwill	0.00	0.00
Trading and settlement account	0.00	0.00
Other prepayments and accrued income and miscellaneous assets accounts	19,311.28	13,484.98
Total assets	1,776,760.06	1,559,461.94



Liabilities

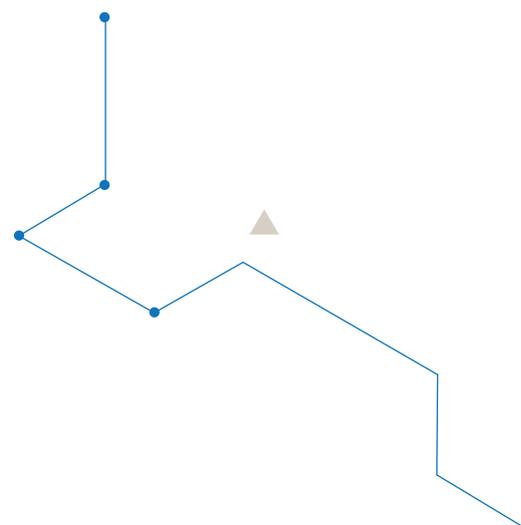
Consolidated balance sheet	31/12/2023 Thousands EUR	31/12/2022 Thousands EUR
Interbank and assimilated transactions	63,514.47	4,965.81
Customer transactions	1,070,064.95	1,142,420.63
Debts represented by securities	341,962.95	112,266.04
Insurance company technical reserves	0.00	0.00
Trading and settlement account	0.00	0.00
Other prepayments and accrued income and miscellaneous liabilities accounts	16,296.05	17,828.83
Goodwill	0.00	0.00
Provisions	1,118.18	1,469.49
Subordinated debt	47,247.57	43,638.93
Fund for general banking risks (FGBR)	2,700.00	3,000.00
Minority interests	0.00	0.00
Equity excluding FGBR	233,855.90	233,872.20
Subscribed capital	70,000.00	70,000.00
Issue premiums	16,316.23	16,316.23
Consolidated reserved and others	145,819.41	144,846.18
Profit/Loss for the financial year +/-	1,720.26	2,709.79
Total liabilities	1,776,760.06	1,559,461.94

Consolidated balance sheet

Closed on December, 31th 2023

Off balance sheet

	31/12/2023 Thousands EUR	31/12/2022 Thousands EUR
Commitments given	31,396.23	41,232.55
Commitments given by the banking business	13,551.18	15,750.56
Funding commitments	17,845.05	25,481.99
Guarantee commitments	0.00	0.00
Commitments concerning securities	0.00	0.00
Commitments given by the insurance business	0.00	0.00
Commitments received	150,000.00	150,000.00
Commitments received by the banking business	0.00	0.00
Funding commitments	0.00	0.00
Guarantee commitments	150,000.00	150,000.00
Commitments concerning securities	0.00	0.00
Commitments received by the insurance business	0.00	0.00



Consolidated profit and loss account

of fiscal year 2023

	31/12/2023 Thousands EUR	31/12/2022 Thousands EUR
+ Interests and similar income	74,277.66	57,039.98
- Interests and similar charges	43,100.74	23,854.29
+ Income from leasing and similar operations	0.00	0.00
- Charges from leasing and similar operations	0.00	0.00
+ Income from operating leases	0.00	0.00
- Charges from operating leases	0.00	0.00
+ Revenue from variable-income securities	0.00	0.00
+ Commissions (income)	9,017.55	9,990.60
- Commissions (charges)	1,055.95	972.56
+/- Gains or losses on portfolio trading transactions	0.00	0.00
+/- Gains or losses on portfolio investment and similar transactions	0.00	0.00
+ Other income from banking operations	2,491.75	2,345.13
- Other charges from banking operations	0.00	0.00
Net banking income	41,630.26	44,548.86
- General operating expenses	35,863.22	36,089.63
- Provisions for depreciation and provisions on tangible and intangible fixed assets	1,005.09	1,222.50
Gross operating profit/loss	4,761.95	7,236.73
+/- Cost of risk	-2,073.95	-3,115.92
Operating profit/loss	2,688.01	4,120.81
+/- Gains ou pertes sur actifs immobilisés	0.00	0.00
Résultat courant avant impôt	2,688.01	4,120.81
+/- Exceptionnal profit/loss	-395.58	-357.75
- Corporation tax	872.16	1,053.27
+/- Charges / write-backs of FGBR and regulated provisions	300.00	0.00
Net profit/loss	1,720.26	2,709.79

Notes to the consolidated financial statements

Highlights of the year

The fourth consecutive year of crises (2020 health crisis, 2021 logistics and sector crisis, 2022 and 2023 geopolitical crises with strong inflationary pressures), 2023 saw a slowdown in consumption in a context of rising refinancing rates, which inevitably impacts our activities.

In this generally troubled economic environment, in 2023 Socram Banque restored excellent production momentum, driven in particular by the resolute approach of mutual insurance companies, the competitiveness of its rates, the development of its offers and the simplification of its subscription processes. In 2023, we continued work on the strategic plan in which our practices, processes and tools have been updated. Overall, we are achieving the objectives we set ourselves.

In terms of development, our actions focused mainly on deploying solutions to manage a lease-to-purchase offer for new vehicles, broadening the digitisation of our credit range, simplifying the subscription process and implementing a “boosted” rate on passbook savings accounts.

We continued to diversify our financing of customer projects with encouraging results and, ultimately, a little less exposure to the automotive sector.

Consolidation obligation

Socram Banque put in place an initial non-deconsolidating securitisation transaction for small amounts when it by created the Titisocram 2009-01 sub-fund in 2009. This sub-fund was dissolved in June 2011.

Consequently, Socram Banque has published consolidated financial statements since this date.

The strengthening of the operational security system for the information system, the anti-money laundering system and the compliance of transactions continued in 2023.

Our customers are particularly satisfied with our relationship, with perception of the quality of our services of above 90% for borrowers.

A refinancing operation built on the basis of a new “private securitisation” financing operation, backed by the pledging of Socram Banque car loans, provided a liquidity line of €250 million. At 31 December 2023, €50 million had been drawn down.

We have also started work on developing the future Information System master plan in connection with the company's new scope of activity.

More generally, we are continuing our transformations, including organisational changes within banking operations, in order to strengthen the performance, cohesion and commitment of our teams. Our financial strength combined with our strategic upgrading work are strengths that will underpin our growth.

