2024

ANNUAL REPORT

Dexia

DEXIA

2024

Annual report 2024

2024

Management report

Message from the Chairmen

The year 2024 began with a structuring step forward on the path to our resolution, since on 1 January, we returned our banking licence and investment services authorisations. Dexia is therefore no longer a bank and this major achievement, which has been long in preparation, allows us to pursue our resolution in a framework much more suited to our run-off management model.

As a non-bank, Dexia has seen its supervisory framework evolve, now carried out, in a form adapted to the new context, by an independent Surveillance Committee composed of four members, appointed by our shareholder States on the basis of their in-depth experience of banking supervision.This new body, which has grown in strength throughout the past year and with which the collaboration is totally fluid and efficient, gives us an extra level of security that will strengthen the confidence of all our stakeholders.

Moreover, our stakeholders have welcomed our change of status. This is demonstrated by the fact that our State-guaranteed debt has retained its HQLA Level 1 qualification, which has enabled us to continue to raise funding on the markets, and that our senior unsecured rating has been maintained by the rating agencies above investment grade level.

The simplification of Dexia, which is essential to the successful implementation of its resolution and the guiding principle behind it, has not only taken the form of a change in its status. It has also been illustrated by the reshaping of our operating model. The preparation of the programme to outsource a large number of production functions while maintaining the strategic decision-making and management activities of the outsourced functions in-house was actively pursued last year, in close collaboration with our partners.

The accounting framework has also been simplified with the cessation of the production of consolidated IFRS accounts as of 1 January 2024 and the adoption by Dexia and Dexia Holding of local accounting standards, a development which considerably facilitates our operational processes.

The governance of our Group is evolving accordingly, with a reduction in the number of members of the Board of Directors for both Dexia and Dexia Holding. We would like to pay tribute to the precious contribution of all our directors to the sound management of our Group, and to thank those who are leaving for their strong commitment over the last few years.

In 2024, Dexia also continued the dynamic management of its balance sheet, through the implementation of two new deleveraging plans, which reduced risk and operational complexity and resulted in a double-digit decrease in our portfolio over the past year.

The first months of 2025 are part of the same dynamic, with the sale of a portfolio of loans to the French and Spanish local public sectors and the divestment of our residual exposure to the State of Illinois.

Similarly, the launch of three public transactions, in US dollar, euro and pound sterling, between January and March, ensured that all of our annual long-term funding needs were met as of the first quarter of 2025. The success of these benchmarks, in a tense geopolitical environment, confirmed investor confidence in Dexia's signature.

At the same time, preparations for the outsourcing of certain production functions are continuing apace, making the reshaping of the operating model more sustainable every day. An extensive testing phase will take place in the second half of the year, in particular, before implementation, which is planned for mid-2026.

The best guarantors of the roadmap of our resolution remain the unwavering commitment of our staff members and the support of our shareholder States, which remain committed to us year after year. We cannot thank them enough.

Pierre Crevits
Chief Executive Officer

Gilles Denoyel
Chairman of the Board of Directors

Dexia profile

Dexia, a company in orderly resolution

Based in France, Dexia is the main operating entity of the Dexia Group[1], for which it holds almost all the assets.
As at 31 December 2024, Dexia had 362 staff members and maintained a limited international presence in Italy, the United Kingdom, Ireland and the United States[2]. Dexia Holding, the Group's parent company, is a public limited company under Belgian law. It is 99.6% owned by the Belgian and French States. The Belgian and French States have also granted a funding guarantee of up to EUR 75 billion to Dexia, which is therefore the Group's issuer.
Dexia Holding and Dexia have been managed in resolution since the end of 2011, in accordance with the orderly resolution plan validated by the European Commission in December 2012. Dexia began its orderly resolution as a bank, since in 2012 its considerable size and the systemic risk it represented justified the maintenance of a banking licence.
The Group has undergone a profound transformation in recent years. By virtue of various measures to simplify and reduce its footprint, Dexia has considerably reduced its balance sheet and commercial asset portfolio.
In addition, Dexia has significantly improved its liquidity position and has not relied on central bank funding since 2017.
As a result, Dexia's status as a credit institution no longer provided the benefits which had initially justified its retention in 2012.
Dexia therefore asked its regulators to withdraw its banking licence and investment services authorisations, a request which was approved in December 2023.
Since 1 January 2024, Dexia has therefore been pursuing its orderly resolution as a non-bank.

Dexia's mission

Dexia no longer has any commercial activity and is fully dedicated to the run-off management of its balance sheet and asset portfolio, which is mainly composed of local public sector and sovereign assets. All staff members are mobilised to carry out the resolution process and, in doing so, reduce risks and preserve the interests of the Group's shareholder and guarantor States.

In order to complete this complex mission successfully, Dexia has set itself three strategic objectives:

- maintaining the balance sheet refinancing capacity throughout the resolution,
- preserving its capital base to face the risks to which it is exposed,
- ensuring operational continuity.

To meet this challenge, Dexia can rely on the commitment and expertise of its staff members. Attracting and retaining this talent is therefore a priority for Dexia.

Dexia's values

A set of shared values reflects the Dexia of today and tomorrow. These values – being agile, promoting cohesion, committing to the public interest and cultivating trust – define the way in which Dexia carries out its mission.
In order to embody these values and integrate them into everyday professional practices, the leadership model feeds into the recruitment, integration, training and performance processes of Human Resources. In particular, this model makes it possible to ensure the commitment of future staff members and to validate the fact that they share Dexia's corporate culture.

(1) In this annual report, the terms "the Group" or "the Dexia Group" refer to the Dexia Holding Group.
(2) In 2012, the Belgian and French States increased Dexia's capital by EUR 5.5 billion.

Simplified Group structure

Belgian Federal State through the Federal Holding and Investment Company — 52.78%

French State — 46.81%

Institutional, individual and employee shareholders — 0.41%

Dexia Holding

Dexia
100%
Including branches in Ireland and Italy and the US entity

Dexia Nederland
100%

Management Board(1)

Pierre Crevits
CEO

- Audit
- General Secretariat and Transformation
- Human Resources
- International entities

Jean Le Naour

- Opérations and Information Systems

Giovanni Albanese Guidi

- Risk

Véronique Hugues

- Finance
- Communication

Benoît Debroise

- Funding and Markets

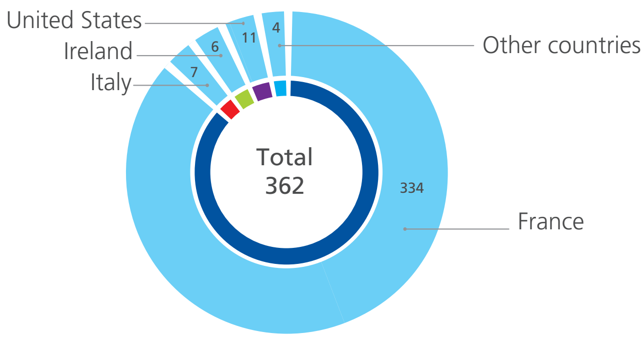
Pascal Gilliard

- Assets

(1) As at 31 march 2025.

Key figures

NUMBER OF STAFF MEMBERS AS AT 31 DECEMBER 2024



RESULTS (FGAAP, PCEC) (in EUR million)	**2023**	**2024**
Net banking income	361	0
General operating expenses(1)	(369)	(239)
Cost of risk	(99)	(57)
Net income	(108)	(267)

(1) Including depreciations and amortisation

BALANCE SHEET (in EUR billion)	**31/12/2023**	**31/12/2024**
Total assets	56	52
Total of the asset portfolio	30	26

RATINGS AS AT 31 MARCH 2025	**Long term**	**Outlook**	**Short term**
Dexia – Senior unsecured debt			
Fitch	BBB+	Negative	F1
Moody's	Baa3	Stable	
Moody's – Counterparty Risk (CR) Assessment	*Baa3(cr)*		*P-3(cr)*
S&P Global Ratings	BBB-	Stable	A-3
Dexia – State-guaranteed debt			
Fitch	AA-		F1+
Moody's	Aa3		P-1
S&P Global Ratings	AA-		A-1+

Significant events in 2024 and at the start of 2025

In 2024, Dexia took further decisive steps in the implementation of its orderly resolution, with the withdrawal of its banking licence and investment services authorisations on 1 January 2024. Since that date, Dexia has therefore continued its orderly resolution as a non-bank. The risk management framework has been adapted to this paradigm shift, in particular with the establishment of an independent Surveillance Committee.

The careful preparation of the withdrawal of Dexia's licences has enabled a smooth transition to the new framework in which Dexia now operates and has been favourably received by all Dexia's stakeholders, including investors in Dexia's debt. This has resulted in particular in Dexia's rating remaining above investment grade and in the Group's refinancing momentum remaining strong.

In addition, the transformation of Dexia's structure and activities has led to a simplification of the accounting framework through the cessation of the production of consolidated IFRS financial statements as of 1 January 2024. Dexia will now only publish statutory financial statements under French banking standards.