It carried out a new securitisation transaction in October 2017 with the creation of a €486 million securitisation fund (fonds commun de titrisation). It raised €450 million on the market by issuing senior bonds, and kept the subordinated bonds. This operation is renewable every 12 months and the most recent renewal took place in October 2018.

This public securitisation transaction (Titisocram 2017) was dissolved at the end of February 2022.

Prior to a future new public securitisation operation, a "private securitisation" refinancing operation constructed by means of the return of full ownership of car loans via a securitisation fund for an amount of €69 million was carried out in December 2023. The transaction is structured around the establishment of a loan collateralised by these receivables within the meaning of Article L211-38 of the French Monetary

and Financial Code. At 31 December 2023, €50 million had been drawn down out of a total budget of €250 million.

Unlike a public securitisation that results in the sale of receivables, the receivables used by this transaction are kept on the institution's balance sheet.

Consolidation scope and method

● DETERMINING THE SCOPE

In the absence of entities under joint control or significant influence, as defined [in the applicable regulations], the consolidation scope includes:

- ▶ Companies under exclusive control, whose financial and operational policies the consolidating company has the power to direct;
- ▶ Special purpose entities within the meaning of Article 2020-01 of the ANC and CRC regulation no. 2004-4, insofar as they are under substantial control;

Entities that are controlled but which do not have a significant impact on the consolidated financial statements may be excluded from the consolidation scope. This situation is presumed to exist if a company's balance sheet or profit or loss does not have an impact of more than 1% on the consolidated group.

However, an entity below this threshold may be included in the consolidation scope if its activity or expected development gives it the nature of a strategic investment.

● CONSOLIDATION SCOPE AND CHANGES

Consolidated entities	2023		2022	
	Consolidation method	% control and interest	Consolidation method	% control and interest
SOCRAM BANQUE	PC		PC	
SOCRAM Immo	FC	100 %	FC	100 %
SCI du 24 février	FC	100 %	FC	100 %
SCI 24/24	FC	100 %	FC	100 %
SCI du Vieux Colombier	FC	100 %	FC	100 %

PC: parent company FC: full consolidation

Via Finances, acquired in February 2022 and whose registered office is at 2 rue du 24 février in Niort, is excluded from the consolidation scope due to the non-materiality of the entity in the Group's consolidated financial statements.

● FULL CONSOLIDATION METHOD

Full consolidation consists in:

- ▶ Integrating into the financial statements of the consolidating company the components of the consolidated companies' financial statements, after any restatements;
- ▶ Eliminating transactions and financial statements between the fully consolidated company and other fully consolidated entities;
- ▶ Distributing the capital and profit or loss between the consolidating company's interests and minority interests.

Accounting principles and valuation methods

● GENERAL RULES

The annual financial statements are presented in the publishable form recommended by CRC regulation no. 2020-01, as amended by CRC regulations nos. 2000-01 and 2005-05.

General accounting conventions have been applied in line with the principles of prudence, going concern, consistency of accounting methods and periodicity and in accordance with the rules for preparing and presenting annual financial statements generally accepted in France.

The historical cost method is used to value items recorded in the financial statements, and all balance sheet items are presented, where relevant, net of depreciation and amortisation, provisions and valuation adjustments.

● CHANGE OF ACCOUNTING METHODS

There were no accounting method changes in the 2022 financial year.

● PRINCIPLES OF VALUATION OF BALANCE SHEET ITEMS

PRESENTATION OF TRANSACTIONS WITH CUSTOMERS

Customer loans are recorded in the balance sheet at their nominal value plus accrued interest not yet due, net of impairment provisions recorded in respect of credit risk. Commissions and marginal transaction costs are amortised. They are calculated for each loan, in proportion to the interest remaining to be received as a percentage of the total interest due on the loan over its term.

Signed commitments constituting off-balance sheet items comprise irrevocable financing commitments on which funds have not yet been paid as well as, in the case of the current account activity, overdrafts authorised but not yet used.

No collective provisions have been made.

► Non-performing loans

Customer receivables, including customer loans and current accounts in debit, are classified as non-performing loans if they present a proven risk of partial or total non-recovery and are subject to a dispute procedure and, in all cases, if one or more instalments are paid more than three months past their due date. Socram Banque adapted its downgrading policy in 2022 to comply with the new European regulations applicable since 1st January 2021.

For a given borrower, the classification of an outstanding loan as non-performing leads, by extension, to the identical classification of all of the borrower's other outstanding amounts.

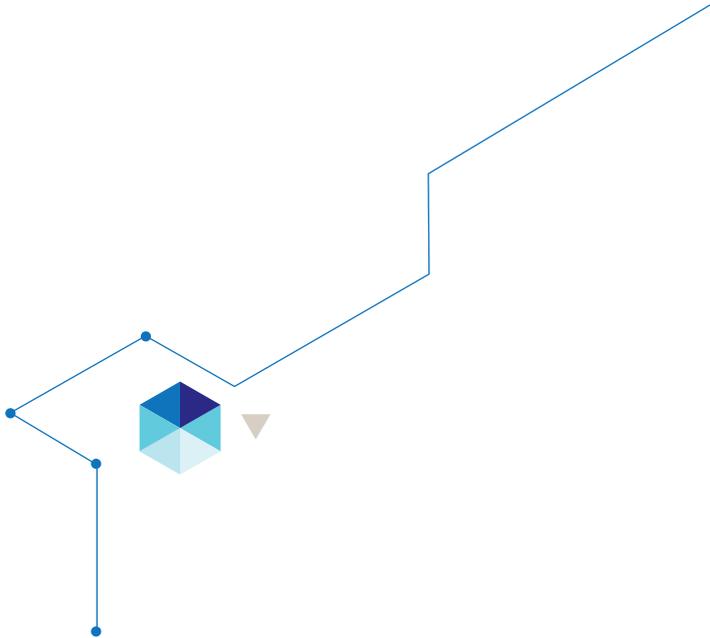
If no write-off is planned, non-performing loans may be reclassified as performing if payment of the original contractual instalments has resumed for 36 months.

If the prospects of recovery have severely deteriorated, non-performing loans concerned are classified as irrecoverable. This classification must be applied if the debt is written off and, in all cases, one year after a loan is classified as non-performing.

Restructured debts where the debtor has failed to meet the due dates are also considered as irrecoverable.

Restructured debts are debts held with counterparties that are experiencing financial difficulties such that the credit institution is obliged to modify the loan's initial characteristics (term, interest rate) to enable the counterparties to honour the payment of instalments. At the time of restructuring, the loan is subject to a write-down. The discount rate is the original effective interest rate. This write-down is recorded in profit or loss under loan loss provisions and in the balance sheet as a reduction in the corresponding debt.

Interest accrued and due but not received on non-performing loans is included in the financial statements under other banking operating income and written down accordingly. Interest is no longer included in the financial statements once loans are



classified as irrecoverable. Termination compensation and late payment interest relating to non-performing loans and irrecoverable debts are included in the financial statements upon receipt.

► **Write-downs of non-performing loans**

Non-performing loans are subject to write-downs recorded as a reduction in assets, intended to cover the probable loss that will result. In accordance with ANC regulation no. 2014-07, these write-downs correspond to the present value of all the losses forecast in respect of the non-performing or irrecoverable loans.

Forecast losses are equal to the difference between the initial contractual payments, less amounts already received, and the forecast payments. Estimation of these losses is subject to a statistical procedure for the categories of outstanding loans covered by the provisions of Article 2231-4 of ANC regulation no. 2014-07.

A different statistical procedure is used if the non-performing loan's various segments display dissimilar recovery characteristics.

In the case of most non-performing loans, forecast amounts and their spreading over time are determined on the basis of the estimated rate of occurrence of loan write-offs and statistical post-write-off recovery rates. These amounts are discounted at the average rate of return on loans over a rolling 24-month period.

In the case of debts restructured pursuant to over-indebtedness legislation, specific statistical non-performing loan recovery rates are applied.

By way of exception, outstanding loans with characteristics that preclude use of a statistical procedure are subject to an individual estimate of unrealised losses. Forecast payments are only then discounted if the discounting impact is material.

Provisions linked to the write-down of non-performing loans due to the risk of non-recovery are recorded

under loan loss provisions.

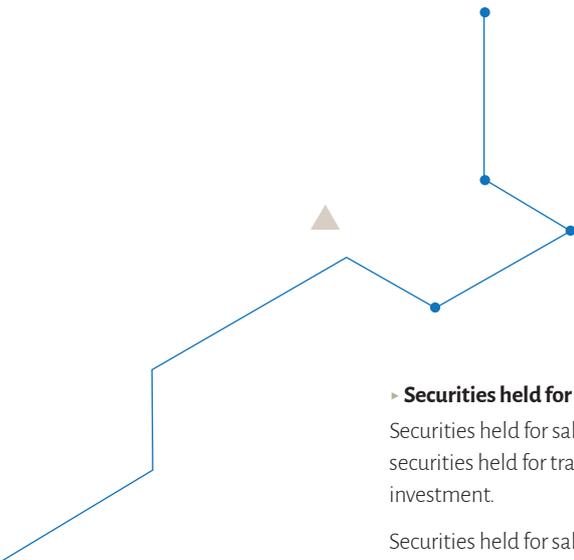
Write-down reversals linked to the impact of time on discounting are recorded as a reduction in loan loss provisions.

Interest and re-invoiced costs recognised in respect of non-performing loans are provisioned in full.

SECURITIES PORTFOLIO

Treasury bills and other negotiable debt securities issued in France as well as similar instruments issued in foreign countries, transferable securities issued in France or abroad and, generally speaking, all debts represented by a security than can be traded on the market, are deemed to be fixed- or variable-rate interbank securities. They are divided into securities held for trading, securities held for sale and securities held for investment, based on holding intention, refinancing conditions, divestment criteria and the type of gains obtained.

At the end of the financial year, the company's securities portfolio comprised securities held for sale and securities held for trading, investments in associates and investments in subsidiaries and related companies. Socram Banque does not carry out any specialised portfolio management or trading portfolio activity.



► **Securities held for sale**

Securities held for sale are recorded neither as securities held for trading nor as securities held for investment.

Securities held for sale acquired in return for payment are recognised at cost, excluding acquisition expenses. Those acquired free of charge through an exchange or as payment in kind are recognised at market value. Any premiums or discounts are spread over the securities' residual terms.

They include the following securities:

- SICAV variable-capital investment fund shares subscribed to establish the liquidity buffer related to the short-term liquidity coverage ratio (LCR) requirement.

At the year end, they are valued based on the last known rate for listed securities and the probable market value for non-listed securities. Unrealised capital losses are calculated line by line and give rise to write-downs. Unrealised capital gains are not taken into account.

► **Securities held for trading**

This category includes, where applicable, cash funds. They are valued based on the last known rate at the close of the financial year. Overall differences stemming from price changes are recorded in profit or loss.

► **Securities held for investment**

The company has no securities held for investment.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE FIXED ASSETS

Non-current assets are valued in accordance with the applicable regulations concerning assets. They are included in the financial statements at their acquisition cost. The components of a fixed asset for which different periods of use are states, are recorded separately.

Depreciation on fixed assets is calculated according to the straight-line method based on the expected

periods of use.

Capital gains and losses on transfers are recorded in the profit and loss account on the line "net gains on other fixed assets."

DEBTS

► **Debts owed to credit institutions**

Debts owed to credit institutions are broken down according to their initial term and the type of debt.

Interest accruing on these debts is included in the accrued interest account of the income statement.

► **Debt securities**

Debt securities are broken down by type of underlying. They include negotiable debt securities and bonds.

Issue premiums and costs are amortised at the point of issue.

Interest accruing on these securities is included in the accrued interest account of the income statement.

► **Subordinated debt**

This item concerns the Mutual Guarantee Fund (see note to statement of financial position concerning subordinated debt).

HEDGING TRANSACTIONS

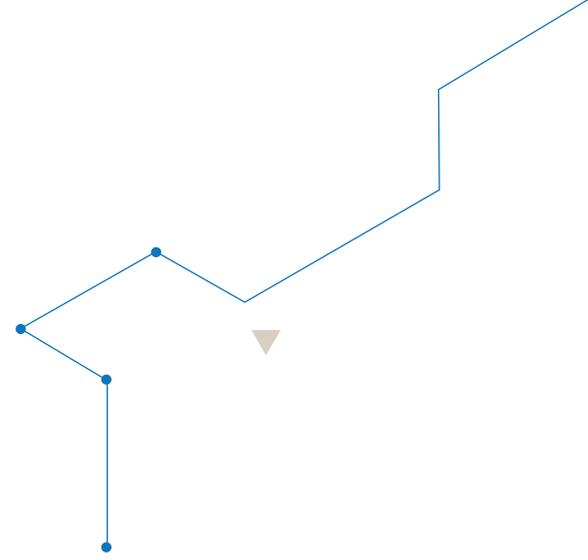
Forward financial instruments correspond to forward interest rate instruments.