In 2024, Dexia also continued to reshape its operating model, including a plan to outsource certain production functions related to risk management, accounting and tax production and back-office management of operations, keeping the strategic decision-making and control activities in-house. The implementation of this plan was launched in 2024 with the definition of needs and the design of target processes with partners, prior to an in-depth testing phase in 2025 and a switchover planned for mid-2026.

Finally, Dexia continued the active management of its asset portfolio. Two new deleveraging plans were approved by the Board of Directors in December 2023 and have reduced the asset portfolio by 14% over the year. As a result, the balance sheet total stood at EUR 52.4 billion as at 31 December 2024, down 6% compared with 31 December 2023. The funding requirement contracted by almost EUR 6 billion during 2024, to stand at EUR 37.7 billion as at 31 December 2024, under the combined effect of the reduction in asset portfolios and the decline in net cash collateral posted by Dexia to its derivatives counterparties.

Dexia's net income in 2024 amounted to EUR -267 million, marked in particular by the acceleration of asset disposals during the year, costs related to the transformation of the Group, and the provisioning of the UK water distribution sector.

Decisive progress in the Group's resolution

Withdrawal of Dexia's banking licence and investment services authorisations on 1 January 2024

Since 1 January 2024, Dexia has been pursuing its orderly resolution as a non-bank.

To recall, and as announced on 12 December 2023[1], the European Central Bank (ECB) had, in a letter dated 11 December 2023, validated the withdrawal of Dexia's credit institution licence and investment services authorisations as of 1 January 2024. The request had been submitted to the Prudential Supervision and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR) on 4 July 2023[2].

The withdrawal of Dexia's banking licence and investment services authorisations is part of the ongoing implementation of the orderly resolution plan validated by the European Commission in December 2012 and has enabled a simplification of Dexia's organisation, in particular through the cessation of regulatory production, as well as an improvement in its cost trajectory. It is based on a detailed impact and risk analysis, which has demonstrated that Dexia is perfectly capable of pursuing this resolution process outside the banking regulation without affecting its capacity to carry out its resolution or the quality of monitoring of its portfolio.

Thus, as part of this work, particular attention was paid to maintaining an investment grade rating for Dexia. In view of this change in status and as anticipated due to the change in methodological framework, S&P automatically downgraded Dexia's senior unsecured rating to BBB-/A-3 on 2 January 2024, with a stable outlook. Moody's affirmed the rating on 24 January 2024 at Baa3/P-3, with a stable outlook (cf. the "Dexia Profile" chapter of this annual report).

Furthermore, this change of status had no impact on Dexia's ability to finance itself through the issuance of debt guaranteed by the Belgian and French States, as evidenced by the public benchmarks successfully launched by Dexia at the beginning of 2024 (cf. below). It should be noted that the State-guaranteed debt issued by Dexia has retained its HQLA Level 1 qualification[3]. Dexia also retains the option of conducting own account trading operations on the financial

(1) Cf. Dexia Press Release of 12 December 2023, available at www.dexia.com.
(2) Cf. Dexia Pess Release of 3 July 2023, available at www.dexia.com.
(3) Confirmation in the 2023 ACPR notice, Section 6.1.1.6 relating to the eligibility of securities issued by actors in the financial sector: https://acpr.banque-france.fr/sites/default/files/media/2023/07/17/20230711_notice_college.pdf

markets, as well as direct access to clearing houses and the main trading venues, which are essential for the management of its orderly resolution.

For this new phase of its orderly resolution, Dexia maintains a robust risk management and monitoring system, based on comprehensive reporting and a demanding Risk Appetite Framework. Under the surveillance agreement signed on 22 December 2023 between the French and Belgian States and Dexia and Dexia Holding, an independent Surveillance Committee took office on 1 January 2024. It succeeds banking supervision in a role adapted to the new context and is composed of four members. Two members are appointed by the French State and two by the National Bank of Belgium on behalf of the Belgian State. These four members have been chosen for their solid expertise in banking supervision. They carry out their mission and make their judgements completely independently on the subjects entrusted to them (cf. the chapter "Information on internal and external control" of the 'Report on corporate governance'.

Simplification of the accounting framework and exit from IFRS

Following the merger between Dexia and Dexia Crediop in 2023, Dexia undertook an in-depth analysis of its scope of consolidation, which led to the recognition of the negligible interest represented, individually and collectively, by its subsidiaries. Consequently, since 1 January 2024, Dexia has abandoned the production of consolidated financial statements under IFRS and only publishes statutory financial statements under French banking standards, according to ANC regulation no. 2014-07 relative to the financial statements of companies in the banking sector. Dexia favours this presentation, in continuity with previous years and given the nature of its activity, which remains "banking" in essence.

A table showing the transition from the consolidated accounts under IFRS to the statutory financial statements under French standards has been provided in the notes to the consolidated financial statements of the 2023 annual report.

Disposal of leasing activities

On 8 December 2023, Dexia signed a sale agreement providing for the purchase by the BAWAG Group of its five unregulated leasing entities: DCL Evolution, Alsatram, Dexiarail, as well as Dexia Flobail and Dexia CLF Régions Bail, the latter two having been renamed Dexia FB France and Dexia RB France, respectively, following the withdrawal of their financing company licence, approved by the Prudential Supervision and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution – ACPR*) on 27 October 2023 and having taken effect on the same date.

This transaction represents leasing outstandings of nearly EUR 750 million, corresponding to approximately 80 contracts entered into mainly with public sector counterparties.

The transaction was finalised on 1 February 2024. Income of EUR 42 million was recognised in Dexia's statutory financial statements as at 31 March 2024, offsetting a net impact of EUR -26 million recorded as at 31 December 2023 (cf. the "Financial results" section of this annual report).

Reshaping of the operating model

In 2023, Dexia had initiated a strategic review in order to accelerate the orderly resolution of its assets and adapt the structure of its organisation to this long-term objective. Within this context, Dexia conducted an in-depth analysis of its operating model and decided to outsource certain production functions related to risk management, accounting, taxation and back-office management of its operations, while retaining the strategic decision-making and management activities of the outsourced functions in-house.

Dexia has selected service providers with recognised key skills, cutting-edge technology and the necessary scope to support Dexia's strategic vision.

Thus, after entrusting Arkéa Banking Services with the back-office processing of its loans, Dexia signed a service contract with BlackRock at the end of December 2023 providing for the use of the Aladdin technology for market front office activities as well as the outsourcing of the production of market risk indicators, the management of its market back and middle offices and part of its accounting.

Furthermore, in May 2024, Dexia signed a service contract with EY concerning the outsourcing of certain activities, in particular the production of accounting and tax reports and credit risk indicators.

The implementation of this ambitious project began in early 2024. The work in 2024 focused on defining needs and designing target processes with the two partners EY and BlackRock. After the design phase and extensive testing in 2025, a period of double run is planned before the switch-over scheduled for mid-2026.

Finally, in February 2024, Dexia also implemented an agreement with Mount Street allowing the latter to take over a team of eight bond management experts as well as the management of Dexia's bond portfolio.

Transfer of Dexia debt securities to an unregulated market

In line with the objective of simplifying its operations, in 2024 Dexia transferred the trading of its Tier 1 hybrid debt instrument and four debt securities with a nominal value of less than EUR 100,000 from the regulated market of the Luxembourg Stock Exchange to the unregulated market of the Euro MTF.

This allows Dexia to benefit from an exemption and no longer to be required to publish a half-yearly financial report or an annual financial report (including ESEF reporting). However, Dexia continues to publish a management report and financial statements according to French regulation.

Furthermore, the Board of Directors meeting of 19 March 2025 validated the principle of a transfer of Dexia's entire debt (guaranteed and unguaranteed) from the regulated market of the Luxembourg Stock Exchange to the unregulated market of the Euro MTF, as well as the principle of listing any future issues on the same market. At the end of April 2025, the Luxembourg Stock Exchange gave its approval for the transfer of listings, which will further simplify the Group's operations and certain reporting procedures.

Management of the asset portfolio and of the liquidity

Acceleration of the reduction of the asset portfolio in 2024 through the implementation of two new deleveraging plans

In December 2023, the Board of Directors approved the implementation of two new deleveraging plans. The first plan, called the Strategic Deleveraging Plan (SDP), aims to simplify operations and reduce costs, while the second plan, called the Maturity Reduction Plan (MRP), aims to reduce the maturity of the balance sheet.
During the year 2024, the asset portfolios fell sharply by EUR 4.5 billion compared to the end of December 2023, by virtue of EUR 3.3 billion in disposals and early repayments, with 66% relating to loans and 34% to bonds, and EUR 1.2 billion in natural amortisation.
The majority of the disposals and early repayments made relate to project finance and local public sector assets, particularly in France and the United Kingdom. In particular, more than 250 loan prepayment transactions were carried out. This large number of transactions contributes to the continued simplification of the portfolio and its management.
In 2024, 65% of the assets sold or early repaid were denominated in euros. The average maturity of the assets sold is approximately seven years.
At the beginning of 2025, Dexia sold a portfolio of 390 loans to the French and Spanish public sectors amounting to EUR 249 million. This sale of small loans is part of the SDP, with the aim of operational simplification.
It should also be noted that in 2024 and early 2025, Dexia sold all of its residual exposure to the Tunisian sovereign and the State of Illinois.