All of Socram Banque's transactions in financial forward markets are designed to hedge its financial margin.

Charges and income related to forward financial instruments used for hedging and assigned to a specific item at the outset are taken to income symmetrically to income and charges relating to the hedged item.

Charges and income related to instruments used for financial hedging and overall rate risk management are recorded proportionally in the profit/loss account.

The market value of the financial futures instruments, referred to in the Appendix (note on additional information concerning financial futures instrument commitments), results from a calculation based on market valuation parameters. These valuations are determined internally; they nonetheless are compared with valuation elements obtained from counterparties.



Notes on balance sheet assets

● INTERBANK TRANSACTIONS

This item mainly includes reserve accounts with the Banque de France, funds centralised with the Caisse des Dépôts et Consignations, amounts deposited in regulated savings accounts and assets in banks.

Residual term (€K)	< 3 months	3 months < 6 months	6 months < 1 year	1 year < 5 years	+ 5 years	Total 2023	Total 2022
Cash	0	-	-	-	-	0	0
ATM cash account	-	-	-	-	-	-	-
Mandatory Banque de France reserves	140,610	-	-	-	-	140,610	63,306
Centralised funds	-	-	-	231,982	-	231,982	215,914
Unallocated amounts	-	-	-	-	-	-	-
Accounts and loans	15,069	-	-	-	-	15,069	24,044
Securities received under repurchase agreements	-	-	-	-	-	-	-
Gross value	15,069	-	-	-	-	15,069	24,044
Impairment	-	-	-	-	-	-	-
Net value	15,069	-	-	-	-	15,069	24,044
Total	115,679	-	-	231,982	-	387,661	303,265

Centralised funds are accrued in line with the increase in funds paid into the Livret A, Livret de Développement Durable and Livret d'Épargne Populaire savings accounts held by customers.

● CUSTOMER TRANSACTIONS

The amount of customer lending represents all current loans and, for the current and savings account activities, overdrawn accounts. It comes to €1,358,305K including bad debts, net of provisions.

As part of the implementation of a refinancing via a private securitisation, Socram Banque pledged as collateral, at 31 December 2023, €68,745k in receivables to a securitisation fund. These receivables remain on the balance sheet.

BREAKDOWN OF DEBTS ACCORDING TO THEIR RESIDUAL TERM (IN €K)

Residual term	< 3 months	3 months < 6 months	6 months < 1 year	1 year < 5 years	+ 5 years	Total 2023	Total 2022
Current account debit amounts	4,099					4,099	4,967
Cash loans <i>o/w financial customers</i>	106,317	102,255	188,908	815,170 10,883	120,044	1,332,695 10,883	1,201,378 24,805
Non-performing loans net of provisions	18,416					18,416	22,330
Accrued interest	3,048					3,048	2,422
Non-allocated amounts of customer transactions	47					47	68
Total	131,927	102,255	188,908	815,170	120,044	1,358,305	1,231,164

NON-PERFORMING LOANS - LENDING ACTIVITY (IN €K)

	2023	2022
Performing loans excluding accrued interest <i>Including restructured debts posted as healthy loans</i>	1,331,484 187	1,199,997 176
Non-performing loans excluding accrued interest <i>Of which, irrecoverable loans excluding accrued interest</i>	52,011 37,447	56,268 35,415
Provisions for loan impairment, including provision for discounting and Neiertz write-downs <i>Of which, provision for impairment of irrecoverable loans</i>	33,943 25,167	34,329 24,636
Coverage rate	65.26%	61.01%
Overall lending activity outstandings	1,383,495	1,256,265
Non-performing loan rate	3.76%	4.48%
Overall provisioning rate (Provisions / Overall outstandings)	2.45%	2.73%

Application of the new definition of default led to a downgrading of €9.9 million of outstanding loans that had not been downgraded according to the old criteria. These

outstandings were provisioned in the same way as other non-performing outstandings.

NON-PERFORMING LOANS – BANK ACCOUNT ACTIVITY (IN €K)

	2023	2022
Performing loans excluding accrued interest	5,311	6,348
Non-performing loans excluding accrued interest <i>Of which, irrecoverable loans excluding accrued interest</i>	1,751 -	1,958 -
Provisions for loan impairment	1,404	1,567
Coverage rate	80.18%	80.07%
Overall current and savings account outstandings	5,798	6,926

- **BONDS AND OTHER FIXED-INCOME SECURITIES**

At the end of 2013, Socram Banque subscribed to fixed rate term bonds in order to constitute the structural part of its liquidity cushion and these came to maturity in 2018.

in €K	2023	2022
Fixed-rate OAT	-	-
FCT mezzanine and subordinated bonds	-	-
Total	-	-

- **SHARES AND OTHER VARIABLE-INCOME SECURITIES**

This item mainly includes the SICAV funds. Some of these securities are eligible as level 1 high-quality liquid assets for the short-term liquidity coverage ratio (LCR) calculation.

in €K	2023	2022
SICAVs eligible for the short-term liquidity coverage ratio (LCR) calculation	-	-
Money-market SICAVs	-	-
Total	-	-

- **CAPITAL ASSETS**

DEPRECIATION AND AMORTISATION METHODS

	Amortisation method	Term
Software and licences	Straight-line	4 years
Fixtures and fittings	Straight-line	4 to 10 years
Transport equipment	Straight-line	4 years
Equipment and tools	Straight-line	5 years
Building structure	Straight-line	60 years
Façades and roofs	Straight-line	30 years
Technical equipment	Straight-line	20 years
Refurbishments	Straight-line	10 years
Office equipment	Straight-line	5 to 10 years
Furniture	Straight-line	7 to 10 years
Computer hardware	Straight-line	4 years

MOVEMENTS DURING THE FINANCIAL YEAR (IN €K)

	At start of year	Increase	Decrease	At end of year	Amort. and Prov.	Net amount
Current intangible fixed assets	1,261	-	- 1,106	155	-	155
Certificate	-	-	-	-	-	-
Software	25,889	1,725	-	27,614	- 25,828	1,786
Intangible fixed assets	27,150	1,725	- 1,106	27,769	- 25,828	1,941
Land	1,054	-	-	1,054	-	1,054
Construction	9,575	-	- 1,253	8,322	- 3,737	4,585
Fixtures and fittings	7,842	1,360	-	9,202	- 5,866	3,336
Transport equipment	74	-	- 21	53	- 53	-
Office furniture	4,315	187	-	4,502	- 3,962	540
Current tangible fixed assets	-	27	-	27	-	27
Property, plant and equipment	22,860	1,574	- 1,274	23,160	- 13,618	9,542
Total	50,010	3,299	- 2,380	50,929	- 39,446	11,483

● OTHER ASSETS

In €K	2023	2022
Initial margin	1,960	242
Miscellaneous	5,990	4,981
Deferred taxes	-	815
Total	7,950	6,038

● PREPAYMENTS AND ACCRUED INCOME

In €K	2023	2022
Discounts on collection and other pending items	591	594
Prepayments or prepaid income	1,005	1,183
Income receivable on FFI	4	2
Other income receivable	9,761	5,668
Total	11,362	7,447

Notes on balance sheet liabilities

● DEBTS OWED TO CREDIT INSTITUTIONS

This item corresponds to current refinancing obtained from credit institutions. It can be broken down as follows in terms of residual term (in €000):

Residual term	< 3 months	3 months < 6 months	6 months < 1 year	1 year < 5 years	+ 5 years	Total 2023	Total 2022
Accounts and loans	63,514	-	-	-	-	63,514	4,966
o/w demand deposits	2,964	-	-	-	-	2,964	4,312
o/w forward	60,551	-	-	-	-	60,551	654
Securities given under repurchase agreements	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-
Term	-	-	-	-	-	-	-
TOTAL	63,514	-	-	-	-	63,514	4,966

● CUSTOMER TRANSACTIONS

This item, which increased due to the development of the current and savings account activities, is made up of the following components:

In €K	2023	2022
Current accounts	324,561	387,832
Savings accounts	745,373	754,455
o/w CEL	1,560	1,263
o/w PEL	10,924	12,273
Of which, other regulated savings	339,236	296,400
Accrued interest	60	71
Pending accounts	71	63
TOTAL	1,070,065	1,142,421



● DEBT SECURITIES

This item essentially includes Socram Banque's refinancing transactions (negotiable debt securities and bonds linked to securitisation). In terms of

residual term, the breakdown of debt securities is as follows (in €K):

Residual term	< 3 months	3 months < 6 months	6 months < 1 year	1 year < 5 years	+ 5 years	Total 2022	Total 2021
Securities sold under repurchase agreements	-	-	-	50,000	-	50,000	-
Long-term marketable securities	55,000	85,000	65,000	83,000	-	288,000	112,000
Bonds	-	-	-	-	-	-	-
Fixed-rate	-	-	-	-	-	-	-
Variable-rate	-	-	-	-	-	-	-
Adjustable-rate	-	-	-	-	-	-	-
Interest accrued on securities transactions	3,963	-	-	-	-	266	266
Interest incurred on negotiable securities	3,963	-	-	-	-	266	266
Interest incurred on bonds	-	-	-	-	-	-	-
TOTAL	58,963	85,000	65,000	133,000	-	341,963	112,266

● OTHER LIABILITIES

In K€	2023	2022
Staff and social agencies	3,506	4,700
Other charges payable	8,172	10,143
Bond issue premium linked to securitisation	-	-
Other accruals and deferred income	1,311	1,146
Miscellaneous	3,249	1,840
Deferred taxes	57	-
TOTAL	16,296	17,829

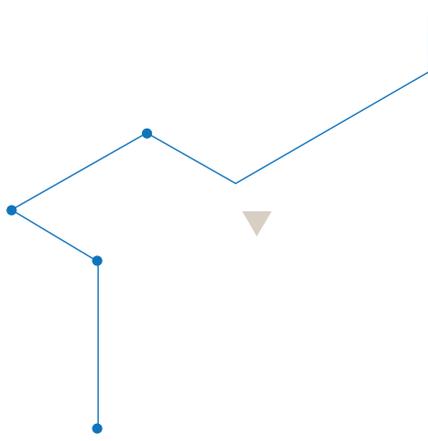
● PROVISION FOR RISKS AND CHARGES

All outstanding transactions linked to the current account activity that are over three months in arrears are provisioned.

Home savings plans (PEL) are savings products marketed to the general public whose characteristics are defined by the 1965 law on home savings and the related implementing decrees.

Home savings products generate two types of commitment for banks that market them:

- ▶ the commitment to grant credit in the future to customers at a rate determined when the PEL contract was taken out;
- ▶ the commitment to remunerate savings in the future, for an unlimited length of time, at a rate determined when the PEL contract was taken out.



Commitments presenting potentially unfavourable consequences are assessed for each generation of home saving plans.

Risks related to these commitments are hedged by a provision for risks and charges on the liabilities side of the balance sheet.

A provision for disputes has been constituted to cover the risk of on-going procedures.

In €K	2023	2022
Bank suspense accounts	-	-
Provisions related to home savings plans	432	311
Provisions for disputes	687	1,158
TOTAL	1,118	1,469

● SUBORDINATED DEBT

This item includes all borrowers' subscriptions to the Mutual Guarantee Fund, which is constituted by all of Socram Banque's borrowers.

The Fund's operation and control are described in the Socram Banque's borrowers' Mutual Guarantee Fund internal regulations.

Subscriptions to the Mutual Guarantee Fund remain fixed at 2% of the loan advanced. It contributes to Fund A. Following the entry into force of CRD IV, they

are no longer eligible for the calculation of regulatory capital.

Guarantee Fund A, as well as the income resulting from its investments, which are channelled into Fund B, are used to cover the risk of debts not being recovered from members in default.

CHANGES IN THE MUTUAL GUARANTEE FUND DURING THE FINANCIAL YEAR

In €K	Balance on 31/12/22	Subscriptions	Redemptions	Capitalisation of income	Use by Socram	Use	Receipts in respect of debts	Balance on 31/12/23
Fund A	39,678	17,620	- 13,509	-	- 453	-	-	43,337
Fund B	10,849	-	-	759	-	- 3,171	1,909	10,346
Fund B reserve	- 6,889	-	-	-	-	453	-	- 6,436
TOTAL	43,639,	17,620	- 13,509	759	- 453	- 2,718	1,909	47,248

Fund B is managed by annual generation of loans. For prudential purposes and as in the previous year, the reservation for fund B is limited to 90% of the recoveries received on loans written off and the interest generated by the financing of the institution's credit activity.