Review of management intentions and accounting reclassification

According to French banking accounting standards, the loss of Dexia's banking licence can be considered an exceptional event which fulfils the conditions for recourse to the exemption provided for by the text[1], and enabling Dexia to review its strategy for holding and classifying its held-to-maturity securities. At the end of 2024, Dexia reclassified EUR 30 million outstanding from the held-to-maturity portfolio to the available-for-sale portfolio, in order to align it with its future management intentions.

Evolution of the liquidity

In 2024, the level of net cash collateral posted by Dexia to its derivatives counterparties decreased sharply, reaching EUR 5.9 billion as at 31 December 2024, compared with EUR 8.9 billion as at 31 December 2023. Combined with the reduction of the portfolios, this had a significant impact on the funding requirement, which contracted by almost EUR 5 billion during 2024, to stand at EUR 37.7 billion on 31 December 2024.
The careful preparation of the market for the withdrawal of the banking licence enabled Dexia to launch its long-term issuance programme as a non-bank as soon as the markets reopened in early 2024, via three public benchmarks of EUR 1.5 billion, GBP 750 million and USD 1.5 billion, which were very favourably received by investors. Following these three transactions, Dexia completed its long-term funding programme for 2024, as the acceleration of the asset disposal programme reduced the initially anticipated funding requirement.
In 2025, despite a volatile macroeconomic environment linked in particular to the political situation in France, Dexia launched its funding programme in mid-January and has already issued three public transactions, one for USD 1 billion, the second for EUR 1.75 billion and the third for GBP 700 million. This latest transaction closes the annual long-term funding programme.
In terms of the funding mix, secured funding amounted to EUR 2.4 billion as at 31 December 2024 and state-guaranteed funding represented 91% of the outstanding, i.e. EUR 34.5 billion.
The liquidity reserve stood at EUR 13.7 billion as at 31 December 2024, stable compared to the end of 2023. It consists of cash and marketable securities and is calibrated to enable Dexia to cope with stressed market conditions.

Evolution of governance

On 21 and 22 May 2024, the shareholders' meetings of Dexia and Dexia Holding renewed Pierre Crevits' directorship for a period of four years. Pierre Crevits, CEO of the Dexia Group since May 2020, was also confirmed in his role as CEO and Chairman of the Management Board of Dexia Holding and CEO of Dexia for a further four years, ending at the end of his term of office as director, at the close of the ordinary shareholders' meeting in May 2028.
The meetings also appointed Filiz Korkmazer as a director of Dexia and Dexia Holding for a period of four years.
Furthermore, in line with the measures taken to simplify the Dexia Group and following the withdrawal of Dexia's banking licence and investment service authorisations, it was decided to simplify the composition of the Board of Directors by reducing the number of members from 13 to 10 directors for Dexia Holding and from 15 to 10 directors for Dexia.
Aline Bec, Bart Bronselaer, Thierry Franck, Véronique Tai, Michel Tison and Koen van Loo have therefore left the Board of Directors. Dexia would like to thank them warmly for the considerable work they carried out during their term of office, as well as for their commitment and their contribution to the resolution of the Dexia Group. Their experience and expertise in the matters encountered have undoubtedly enabled Dexia to transform itself quickly and successfully, which now allows the Group to pursue its run-off management mission in a framework more suited to the size of the company.
Consequently, since 22 May 2024, the Board of Directors of Dexia and Dexia Holding has been composed of the following ten directors:
- Gilles Denoyel, Chairman
- Pierre Crevits
- Véronique Hugues
- Giovanni Albanese Guidi
- Anne Blondy-Touret
- Victor Richon

(1) Article 2341-2 of Regulation ANC 2014-07

- Alexandre De Geest
- Filiz Korkmazer
- Tamar Joulia-Paris
- Alexandra Serizay

Following this change to the Board of Directors, the composition of the specialised committees was reviewed, while maintaining solid governance, particularly in terms of risk management. The Appointments Committee and the Remuneration Committee have been merged. The composition of the specialised committees is now as follows:

Audit Committee	Risk Committee	Appointments and Remuneration Committee
Alexandra Serizay(1)	Tamar Joulia-Paris(1)	Gilles Denoyel(1)
Tamar Joulia-Paris	Anne Blondy-Touret	Alexandre De Geest
Alexandre De Geest	Filiz Korkmazer	Filiz Korkmazer
Victor Richon	Alexandra Serizay	Victor Richon

(1) Independent director and committee chairman.

On 19 March 2025, the Boards of Directors of Dexia and Dexia Holding approved the appointment of Pascal Gilliard, member of the Management Board and Deputy CEO of Dexia as interim head of the Funding & Markets activity line, following the retirement of Benoît Debroise on 31 March 2025. To recall, as of 1 April 2025, the Management Board will be composed of Pierre Crevits, CEO, Véronique Hugues, CFO, Giovanni Albanese Guidi, CRO, Pascal Gilliard, Head of the Assets activity line and acting interim Head of the Funding & Markets activity line, and Jean Le Naour, COO. Véronique Hugues, Giovanni Albanese Guidi, Pascal Gilliard and Jean Le Naour are also Deputy CEOs of Dexia.

On the same date, the Executive Committee is composed of the members of the Management Board as well as the heads of the activity lines not represented on the Management Board: Nathalie Bonnecarrère, head of Human Resources, Fabienne Carlier, head of Communication and Investor Relations and Olivier Paring, Secretary General and head of Transformation.

Financial results

Going concern

Dexia's financial statements as at 31 December 2024 have been prepared in accordance with the accounting rules applicable to a going concern.

Since 1 January 2024, Dexia has been pursuing its orderly resolution as a non-bank. The withdrawal of Dexia's banking licence and investment services authorisations is part of the ongoing implementation of the orderly resolution plan. It is based on a detailed impact and risk analysis, which has demonstrated that Dexia is perfectly capable of pursuing this resolution process outside banking regulation and that this withdrawal does in no way affect Dexia's ability to carry out its resolution or the quality of its portfolio monitoring. In particular:

- Dexia retains its ability to finance itself through the issuance of debt guaranteed by the Belgian and French States, which retains the HQLA Level 1 qualification. To recall, the Dexia State guarantee was extended in 2022 for a period of ten years.
- Dexia also retains direct access to clearing houses and the main trading venues, which are essential to the management of its orderly resolution.

Following the withdrawal of Dexia's licences, the rating agencies affirmed Dexia's senior unsecured rating at investment grade level.

The continuation of Dexia's orderly resolution is based on a number of assumptions constituting the business plan underlying its resolution, which are reassessed on the basis of the information available at each reporting date. These assumptions, and the areas of residual uncertainty, are summarised below:

- Although it manages its risks proactively, Dexia remains sensitive to changes in the macroeconomic environment and market parameters such as exchange rates, interest rates and credit spreads. An unfavourable change in these parameters over time could affect liquidity and solvency levels. It could also have an impact on the valuation of assets, financial liabilities or derivatives. Dexia also remains subject to the constraints and uncertainties associated with its operating model, as well as to the risks related to business continuity, inherent to the specific nature of Dexia as an entity in resolution.
- The continuation of the resolution is based on maintaining Dexia's rating at a level equivalent to or higher than investment grade. It also assumes that Dexia retains a good funding capacity through the issuance of debt guaranteed by the Belgian and French States and the raising of secured funding.
- Finally, residual uncertainties related, for example, to changes in legislation or accounting rules over the duration of Dexia's resolution could influence the initially anticipated resolution trajectory.

At the time of closing the accounts on 31 December 2024, the management examined each of these assumptions and areas of uncertainty.

- By virtue of meticulous preparation, the withdrawal of Dexia's banking licence was correctly understood by the market, enabling Dexia to complete its long-term 2024 issuance programme successfully. Furthermore, Dexia maintains a liquidity reserve deemed adequate to cope with stressed market conditions. This liquidity reserve amounted to EUR 13.7 billion as at 31 December 2024.
- Within the framework of the preparation of the financial statements as at 31 December 2024, Dexia reviewed the macroeconomic scenarios used for the assessment of expected credit losses and selected a macroeconomic scenario developed on the basis of the most recent projections of the European Central Bank (ECB), published in December 2024, supplemented by the scenarios published by the national central banks when available. The ECB has thus revised its macroeconomic growth projections for the European Union for the next three years slightly downwards. A similar trend is observed in the United Kingdom, linked to the increase in public spending with the adaptation of the new budget voted in autumn 2024. Inflation is expected to continue to decline, reaching 2% in Europe and the United States in 2026 and in the United Kingdom in 2027. Labour markets are expected to remain resilient overall in all three areas.

After taking all these elements and uncertainties into account, Dexia's management confirms that as of 31 December 2024, they do not call into question the fundamentals of the Dexia's orderly resolution or the assessment of the adequacy of the application of the going concern assumption. Consequently, the statutory financial statements can be prepared in accordance with the principles of ANC Regulation No. 2014-07 relating to the financial statements of companies in the banking sector.

Analysis of the income statement

The net income amounted to EUR -267 million for the year 2024, compared with EUR -108 million for the year 2023.