An additional transfer of €3,195,000 was also carried out between sub-funds A and B following a reconciliation exercise. These are sums from loans that have been extinguished and for which the borrowers could not claim repayment of their subscription. The atypical nature of this transfer led to 90% of reservations not being applied.

● **SHAREHOLDERS' EQUITY EXCLUDING FGFR**

TABLE SHOWING CHANGE IN SHAREHOLDERS' EQUITY

In €K	Capital	Premiums	Consolidated reserves	Net profit or loss attributable to owners of the parent	Consolidated shareholders' equity attributable to owners of the parent	Non-controlling interests	Consolidated shareholders' equity attributable to owners of the parent
Situation on 31/12/2021	70,000	16,316	145,436	1,576	233,328	-	233,328
Change in equity	-	-	-	-	-	-	-
Distributions	-	-	- 1,400	-	- 1,400	-	- 1,400
Other changes	-	-	- 766	-	- 766	-	- 766
Assignment of the profit/loss for the previous year	-	-	1,576	- 1,576	-	-	-
Profit/loss for the financial year	-	-	-	2,710	2,710	-	2,710
Situation on 31/12/2022	70,000	16,316	144,846	2,710	233,872	-	233,872
Change in equity	-	-	-	-	-	-	-
Distributions	-	-	- 1,400	-	- 1,400	-	- 1,400
Other changes	-	-	- 337	-	- 337	-	- 337
Assignment of the profit/loss for the previous year	-	-	- 2,710	- 2,710	-	-	-
Profit/loss for the financial year	-	-	-	1,720	1,720	-	1,720
Situation on 31/12/2023	70,000	16,316	145,819	1,720	233,856	-	233,856

The company's capital is composed of 3,500,000 shares each with a nominal value of €20. Issue premiums are the result of the capital increase carried out in 1995 for €1,761,000 and the capital increases carried out in 1999 for €14,555,000.

● **FUND FOR GENERAL BANKING RISKS**

In €K	2023	2022
FRBG	2,700	3,000
TOTAL	2,700	3,000

Socram Banque decided to make an allocation to the general banking risks fund in 2021 to cover, on the one hand, credit risks not proven in an uncertain economic environment and, on the other hand, the expected impacts on the bank's transformation

following the decision to enter a more dynamic phase in the run-off management of demand accounts from 2022. A reversal of €300k was booked in 2023 to cover expenses related to these two reasons.



Off-balance sheet

● FINANCING COMMITMENTS GIVEN

VEHICLE ACQUISITION LOANS

Commitments given in respect of vehicle acquisition loans where the funds have not been released amount to €14,382,000.

HOME IMPROVEMENT LOANS

Commitments given in respect of home improvement loans where the funds have not been provided, amount to €3,463,000.

UNUSED AUTHORISED OVERDRAFTS

Retail banking overdrafts that were authorised but not used came to €13,551,000.

● GUARANTEE COMMITMENT RECEIVED

A new commitment of support from shareholders in the event of a liquidity crisis came into force on 1st April 2019. For a total amount of €150,000,000, it is distributed in proportion to the share capital breakdown.

Income statement

An income statement is drawn up for each activity (consumer credit and retail banking), with direct expenses allocated by activity and indirect expenses broken down using allocation keys.

● CHARGES

INTEREST AND SIMILAR CHARGES

This item includes all sums paid to banking organisations in respect of cash transactions, interbank transactions and securities transactions, as well as charges on interest rate and hedging instruments.

In €K	2023	2022
Charges on cash transactions	12,863	8,946
Charges on customer transactions	17,472	10,300
Charges on securities transactions	8,942	754
Charges on the provision of financial services	3,065	3,388
Other banking operating charges	759	466
TOTAL	43,101	23,854

COMMISSIONS RECORDED IN CHARGES

Commission income can be broken down into:

In €K	2023	2022
Investment fees	129	137
Commissions on off-balance sheet transactions	600	598
Commissions on the provision of financial services	254	227
Commissions on securities transactions	76	10
TOTAL	1,056	972

OPERATING EXPENSES

This item includes:

In €K	2023	2022
External expenses	20,037	21,129
Taxes and duties	319	337
Payroll costs	15,507	14,623
TOTAL	35,863	36,090

ADDITIONS TO AMORTISATION

These correspond to write-downs on non-current assets. They amounted to €1,005k in 2023.

LENDING ACTIVITY LOAN LOSS PROVISIONS

In €K	2023	2022
Net allocation to provisions	- 386	394
Expected credit losses	5,013	5,170
Receipts in respect of bad debts written off	- 2,254	- 2,376
Losses underwritten by mutual companies	- 6	- 9
Loan loss provisions before Guarantee Fund B	2,368	3,178
Recourse to be exercised on Fund B	453	- 167
Losses allocated to Fund B	- 3,171	- 2,219
Receipts in respect of debts transferred to Fund B	1,909	1,981
TOTAL	1,558	2,775

CURRENT AND SAVINGS ACCOUNT ACTIVITY LOAN LOSS PROVISIONS

In €K	2023	2022
Net allocation to provisions	- 163	- 282
Expected credit losses	694	655
Receipts in respect of bad debts written off	- 15	- 32
Loan loss provisions	516	341

NON-RECURRING CHARGES

These mainly concern:

In €K	2023	2022
Provisions for risks and charges	323	83
Miscellaneous	342	389
TOTAL	665	472

INCOMETAX

Income tax includes all taxes charged on profit, whether they are to be paid immediately or deferred.

All deferred liabilities are taken into account; by contrast, deferred tax assets are only included in the balance sheet if their use is probable.

Tax assets and liabilities are valued using the tax rates and rules in force at the end of the financial year, if the related provisions do not specify a change of the applicable tax rates or rules.

INCOME TAX (IN €K)

	2023	2022
Consolidated profit/loss for the year	1,720	2,710
Tax recognised	872	1,053
Consolidated profit for the year before tax	2,592	3,763
Tax rate applicable	25.0%	25.0%
Theoretical tax	648	941
Impact of the social contribution on the allowance of €760,000	28	9
Tax credit	-	-1
Total temporary differences	-	-
Total permanent differences	202	102
Impact of rate differences	-	-
Impact of other items	-6	2
Total theoretical tax	872	1,053
Tax recorded	872	1,053

TAX (CORPORATION TAX)

In €K	Profit/loss	Corporation tax
Operating profit/loss	2,688	872
Gains/losses on non-current assets	-	-
Non-recurring profit/loss	-396	-
Profit/loss before corporation tax	2,292	872

BREAKDOWN OF CURRENT AND DEFERRED TAXES

In €K	2023	2022
Current and deferred tax assets	-	1,053
Current taxes	-	1,135
Deferred taxes	-	-82
Passifs d'impôts courants et différés	872	-
Current taxes	-	-
Deferred taxes	872	-

● INCOME

INTEREST AND SIMILAR INCOME

This can be broken down into:

In €K	2023	2022
Income on cash transactions	22,879	13,023
Income on customer transactions	50,812	42,926
Investment income	7	396
Income on means of payment	580	695
TOTAL	74,278	57,040

COMMISSIONS INCOME

Commission income can be broken down into:

In €K	2023	2022
Commissions on interbank transactions	-	-
Commissions on customer transactions	8,993	9,814
Commissions on the provision of financial services	25	177
TOTAL	9,018	9,991

OTHER BANKING OPERATING INCOME

This concerns:

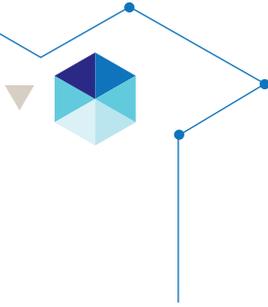
In €K	2023	2022
Insurance contribution fees to cover loans	2,492	2,345
TOTAL	2,492	2,345

NON-RECURRING INCOME

In €K	2023	2022
Miscellaneous	270	114
TOTAL	270	114

REVERSAL OF FGBR

In €K	2023	2022
Net reversal of provisions	300	-
TOTAL	300	-



Additional information

● COMMITMENTS ON FORWARD FINANCIAL INSTRUMENTS

Transactions involving interest rate futures, which are designed to reduce the institution's overall exposure to interest rate risks, do not need to be included in off-balance sheet items.

For information, unwound contracts are grouped into two categories:

- Fixed-rate payer swaps are designed to hedge future fixed-rate gaps by maturity band.
- Variable-rate payer swaps are designed to hedge the risk attached to securitisation swaps, as these are eliminated by the consolidation of the FCT Titrisocram securitisation fund.

Option positions in €K	Less than 1 year	1 year < 5 years	TOTAL
SWAPS linked to securitisations	-	-	-
Other fixed-rate payer swaps	-	11,520	11,520
TOTAL	-	11,520	11,520

Given the drop in short-term interest rates since they were entered into, the valuation of SWAPS at the end of the year at market value results in an unrealised capital loss of -€67K.

In the case of a negative valuation of the hedging swaps entered into in the context of securitisation transactions, Socram Banque undertook, by signing guarantee appendices, to provide liquid assets to match this valuation. At year-end, this amount was nil, given the change in the yield curve and the absence of an ongoing securitisation transaction.

● DEBTS GUARANTEED BY COLLATERAL

As a guarantee, for certain loan contracts Socram Banque requires:

- the pledge of motorised vehicles,
- the pledge of taxi licences.

- **INSURANCE POLICY COVERING THE CREDIT RISK ASSOCIATED WITH TAXI LICENCES**

The insolvency risk on the taxi licence financing loans that the company has granted since 1st May 2008 is guaranteed by a credit insurance policy covering the full amount of outstandings. This risk, which concerns the first eight years and last two years of the loans, is guaranteed according to procedures laid out in the abovementioned policy.

- **EARNINGS PER SHARE**

In the absence of own shares or share subscription or purchase options issued by the Group, earnings per share are calculated by dividing earnings by the free float.

- **STATUTORY AUDITOR'S FEES, INCLUDING ALL TAXES**

The amount of the auditor's fee is as follows:

In €	Groupe Y	PWC
Statutory audit of the corporate and consolidated financial statements	67,130	84,430
Specific assignments	-	8,904

- **RETIREMENT COMPENSATION**

Undertakings related to retirement compensation came to €889,000 at the end of the financial year.

These obligations are fully covered by an insurance policy taken out with Mutavie.

- **REMUNERATION ALLOCATED TO MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES FOR THE FINANCIAL YEAR**

The total amount of directors' fees paid to members of the Board of Directors was €66,000.

Total remuneration paid to members of General Management came to €597,000.

- **AVERAGE HEADCOUNT PER CATEGORY**

	2023	2022
Management	83	78
Non-management	135	140

- **TRANSACTIONS WITH RELATED PARTIES**

During the year, the company did not enter into any significant transactions with related parties that did not take place on an arm's length basis.

- **EVENTS AFTER THE REPORTING DATE**

No material events occurred between the reporting date and their approval by the Board of Directors.

On the date the accounts were closed by the Board of Directors, there were no events subsequent to the closure that could have a significant impact on the annual accounts.



Statutory Auditors' report on the consolidated financial statements

(Financial year ended 31 December 2023)

Opinion

In accordance with the mission entrusted to us by your General Meeting, we have audited Socram Banque's consolidated accounts concerning the financial year ending 31 December 2023 as attached to the present report.

In our opinion, and in light of French generally accepted accounting principles, the consolidated financial statements give a true and fair view of the financial position of the Group and its consolidated persons and entities, of its assets and liabilities at the end of the financial year and of the results of its operations for the year then ended.

The above opinion is consistent with the content of our report to the Audit Committee.

Basis for our opinion

● SCOPE OF THE AUDIT

We have carried out our audit in compliance with professional standards applicable in France. In our opinion, the information that we have collected forms an adequate and appropriate basis for our opinion.

Our responsibilities pursuant to these standards are stated in the section of this report entitled "Statutory Auditors' responsibilities as regards the audit of the consolidated financial statements".

● INDEPENDANCE

We conducted our audit in accordance with the independence rules laid down by the French commercial code (Code de commerce) and the Code of Ethics for Professional Accountants for the period from 1 January 2023 to the date of issue of our report, and in particular we did not provide any services prohibited by paragraph 1 of Article 5 of EU regulation no. 537/2014.

Basis of opinion - Key audit points

Pursuant to the provisions of Articles L.821-53 and R.821-180 of the French commercial code on the basis of our opinion, we draw your attention to the key audit points pertaining to risks of significant anomalies that, in our professional opinion, were the most important for the audit of the consolidated financial statements for the financial year, as well as the solutions that we have provided for these risks.

The assessments given are thus an integral part of our audit approach for consolidated accounts, taken as a whole, and consequently contributed to the opinion we gave, expressed in the first part of this report. We do not express an opinion of elements of the consolidated accounts taken individually.