Over the year, the net banking income amounted to EUR -0.3 million, whereas it amounted to EUR +361 million in 2023. In addition to asset carry, it includes the results of disposals and remains sensitive to changes in the valuation of the available-for-sale portfolio and derivatives classified in the held-for-trading portfolio. In particular, it includes in 2024:

- The net interest margin at EUR +98 million (EUR +293 million in 2023), which includes:
  - on the one hand, the cost of carrying the assets and the transformation result at EUR +253 million (EUR +302 million in 2023). The decrease of EUR -49 million in 2024 is mainly the result of a reduction in interest income linked to the attrition of asset portfolios and an increase in funding costs due to the rise in interest rates over the financial year.
  - on the other hand, the result of loan disposals and the unwinding of macro-hedging transactions at EUR -155 million (EUR -9 million in 2023).
- Income from variable-income securities, amounting to EUR +1 million, which in 2023 included dividends received from leasing companies for EUR +30 million.

- The net gains or losses on the held-for-trading portfolio of EUR -16 million (EUR +15 million in 2023), consisting mainly of exchange rate variations for EUR +15 million, and a negative result of EUR -31 million on derivatives, the valuation of which is impacted by the rise in interest rates. This result also includes a favourable change in the Funding Value Adjustment (FVA) and the Credit Value Adjustment (CVA) for a total amount of EUR +10 million, as well as income of EUR +20 million linked to the unwinding of a Credit Default Swap (CDS).
- The net gains or losses on the available-for-sale portfolio of EUR -16 million (EUR +12 million in 2023), including a charge of EUR -57 million related to the change in the valuation of the portfolio, and various disposal results of EUR +41 million.
- The net gains or losses on the held-to-maturity portfolio of EUR -66 million (EUR -0.4 million in 2023), mainly related to the partial disposal of an exposure in the UK water distribution sector.

General operating expenses amounted to EUR -239 million compared with EUR -369 million in 2023, marking a sharp drop of EUR -130 million. In 2023, they included the allocation of a provision of EUR -90 million for the risk of non-repayment of all sums paid under irrevocable payment commitments to the Single Resolution Board and a contribution to the Single Resolution Fund of EUR -36 million, to which Dexia is no longer subject in 2024 due to the withdrawal of its banking licence. General operating expenses were still impacted in 2024 by significant non-recurring costs (EUR -71 million). These restructuring and transformation costs are mainly related to the context of Dexia's resolution and include, in particular, study costs relating to the project to outsource certain support functions in 2026.

The cost of risk was EUR -57 million (EUR -99 million in 2023). It consists almost exclusively of the cost of credit risk[1], amounting to EUR -54 million, which mainly includes the provisioning of a water distribution company in the United Kingdom.

Gains or losses on non-current assets amounted to EUR +6 million (EUR -4 million in 2023). In 2024, they included a gain of EUR +42 million following the sale of Dexia's leasing activities on 1 February 2024, as well as an allocation to provisions for risks and charges of EUR -36 million, which reflects the decline in the value in use of the subsidiary Dexia Holdings, Inc. in 2024.

The non-recurring items included an error correction of EUR +29 million related to the overestimation, at the end of 2023, of the depreciation of an Italian security classified in the available-for-sale portfolio and valued at market value, which is lower than its acquisition value.

Corporate income tax amounted to EUR -6 million (EUR -9 million in 2023).

(1) Impairments for individual credit risk and provisions for non-individualised credit risk.

INCOME STATEMENT – FR GAAP (PCEC)

(in EUR million)	2023	2024
NET INTEREST MARGIN	**293**	**98**
of which current net interest margin	*302*	*254*
of which gains or losses on loans and the unwinding of macro-hedging transactions	*(9)*	*(155)*
Income from variable-income securities	**30**	**1**
Commissions	**(4)**	**(5)**
Net gains or losses on held-for-trading portfolio transactions	**15**	**(16)**
of which foreign exchange result	*38*	*15*
of which derivatives result	*(23)*	*(31)*
Net gains or losses on available-for-sale portfolio transactions	**12**	**(16)**
of which the valuation of available-for sale securities	*25*	*(56)*
of which gains or losses on available-for-sale securities	*(13)*	*40*
Net gains or losses on held-to-maturity portfolio transactions	**0**	**(66)**
Other banking income	**15**	**4**
NET BANKING INCOME	**361**	**0**
General operating expenses[1]	**(369)**	**(239)**
of which recurring operating expenses	*(216)*	*169*
of which non-recurring operating expenses	*(153)*	*(71)*
Cost of risk	**(99)**	**(57)**
of which cost of credit risk	*(72)*	*(54)*
of which cost of risk – long-term investments	*(29)*	*0*
of which cost of risk – litigation	*1*	*(3)*
Gains or losses on non-current assets	**(4)**	**6**
Non-recurring items	**12**	**29**
Corporate income tax	**(9)**	**(6)**
NET INCOME	**(108)**	**(267)**

(1) Including depreciations and amortisation

Result for the last five years

(in euros)	2020	2021	2022	2023	2024
FINANCIAL SITUATION					
Share capital (in EUR)	279,213,332	279,213,332	279,213,332	279,213,332	279,213,332
Number of shares	279,213,332	279,213,332	279,213,332	279, 213,332	279,213,332
OVERALL RESULTS (IN EUR)					
Turnover	1,077,816,686	911,119,109	1,199,875,914	2,849,949,442	3,016,522,394
Profit before corporation tax allocations to amortisation and provisions	(328,484,129)	(10,329,318)	20,506,225	92,071,032	(175,441,527)
Corporation tax charge	1,214,365	3,540	(11,713,898)	(8,851,298)	(5,716,974)
Profit after corporation tax charges, allocations to amortisation and provisions	(446,757,858)	136,264,656	532,586,030	(108,015,464)	(266,502,524)
Profits distributed	Nil	Nil	Nil	Nil	Nil
RESULTS REDUCED TO ONE SHARE (IN EUR)					
Turnover	3.86	3.26	4.30	10,21	10,80
Profit after corporation tax charges and before allocations to amortisation and net allocations to provisions	(1.17)	(0.04)	0.03	0,30	(0,65)
Corporate tax charge	0	0	(0.04)	(0,03)	(0,02)
Profit after corporation tax charges, allocations to amortisation and provisions	(1.6)	0.49	1.91	(0,39)	(0,95)
Profit distributed	0	0	0	0	0
STAFF					
Number of staff members(1)	400	397	379	430	374
Of which executives	354	358	336	361	333
Of which non-executives	46	39	43	69	41
Payroll amount (in EUR)	49,834,180	45,889,732	46,563,095	52,240,144	63,623,338
Amount of sums paid for social benefits (social security, social works etc.) in EUR	18,636,547	16,753,792	17,636,763	17,254,795	18,901,046

(1) The increase in staff numbers in 2023 is linked to the merger by absorption of the subsidiary Dexia Crediop.

Balance sheet evolution

As at 31 December 2024, Dexia's balance sheet total amounted to EUR 52.4 billion, compared with EUR 55.6 billion as at 31 December 2023, a decrease of EUR -3.2 billion, mainly due to the reduction of the asset portfolio. The latter now stands at EUR 25.7 billion and is made up of EUR 18.4 billion in bonds and EUR 7.3 billion in loans. It includes exposures to the Italian sovereign and the European public sector (Spain, Portugal) as well as residual portfolios of British, American and Japanese assets.

On the assets side, the decrease in the balance sheet is mainly explained, at a constant exchange rate, by the reduction in the asset portfolio (EUR -4.6 billion) and by the decrease in posted cash collateral (EUR -2.6 billion), partially offset by an increase in the cash reserve (EUR +1.5 billion)

On the liabilities side, the change in the balance sheet mainly reflects, at a constant exchange rate, the reduction in market funding (EUR -5.7 billion), slightly offset by the increase in cash collateral received (EUR +0.6 billion).

Over the year, the impact of exchange rate fluctuations on the balance sheet amounted to EUR +0.9 billion, mainly due to the depreciation of the euro against the US dollar and the pound sterling. A historical error correction also impacted the balance sheet, in an amount of EUR -2.1 billion.

Payment deadlines for debts other than banking debts

Detail of supplier invoices due on 31 December 2024

Total invoices	1- 30 days	31-60 days	61-90 days	91 days and more	Total
28	98,008	6,820	34,025	426,108	564,961

Detail of customer invoices due on 31 December 2024

Total invoices	1- 30 days	31- 60 days	61-90 days	91 days and more	Total
8	0	0	0	18,790	18,790

Risk management

Introduction

During the course of 2024, Dexia took further decisive steps in the implementation of the Group's resolution, which led to the withdrawal of its banking licence and investment services authorisations on 1 January 2024. Since then, Dexia has therefore continued its orderly resolution as a non-bank. For this new phase of its orderly resolution, Dexia has maintained a robust risk management and monitoring framework, supported by comprehensive reporting and a demanding Risk Appetite Framework. Under the supervisory agreement signed on 22 December 2023 between the French and Belgian States and Dexia and Dexia Holding, an independent Surveillance Committee took office on 1 January 2024. It succeeds banking supervision in a role adapted to the new context (cf. the chapter "Information on internal and external control" of the 'Report on corporate governance').

Against a geopolitical background which remains tense and favourable to an upsurge in cyber risk, in close coordination with its IT partner, Dexia maintains a high level of vigilance with regard to cybersecurity.

Given the growing importance of outsourcing certain essential services, Dexia also ensures that the risks linked to relations with service providers and access to market infrastructures, in particular, are contained.

Outsourcing contracts are therefore closely monitored, in particular by Risk Appetite Framework indicators.

In addition, the implementation of the outsourcing project with EY concerning production activities, in particular accounting production and that of risk indicators, and with BlackRock for the outsourcing of the Group's market risk analysis, the management of its market back and middle offices and part of its accounting are subject to special monitoring, particularly from an operational risk perspective.

Overall, operational risks must never significantly affect Dexia's ability to manage its short-term liquidity or solvency, or endanger business continuity.

Risk management framework

The risk management system is based in particular on solid internal governance, as well as a Risk Appetite Statement (RAS), a Risk Appetite Framework (RAF) and appropriate monitoring indicators, which enable rigorous monitoring of solvency and liquidity risks, as well as operational risk and asset-liability management (ALM), based on precise indicators.

Internal governance

The Dexia Group's risk policy is defined and supervised by the Board of Directors.

The mission of the Risk activity line is to implement the Group's strategy for risk monitoring and management, as well as to put in place independent and integrated risk measures.

The Risk activity line identifies and monitors the risks to which the Group is exposed. Where necessary, it proactively alerts the relevant committees and proposes corrective measures. In particular, the Risk activity line decides on the amount of provisions deemed necessary to cover the risks to which the group is exposed.

The Risk Committee, created within the Board of Directors, is in charge of the strategy and the validation of the level of tolerance with regard to risks, both current and future, as defined by the Board of Directors. It assists the Board of Directors in its supervision of the implementation of this strategy.

The Management Board is responsible for implementing the various policies and directives governing the Group's risk strategy. A system for delegating the powers of the Management Board has been put in place to facilitate Dexia's operational management.

The Management Board delegates its decision-making powers relating to:

- transactions involving credit risks to a Transaction Committee,
- balance sheet management transactions to an ALCO Committee,
- market transactions to a Market Risk Committee.

The Risk activity line develops risk policies and submits its recommendations to the Management Board and subcommittees. It ensures the monitoring and operational management of risks under the supervision of those committees.

As of 31 December 2024, the executive committee of the Risk activity line is headed by the CRO and each department of the activity line is represented on this committee.

This committee meets on a weekly basis to review risk management strategies and policies as well as key internal reports before they are distributed outside the activity line. It is responsible for validating collective provisioning methodologies as well as the general organisation of the activity line and ensures the monitoring of key issues related to Accounting Control and Compliance.

It is also responsible for monitoring the models (developments, reviews, back testing, stress testing) at the proposal of the teams responsible for managing the risk models, quantifying and monitoring defaults and the market risk team, and regularly informs the Management Board and the Risk Committee about the use of the models and their developments and/or any difficulties encountered.

The organisation and operational functioning of the activity line also rely on other committees, the prerogatives of which are governed by a system of delegation of power, adapted according to the nature of the risks to which the Group is exposed.

Risk Appetite Statement

In accordance with its Risk Appetite Statement (RAS) and within the context of the going concern principle (cf. the "Financial Results" chapter of this annual report), Dexia aims to manage its balance sheet in an orderly manner until the portfolio is extinguished, without recapitalisation, and ensuring that liquidity is maintained within the framework of plausible downgraded scenarios. Dexia therefore aims to maintain a level of capital which will enable it to avoid a deficit due to plausible downgraded scenarios or concentration shocks.

With regard to liquidity, Dexia maintains an adequate survival horizon even in a situation of stress, by keeping an appropriate liquidity reserve.

Dexia also wishes to maintain its long-term rating at an investment grade level.

Furthermore, business continuity is a key condition for the continuation of the orderly resolution. As a consequence:

- operational risks are managed in such a way as not significantly to affect available liquidity and short-term capital reserves,
- Dexia aims to maintain key skills within the organisation by putting in place an HR system appropriate to the Group's situation,
- the aim of outsourcing part of Dexia's activities is to secure Dexia's operating model and preserve business continuity.

Risk Appetite Framework

Introduced in 2016, Dexia's Risk Appetite Framework (RAF) was updated following the withdrawal of its banking licence and investment services authorisations on 1 January 2024, with the aim of providing a framework, outside banking regulations, for the management of the orderly resolution in terms of monitoring solvency, liquidity and operational continuity. Thus, on the solvency side, the indicators make it possible to ensure capital adequacy until maturity in a plausible stressed scenario. The liquidity indicators focus on short- and medium-term liquidity risk. With regard to operational risk, the focus is on risks related to human resources and outsourcing. The RAF includes a Risk Appetite Statement (RAS), qualitative and quantitative risk limits and an overview of the roles and responsibilities of the bodies and functions which oversee its implementation and monitoring.

It is regularly monitored and reviewed at least once a year to incorporate any new strategic or operational developments. A consolidated dashboard is presented to the Risk Committee and the Board of Directors on a quarterly basis, with the aim of closely and thoroughly monitoring risk indicators and informing Dexia's decision-making bodies. The Surveillance Committee also has access to this quarterly dashboard.

Stress tests

Dexia carries out multiple scenario analyses and stress tests in a transversal approach integrated into the risk management process. Their objective is to identify possible vulnerabilities and simultaneously estimate, in an unfavourable shock situation, the additional losses, the additional liquidity needs or the impact on capital until maturity, with a focus on the short and medium term.

A full programme of stress tests is therefore implemented to ensure a coherent link between the different types of stress, including market, credit and liquidity.

A series of specific stress tests, including sensitivity analyses as well as scenario analyses based on macroeconomic scenarios simulating crisis situations and expert scenarios, are carried out annually as part of the annual solvency review. These stress tests are updated quarterly according to the scenarios that are most material for Dexia. The annual solvency review is documented and, where appropriate, is subject to an independent review by the Validation and Internal Audit departments.

Within the particular context of 2024, specific scenarios have been applied, taking into account increased geopolitical and monetary pressures. These stress tests are based on the central macroeconomic scenario of the European Central Bank (ECB) and national banks of December 2024. The European Banking Authority's (EBA) unfavourable scenario for 2023 was also evaluated and combined with unfavourable interest rate scenarios. These scenarios were compared with historical scenarios.

In 2024, Dexia carried out:

- Specific credit stress tests for the main asset classes. Credit exposures by asset class were subject to annual sensitivity tests and were subjected to macroeconomic scenarios, historical economic downturn scenarios, climate stress scenarios and expert stress scenarios. The impacts on the cost of risk and the liquidity reserve were analysed. The results of the stress scenarios were compared with the results of the Value at Risk (VaR) approach on credit risk. Specific analyses of sensitivity to environmental risks were also carried out.
- Market stress tests highlighting potential events outside the probabilistic framework of VaR measurement techniques. They were divided into single risk factor tests, historical scenario tests and hypothetical scenario tests.
- Stress tests related to the risk of structural interest rates, making it possible to measure the potential impact on Dexia's equity of a sudden and unexpected change in interest rates.
- Liquidity stress tests to estimate additional liquidity needs.
- Operational risk stress tests based on the analysis of the frequency and severity of operational incidents, supplemented by "expert scenario" analyses covering risks related to IT, human resources and outsourcing. These different risk categories are also managed within the framework of the Risk Appetite Framework.

Risk monitoring

Credit risk

Credit risk represents the potential loss, in the form of a reduction in the value of an asset or a payment default, which Dexia may incur due to the deterioration of a counterparty's solvency.

The management of the credit expertise centres is in charge of defining Dexia's policy on credit risk, which includes supervising the counterparty rating processes, analysing credit files and monitoring existing exposures. It also determines the specific provisions which are presented on a quarterly basis when the accounts are closed.

In parallel with the Risk Committee, the Management Board and the Transaction Committee, the following three committees meet on a quarterly basis

- The **Watchlist Committee** supervises assets considered "sensitive" and placed under surveillance. It also sets the amount of specific provisions on the exposures concerned.
- The **Default Committee** monitors defaulting counterparties, applying the Group's internal rules.
- The **Rating Committee** ensures that the internal rating processes are adequate in relation to established principles.

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Exposure to credit risk

Since the withdrawal of its banking licence on 1 January 2024, Dexia is no longer subject to the prudential requirements applicable to credit institutions and has, as a result, had to change its EAD, previously based on elements from COREP reporting, to a metric better suited to the specificities of an entity in orderly resolution operating outside the banking regulatory framework. The definition of the EAD used by Dexia is provided in note 7.2. to the statutory financial statements in this annual report.

As at 31 December 2024, Dexia's credit risk exposure amounted to EUR 41.9 billion.
Exposures were broken down into EUR 14.8 billion in loans and EUR 24.5 billion in bonds. They are mainly concentrated in Italy (28.6%), the United Kingdom (22.9%) and France (15.8%).
As at 31 December 2024, exposures remained mainly concentrated on the local public sector and sovereigns (64.8%), given Dexia's historical activity
The quality of Dexia's loan portfolio remained high, with 90% of exposures rated investment grade as at 31 December 2024.