KEY AUDIT POINT: IMPAIRMENT PROVISIONS FOR CUSTOMER CREDIT RISK ON CONSUMER LOANS:

Risk identified	Our audit approach
<p>As detailed in Note 4.3.1 "Presentation of transactions with customers" to the consolidated financial statements, SOCRAM Banque Group is exposed to credit and counterparty risks. These risks, resulting from the inability of its customers or counterparties to honour their financial commitments, relate in particular to its customer lending activities.</p> <p>Impairment provisions are recognised on loan outstandings subject to demonstrable counterparty risk, the amount of which is determined using a statistical model that uses historical recovery data for portfolios of similar loans to calculate the expected future payments on these loans.</p> <p>In our opinion, the identification and assessment of credit risk is a key audit point given that loans granted to customers represent a significant proportion of the balance sheet and that the resulting provisions constitute a significant estimate in the preparation of the financial statements and require management's judgement to determine the inputs and methods for calculating the impairment provisions for expected credit losses.</p> <p>Exposure to customer credit risk amounted to €1,383,000 at 31 December 2023, representing nearly 76% of Socram Banque's total consolidated assets as at 31 December 2023.</p> <p>Provisions for impairment of consumer loans amounted to €34m. Loan loss provisions on consumer credit activities in the 2023 financial year amounted to €1,558,000 (compared with €2,775,000 in 2022).</p> <p>Information on exposures and cost of risk is provided in Notes 5.2 and 8.1 to the consolidated financial statements</p>	<p>Our work consisted in assessing the data and assumptions that management used to calculate impairment provisions for non-performing customer loans.</p> <p>In particular, we:</p> <ul style="list-style-type: none">▶ familiarised ourselves with the internal control procedures relating to the processes for listing exposures and calculating impairment provisions for the various loans;▶ assessed the appropriateness of the data that management used to calculate impairment provisions at 31 December 2023;▶ carried out independent recalculations of certain provisioning rates with the help of our specialists.

Specific verifications

We also carried out, in accordance with the auditing standards applicable in France and as stipulated by the applicable legal and regulatory provisions, the specific verifications of the information concerning the Group given in the management report of the Board of Directors.

We have no observations to make as to this information's reliability and concordance with the consolidated financial statements.

Other verifications or information required by laws and regulations.

Designation of Statutory Auditors

The Ordinary General Meeting of 13 May 2014 appointed Groupe Y as Socram Banque's statutory auditors and that of 5 May 2010 appointed PricewaterhouseCoopers Audit.

As at 31 December 2023, Group Y cabinet was in the 20th consecutive year of its assignment and PricewaterhouseCoopers Audit its 14th.

Responsibilities of management and other corporate governance participants in relation to the consolidated financial statements

It is management's responsibility to draw up consolidated financial statements that present an accurate picture in light of French generally accepted accounting principles, and to put in place the internal controls it deems necessary to draw up these consolidated financial statements without material misstatements, whether they stem from fraud or error.

When drawing up the consolidated financial statements, management must assess the company's ability to continue its operations, to present in these financial statements, if applicable, any information concerning the company's operation as a going concern and to apply the accounting convention of going concern, unless it is planned for the company to be liquidated or to stop trading.

The Audit Committee is responsible for monitoring the financial information preparation process and the effectiveness of the internal control system and risk management systems, including, if applicable, the internal control procedures concerning collection and processing of accounting and financial information.

The Board of Directors has approved the consolidated financial statements.

Statutory Auditors' responsibilities as regards the audit of the consolidated financial statements

● AUDIT GOAL AND APPROACH

It is our responsibility to prepare a report on the consolidated financial statements. Our goal is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not contain any material misstatements. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit carried out in compliance with applicable auditing standards can systematically identify all material misstatements. Misstatements can stem from fraud or error and are deemed to be material if it can be reasonably expected that, taken individually or as a whole, they will impact the economic decisions that users of these financial statements take on the basis thereof.

As specified in Article L.821-10-55 of the French commercial code, our financial statements audit assignment does not consist in affirming the viability or quality of your company's management.

In the framework of an audit carried out in compliance with the auditing standards applicable in France, the Statutory Auditors use their professional judgement throughout this audit.

Furthermore:

- ▶ they identify and assess the risks that the consolidated financial statements contain material misstatements – whether they stem from fraud or error – define and implement audit procedures to address these risks, and gather the information deemed sufficient and appropriate as a basis for their audit opinion. The risk of not detecting a material misstatement stemming from fraud is higher than for one stemming from an error, as fraud can involve collusion, falsification, voluntary omissions, false declarations or circumvention of internal controls;

- ▶ they obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- ▶ they evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by management;
- ▶ they conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. Given that this assessment is based on information gathered up until the date on which their report is written, we remind you that any subsequent events or circumstances could impact the company's operation as a going concern. Should the auditors conclude that material uncertainty exists, they draw the attention of readers of the report to information given in the consolidated financial statements about this uncertainty or, should such information not be given or not be relevant, certify with reservations or refuse to certify the financial statements;
- ▶ they evaluate the overall presentation of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- ▶ as regards the financial disclosures concerning persons or entities included in the scope of consolidation, they gather the information deemed adequate and appropriate to express an opinion on the consolidated financial statements. The statutory auditors are in charge of the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

● REPORT TO THE AUDIT COMMITTEE

We will submit a report to the Audit Committee describing the scope of the audit work and the work programme implemented, as well as the findings of said work. We will also inform it, if applicable, of any material weaknesses in the internal control system that we have identified as regards procedures for preparing the financial statements and processing accounting and financial information.

The information contained in the report to the Audit Committee includes details of risks of material misstatements that we deem to have been the most important for the audit of the consolidated financial statements for this financial year, which are thus the key points of this audit and which we describe in this report.

We will also provide the Audit and Risks Committee with the statement confirming our independence required under Article 6 of EU regulation no. 537-2014, within the meaning of the rules applicable in France as stipulated by Articles L.821-27 to L.821-34 of the French commercial code and in the Statutory Auditors' Code of Practice. If necessary, we shall meet with the Audit Committee to discuss the risks affecting our independence and the safeguard measures applied.

Bordeaux and Niort, 22 April 2024

The Statutory Auditors

PricewaterhouseCoopers Audit

Gaël Colabella

Gaël COLABELLA

Groupe Y Audit

Pierre Froidure

Pierre FROIDURE



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