GROUP SECTOR TO CERTAIN COUNTRIES AS AT 31 DECEMBER 2024

(in EUR million)	Total	Local public sector	Sovereigns	Financial institutions	Project finance	Corporates	ABS/MBS	Monolines	Other
Italy	11,992	4,985	6,352	649	-	-	-	-	5
United Kingdom	9,587	4,461	-	111	1,530	2,375	1,110	-	-
France	6,614	891	2,384	1,986	885	346	-	-	123
United States	3,339	558	-	2,251	350	179	-	-	-
Portugal	1,988	45	1,920	-	23	-	-	-	-
Belgium	1,975	-	1,880	95	-	-	-	-	-
Japan	1,776	1,622	-	154	-	-	-	-	-
Spain	1,754	1,176	264	31	284	-	-	-	-
Australia	1,063	160	-	220	515	168	-	-	-
Ireland	557	-	-	557	-	-	-	-	-
Germany	518	-	-	461	58	-	-	-	-
Other countries	757	69	388	8	108	-	-	-	184
TOTAL	**41,920**	**13,967**	**13,188**	**6,524**	**3,753**	**3,068**	**1,100**	**-**	**311**

EXPOSURE BY CATEGORY OF COUNTERPARTY AS AT 31 DECEMBER 2024

(in EUR million)	Total	AAA	AA	A	BBB	NIG[1]	D	No rating
Local public sector	13,967	488	561	2,661	7,486	2,664	104	2
Sovereigns	13,188	4,263	-	652	8,273	-	-	-
Financial institutions	6,524	-	-	5,862	636	21	-	5
Project finance	3,753	-	-	239	2,651	621	242	-
Corporates	3,068	-	-	-	2,685	4	379	-
Monolines	-	-	-	-	-	-	-	-
ABS/MBS	1,110	-	997	54	-	59	-	-
Other	311	100	-	-	-	-	5	206
TOTAL	**41,920**	**4,851**	**1,559**	**9,468**	**21,732**	**3,368**	**730**	**213**

(1) Non-investment grade

Dexia's commitments to sovereigns

Dexia's commitments to sovereigns are concentrated mainly on Italy and, to a lesser extent, France, Portugal and Belgium.
Dexia's outstanding exposure to the Italian sovereign amounted to EUR 6.4 billion as at 31 December 2024.
In view of the stated desire to maintain a relatively prudent fiscal policy, the markets remain calm about the right-wing coalition led by Prime Minister Giorgia Meloni. The difference in yield between Italian and German 10-year bonds narrowed by 52 basis points in 2024, the best performance in the euro zone.
Dexia's outstanding amount on French sovereign debt stood at EUR 2.4 billion as at 31 December 2024. The early elections in France led to a divided National Assembly, making fiscal consolidation even more difficult. This weighed on confidence, consumption and particularly investment and pushed bond yields sharply higher. The difference in rates between French and German 10-year bonds widened by 30 basis points in 2024, with the yield on the 10-year OAT rising to 3.20%.
Dexia's outstanding exposure to the Portuguese sovereign amounted to EUR 1.9 billion as at 31 December 2024. Portugal continued to outperform in both fiscal and economic terms, and the bonds issued by the sovereign continued to perform well. The interest rate differential between 10-year Portuguese and German bonds narrowed by 15 basis points in 2024.
Dexia's outstanding exposure to the Belgian sovereign amounted to EUR 1.9 billion as at 31 December 2024. Following national elections in June, Belgium was slow to form a federal government, reflecting the difficulties of the proposed coalition in agreeing on how to reduce debt. However, with markets less fearful about its fiscal consolidation, the difference in rates between Belgian and German 10-year bonds only widened by 3 basis points in 2024, with the 10-year yield standing at 2.98%.

Dexia's commitments to the local public sector

Given Dexia's historical activity as a lender to local authorities, the local public sector represents a significant proportion of outstanding loans, which are mainly concentrated in Western European countries (United Kingdom and Italy) and Japan.
Following the asset disposal programmes initiated in 2024 and by virtue of the natural amortisation of the portfolio, Dexia's exposure to the French and Spanish public sectors fell sharply over the year to EUR 0.9 million and EUR 1.2 million respectively.

Italy

Dexia's exposure to the Italian public sector amounted to EUR 5 billion as at 31 December 2024, most of which relates to Regions (52%) and Municipalities (33%).

The public sector is highly regulated by the Italian central government, which sets fiscal consolidation targets, limits risks and supervises their financial performance. The central government also defines the level of resources available to finance the main responsibilities, such as healthcare for ordinary-status regions, which account for around 80% of operating revenue. The significant financial support during the pandemic and, more recently, the measures to compensate for the rise in inflation and energy costs, highlight the financial links between local authorities and the central government.

Since the beginning of 2021, the regions have been implementing extensive investment plans using European Union (EU) and State funds. The EU programme for the period 2021-2027 includes approximately EUR 75 billion, 57% of which comes from European funds.

Regional investment in Italy will be supported by the new generation EU funds, mainly in the form of grants. Investment spending is likely to remain high until the end of the programme in 2026, as a large proportion of the funds have yet to be spent (80% by the end of 2023).

Specifically for the municipalities, around EUR 2.6 billion is earmarked for various measures. In addition, EUR 940 million has been allocated to environmental policies in 2022 and also in 2023. This amount is expected to increase gradually over the next few years.

For the provinces and metropolitan cities, EUR 4.3 billion is earmarked for extraordinary maintenance work, security measures, new constructions, increasing energy efficiency and internal cabling in schools. These resources should be disbursed between 2024 and 2036.

United Kingdom

Dexia's exposure to UK local authorities amounted to EUR 4.5 billion as at 31 December 2024.

Most of the portfolio has a good credit quality. However, in recent years, the financial situation of UK local authorities has weakened as a result of the health crisis and the deterioration of the economic situation in the UK.

UK local authorities are highly centralised. Their main sources of funding are council tax, retained business rates and government transfers.

Over the past decade, successive governments have changed the way local authorities are funded. This has led to a reduction in government transfers and an increase in the dependence of local authorities on locally generated revenue. The latter does not always compensate for the reduction in transfers from the central government, making it more difficult for local authorities to balance their budgets.

It is important to stress that British local authorities are required by law to have a balanced budget. If this is not the case, the Chief Financial Officer must issue a notification under Section 114 of the Local Government Finance Act 1988, whereby all non-essential expenditure is suspended. Since 2020, there has been an increase in the number of Article 114 declarations, including within the Dexia portfolio. As the sector is highly centralised and strictly controlled by the government, the negative impact on the credit quality of the sector as a whole is expected to remain limited.

Dexia's commitments to project finance and corporates

The project finance and corporate loans portfolio amounted to EUR 6.8 billion as at 31 December 2024.

This portfolio is composed of 55% project finance, with the remainder consisting of corporate financing, such as acquisition finance, trade transactions or corporate bonds.

The portfolio is of good quality: 77% of project finance and 88% of corporate finance is rated investment grade.

In terms of geographical distribution, the United Kingdom represents approximately 57% of the project finance and corporate finance portfolio.

The difficulties encountered in 2023 in part of the water sector in the United Kingdom were amplified in 2024. This sector represents outstandings of EUR 1.5 billion, two thirds of which are internally rated in the BBB range, and is closely monitored by Dexia's teams.

Dexia's commitments to financial institutions

Dexia's commitments to financial institutions amounted to EUR 6.5 billion as at 31 December 2024.

The stability of the European banking system was broadly preserved in 2024, but the still high interest rates had an impact on the profitability of banks, accentuated by weak growth in Europe marked, among other things, by geopolitical tensions. After the turbulence of 2023, a degree of stability has been regained, but risks remain, particularly due to the partial inversion of the yield curve, weak demand for credit and the moderate deterioration in asset quality.

Dexia's commitments to monolines

The exposures presented do not reflect the existence of any guarantees (unlike in previous financial years when the concept of regulatory substitution applied). However, Dexia benefits from guarantees on part of its portfolio with EUR 5.1 billion of outstandings guaranteed by monolines, including EUR 4.1 billion by investment grade rated monolines.

Asset quality

(in EUR million)	31/12/2024
Impaired assets	738
Specific provisions	212,5
Coverage ratio	29 %
Collective provisions	62,5

As at 31 December 2024, impaired assets stood at EUR 738 million.

Provisions for non-individualised credit risk (collective provisions) amounted to EUR 63 million, broken down into EUR 26 million on counterparties monitored on the Watchlist excluding doubtful ones, and EUR 37 million on counterparties belonging to sensitive sectors. As at 31 December 2024, impairment for individual credit risk (specific provisions) stood at EUR 213 million.

Consequently, the coverage ratio stood at 29% as at 31 December 2024.

The difficulties encountered in 2023 in part of the UK water sector worsened in 2024. Given the deterioration of the sector, Dexia adjusted its collective and specific provisions on the sector, which totalled EUR 138 million at 31 December 2024.

Review of macroeconomic scenarios and sensitive sectors

In view of the evolution of the macroeconomic context in 2024, Dexia has changed the assumptions and estimates made for the preparation of its financial statements as at

31 December 2024. The macroeconomic scenario plays an important role in the point-in-time and forward-looking measurements of the probability of default and loss given default models which are used to assess projected credit losses. It is in this context that Dexia has reviewed its macroeconomic scenarios based on the projections published by the European Central Bank (ECB) in December 2024 and by national supervisors when available.
At the end of December 2024, the ECB slightly revised downwards its average real GDP growth projections for the next three years: in 2025, growth will reach 1.1%, before increasing to 1.4% in 2026 and stabilising at 1.3% in 2027. The Bank of England is forecasting average real GDP growth of 1.5% in 2025 and 1.25% in 2026 and 2027, linked to the increase in public spending with the adaptation of the new budget voted in autumn 2024. The Fed is confirming its annual projections with GDP growth at around 2% annually for the next three years. Inflation should continue to fall, reaching 2% in Europe and the United States by 2026. This target rate will not be reached until 2027 for the United Kingdom. Labour markets should remain resilient overall in all three areas.
Dexia pays particular attention to sensitive sectors, especially those impacted by current or past crises. This particularly concerns the UK water distribution sector, weakened by significant investment needs and more restrictive regulation, the local public sector, infrastructure, the French private healthcare sector and the English hospital sector. It should be noted that certain players affected by climate risk have been integrated into the sensitive sectors.
As at 31 December 2024, the amount of sensitive and Watchlist sectors stood at EUR 6.9 billion out of a total exposure of EUR 41.9 billion.

Market risk

Market risk represents Dexia's exposure to variations in market parameters such as interest rates or exchange rates. Interest rate risk is composed of a general interest rate risk and a specific interest rate risk linked to the credit counterparty. The latter results from variations in the credit spread of a specific signature within a rating class. Exchange rate risk represents the potential decline in the value of assets due to fluctuations in the exchange rate of currencies against the euro, the reference currency for the preparation of Dexia's accounts. Interest rate and exchange rate risks in the banking portfolio are included in the transformation risk.
Market risk policy and management are the responsibility of the Management Board. In order to facilitate Dexia's operational management, a system of delegation has been implemented towards:
• The **market risk committee**, which is in charge of governance and standards in the area of market risk. It sets risk limits based on the general framework of Dexia's policy, analyses results and risk positions, and approves risk measurement methods. It meets on a monthly basis.
• The **valuation and collateral monitoring committee**, which meets every month to analyse the indicators relating to collateral management, decide on the action plan for significant valuation differences and monitor the valuation of structured products.
Under the aegis of the Management Board and specialised risk committees, the market risk department ensures the identification, analysis and monitoring of risks and results (including the valuation of financial instruments) related to market activities.

Risk measurement

Market risk measurement at Dexia is based mainly on a combination of two measurement indicators, resulting in a framework of limits.
• Value at Risk (VaR) measures the potential loss expected for a confidence interval of 99% and for a holding period of ten days. To measure the market risk inherent in the various portfolios and activities, Dexia relies on parametric VaR or historical VaR depending on the activities. Parametric VaR is based on a normal distribution of risk factor returns, while historical VaR is based directly on the portfolio's historical returns.
• Limits in terms of authorised positions, maturities, markets and products are set by type of activity. They ensure consistency between the overall risk limits and the operational thresholds used by the front office.
The risk management system is supplemented by stress tests, which incorporate events outside the probabilistic framework of VaR measurement techniques. The various assumptions of these worst-case scenarios are regularly reviewed and updated. The consolidated stress test results and the corresponding analysis are presented to the Risk Committee on a quarterly basis.

Exposure to market risk

Dexia's portfolio of derivatives under specialised management is composed of three groups of activities:
• transactions initiated by the trading of financial instruments up to the date of the Dexia Group's orderly resolution, mostly covered by back-to-back transactions,
• transactions intended to cover risks arising from divestments or asset sales carried out as part of the orderly resolution plan,
• transactions aimed at managing the exit or restructuring conditions of certain legacy assets.
The main risk factors of the portfolio of derivatives under specialised management are:
• interest rate risk, particularly on the euro, US dollar and pound sterling,
• cross-currency basis swap risk,
• BOR-OIS basis risk in the same currency,
• inflation risk,
• optional risk, particularly through swaption portfolios
Value adjustments (CVA, FVA) and their variation are not integrated into the VaR model but are integrated into the stress scenarios.
Dexia's portfolio of derivatives in isolated open positions includes balance sheet management transactions which cannot be recognised as hedges under French standards.
The main risk factors of the derivatives portfolio in isolated open positions are:
• interest rate risk in pound sterling,
• cross-currency basis swap risk,
• inflation risk.

Value at Risk (VaR)

The VaR details of the derivatives portfolios under specialised management are presented in the table below. At the end of December 2024, the total VaR consumption amounted to EUR 12 million, compared with EUR 2.3 million at the end of 2023.

VALUE AT RISK OF DERIVATIVES UNDER SPECIALISED MANAGEMENT

(in EUR million) **VaR (10 days, 99%)**	**2023**	**2024**
Average	2,3	14,2
End of period	2,3	12,0
Maximum	4,6	40,8
Minimum	1,4	1,5

The implementation of operations aimed at managing the exit or restructuring conditions of certain legacy assets led to a significant but temporary increase in Value at Risk consumption during the year 2024. This consumption was subject to increased monitoring by the risk management department.
The VaR details of the derivatives portfolios in isolated open positions are presented in the table below. At the end of December 2024, the total VaR consumption amounted to EUR 7.3 million compared to EUR 12.9 million at the end of 2023 (pro forma).

VALUE AT RISK OF ISOLATED OPEN POSITIONS

(in EUR million) **VaR (10 days, 99%)**	**2023**	**2024**
Average	6,4	11,5
End of period	12,9	7,3
Maximum	13,3	15,1
Minimum	1,2	7,2

Sensitivity of Dexia assets in the evolution of their market value

Dexia holds securities in the investment portfolio the change in value of which is likely to impact the accounts (recognition of unrealised capital losses).
As at 31 December 2024, the investment portfolio was sensitive to an increase in credit margins of EUR -3.6 million per basis point, compared with EUR -4.4 million as at 31 December 2023.
Dexia does not hold trading securities.

Transformation and liquidity risk

The transformation risk appears as soon as the assets are refinanced by resources with a different maturity, indexation or currency. It also includes the structural risks linked to the financing of holdings with equity in foreign currencies.
Liquidity risk measures Dexia's ability to meet its current and future cash flow needs, both expected and in the event of a deterioration of the situation, based on various adverse scenarios.
Dexia's asset-liability management (ALM) policy aims to minimise liquidity risk and limit exposure to interest rate and foreign exchange risk.
The transformation risk is managed by the Financial Strategy team within the Finance activity line. The management actions are reviewed and validated by the ALCO Committee, as delegated by the Management Board. Within the Risk activity line, a dedicated ALM Risks team is responsible for defining the risk framework within which management can be carried out, validating the models used for the effective management of this risk, monitoring exposures and verifying their compliance with established principles. In addition, this ALM Risks team defines the stress assumptions to be applied to the various risk factors and proposes risk acceptance levels.

Management of interest rate and foreign exchange risk

Measurement of interest rate risk

Interest rate risk is measured through sensitivities. Risk sensitivity measures reflect the exposure of the balance sheet to a parallel movement of 1% on the yield curve. The sensitivity of the net present value of exposures measured in accrued interest to a movement in interest rates is the main indicator for measuring risk and setting limits and monitoring risks.

Overall and partial sensitivities by time interval are the main risk indicators on which the Asset and Liability Risk Committee, organised within the ALCO relies to manage risks. Dexia's structural interest rate risk is mainly concentrated on long-term European and UK interest rates and results from the imbalance between Dexia's assets and liabilities after interest rate risk hedging.
The sensitivity of the long-term ALM amounted to EUR -74.1 million as at 31 December 2024, compared with EUR -46.2 million as at 31 December 2023. The increase in the limit from EUR 130 million to EUR 250 million, for a parallel rate increase or decrease of 1% of the rate curve, is in line with Dexia's risk appetite and aims to optimise the portfolio management strategies approved by the Board of Directors.

(in EUR million)	**2023**	**2024**
Sensitivity	(46,2)	(74,1)
Limit	+/-130	250

Measurement of foreign exchange risk

With regard to foreign exchange, the ALCO decides on the policy for covering the foreign exchange risk generated by the existence of assets, liabilities, income and costs in foreign currencies.
Foreign exchange positions are subject to a framework of limits well below which a systematic hedging policy is applied.

Management of liquidity risk

Dexia policy regarding the management of liquidity risk

Dexia's main objective is to manage liquidity risk in euros and foreign currencies, as well as to control the cost of funding raised in order to optimise its results and minimise volatility.
The liquidity management process aims to optimise the coverage of funding needs, taking into account the constraints to which Dexia is exposed. These needs are assessed taking into consideration existing transactions, as well as balance sheet and off-balance sheet projections.
Dexia maintains a liquidity reserve, consisting of deposits with clearing houses or banking counterparties and liquid assets on the repurchase agreement market, or obtained through reverse repurchase agreement transactions, enabling it to cope with a stressed situation without resorting to contingency measures. In order to manage Dexia's liquidity situation, the Management Board regularly monitors the conditions of funding operations in the market segments in which Dexia operates. It also ensures the proper execution of the funding programmes put in place. To this end, a specific and regular information system has been set up:
- A monthly report for the members of the Management Board. This information is shared by all those involved in the management of Dexia's liquidity, in particular the teams of the Finance and Risk activity lines in charge of these issues, as well as the Funding and Markets activity line. The frequency of this report may be adjusted in the event of tensions in the funding market.
- The monthly distribution to the shareholder and guarantor States of a 12-month funding plan.

Measurement of the liquidity risk

Since the withdrawal of Dexia's banking licence on 1 January 2024, Dexia and Dexia Holding are no longer subject to the prudential requirements applicable to credit institutions. As a result, Dexia and Dexia Holding no longer publish prudential liquidity ratios. The main indicators measuring liquidity risk are as follows:

• The survival horizon which makes it possible to monitor short-term liquidity risk. This survival horizon is defined as the number of days during which Dexia can continue to operate with the cash and liquid assets at its disposal, without access to the funding markets. On 31 December 2024, Dexia's survival horizon stood at more than five months (168 days), compared with 4.5 months on 31 December 2023[1].
• The Medium-Term Liquidity Ratio (MTLR), which enables to measure the stability of the medium-term funding. The MTLR relates the total funding at more than one year to the funding requirement for weighted illiquid assets[2]. Dexia has set the limit at 100%. As at 31 December 2024, Dexia's MTLR stood at 129%, up from a ratio of 119% as at 31 December 2023.

Monitoring capital and solvency

Since the withdrawal of Dexia's banking licence on 1 January 2024, Dexia is no longer subject to the prudential requirements applicable to credit institutions. As a result, Dexia no longer publishes prudential solvency ratios. Nevertheless, solvency is still closely monitored using indicators that are better suited to the specific characteristics of an entity in orderly resolution.
Thus, a leverage ratio relating the level of statutory capital under French GAAP to the balance sheet total stood at 7.4% as at 31 December 2024
Furthermore, in accordance with its Risk Appetite Statement (RAS), Dexia aims to manage its balance sheet in an orderly manner until extinction and, consequently, to maintain a level of capital which can absorb the negative impacts associated with plausible adverse scenarios. The combined negative impacts include shocks related to credit risk, regional, sectoral and individual concentrations, market risk, liquidity risk and operational risk. The latest simulations carried out on the basis of the business model configured with the most recent assumptions indicate that the current and projected amount of capital makes it possible to withstand all plausible adverse scenarios, as defined in the Risk Appetite Framework.
In addition to the leverage ratio, Dexia monitors and manages numerous other indicators and sub-indicators as part of its risk appetite (Risk Appetite Framework - RAF), enabling the management, the specialised committees, the Board of Directors and the Surveillance Committee, depending on the alert thresholds, to be informed of any unforeseen deviation from the anticipated trajectory, in order to be able to make the appropriate decisions to respect the risk appetite.

Operational risk and IT systems security

The Management Board regularly monitors changes in the operational risk profile of Dexia's various activities. It delegates the operational management and monitoring of this risk to specialised committees led by the Operational Risk function. During these committee meetings, the main risks identified are examined and corrective actions are decided upon, as well as, where appropriate, preventive or improvement measures.
The management of operational risk, business continuity and IT systems security is overseen by a central team within the Risk activity line, supported by a network of correspondents in the various activity lines and by the partners in charge of outsourced services.
A committee dedicated to IT system security and business continuity examines and decides on the actions to be taken to ensure business continuity and the implementation of the information system security policy.

Dexia policy with regard to the management of operational risk

Operational risk is the risk of a financial or non-financial impact resulting from inadequacy or failure of internal processes, personnel or IT systems, or from external factors. This definition includes IT and legal risks and the risk of fraud.
In terms of operational risk management, Dexia's policy is regularly to identify, measure and assess the various risks and to implement corrective actions or improvements to reduce the level of the most significant operational risks. This system is complemented by a prevention policy, particularly in terms of information security, guaranteeing business continuity and financial coverage from insurer.

Measurement and management of risk

Operational risk management is identified as one of the pillars of Dexia's strategy, in the context of its orderly resolution. The system is based on the following elements:
• A Risk and Control Self-Assessment (RCSA), with particular attention paid to the organisation, critical processes and outsourced activities.
• A database listing operational risk events (collection, analysis and follow-up of incidents).
• Definition and monitoring of action plans.
• Indicators to monitor the evolution of the main risks identified within the Risk Appetite Framework (RAF). It should be noted that these indicators were adapted in 2024 following the abandonment of the banking licence and to take into account the issues related to the in-depth transformation of Dexia's operating model.

Management of operational risk during the resolution period

In recent years, Dexia has been pursuing a policy of outsourcing certain activities. In 2017, for example, Dexia outsourced its IT function (development, production and infrastructure) and back offices to an external service provider. Then, in 2022, Dexia signed a contract with Arkéa Banking Services for the back-office processing of its loans, which came into operation on 1 November 2023.
In 2024, Dexia continued to adapt its structure and operational processes to its orderly resolution mandate, resulting in new outsourcing projects.
These can represent a source of increased operational risk during the implementation phases. Nevertheless, they must ensure Dexia's operational continuity and limit the operational risks associated with systems, processes and people, taking Dexia's orderly resolution into account. The operational execution risks of major transformation projects are monitored on a quarterly basis to ensure that corrective actions are implemented to reduce the most significant risks.
Furthermore, the resolution phase is, by its very nature, conducive to the development of operational risks, particularly due to factors such as the departure of key personnel, a possible loss of staff motivation or changes to certain operational processes.

(1) This ratio takes into account the entire liquidity reserve, including the cash held within Dexia Holding.
(2) Where: total static funding > 1 year = 100% (equity + liabilities with a residual maturity > 1 year and funding requirement for non-liquid assets = 70%*(non-liquid assets) +20%*variation margins on derivatives +70%*initial margins on derivatives.*

Specific support for the Operational Risk function in the transformation of Dexia

The Operational Risk function intervenes within the framework of:
- the implementation of transformation strategies necessitating fundamental changes to processes,
- outsourcing projects, from the service provider selection phase to the contractualisation phase, in order to secure the operating framework and the clauses relating to risk management and controls,
- the identification and assessment of the execution risks of transformation programmes, particularly for the following three categories of risk,
- the risk associated with the adherence/interdependencies and synchronisation of all the components of the programme,
- the risk associated with operational continuity, particularly with regard to the capacity plan and key human resources skills (including for IT outsourcing),
- the risk arising from the transformation of the current operating model into a multi-supplier model, which aims to standardise and simplify the processes of the value chain.

The Operational Risk and Permanent Control teams jointly draw up an annual control plan based on risk identification and verify that the highest operational risks are properly covered. This plan gives pride of place to the review of risks associated with major transformation projects in progress or already delivered.

Monitoring the operational risk of critical suppliers

With regard to regular monitoring of critical services, Dexia's Operational Risk function maintains regular exchanges with its counterparts in charge of outsourced services.

The monitoring of these services includes the identification and analysis of operational incidents recorded and tracked in an incident database. The Operational Risk function participates in the quality and performance monitoring committees organised by the various Dexia activity lines for the critical services which concern them, in order to verify that reported incidents are properly addressed, and to detect emerging risk areas. The system also includes comprehensive risk review exercises.

Issues and incidents are addressed at regular committee meetings with key critical service providers. Inter alia, these committees bring together the Risk, Compliance and Audit functions of Dexia, as well as those of the service provider concerned.

Dexia policy with regard to IT systems security and business continuity

IT systems security

IT system security is ensured by implementing measures proportionate to the risks and based on rules, processes, procedures, organisational structures and hardware and software systems. These security measures are implemented, monitored, reviewed and modified as often as necessary.

In response to the upsurge in cyber-attacks, Dexia also introduced a roadmap in 2024, structured around projects to secure its IT system. This roadmap takes into account developments related to Dexia's transformation programme. It is updated regularly, and at least once a year, to align with market standards.

The business continuity and crisis management

Business continuity and crisis management are an essential part of Dexia's operational resilience strategy. Dexia's crisis management and critical business continuity arrangements are described in the business continuity policy and the IT and telecommunications business recovery plan.

Furthermore, in the context of the in-depth transformation of its operational model, which is based on outsourcing to several service providers, Dexia must adapt its definition of crisis management strategies and procedures. Consequently, Dexia reviewed its crisis management and business continuity system in 2024 and supplemented the organisation with specific procedures relating to crisis management within a "multi-provider" context.

Finally, Dexia is gradually integrating the scope of outsourced activities by adopting an approach which strengthens its ability to ensure the continuity of its essential services, while mitigating the risks associated with dependence on critical third parties by focusing on:
- monitoring the sound financial health and resilience of these external service providers,
- determining Dexia's level of dependence on each supplier and identifying potential alternatives,
- providing for reversibility arrangements in order to minimise the impact in the event of a major availability incident/failure of a key service provider,
- planning for close collaboration for the implementation of emergency plans within a dedicated comitology to be activated in the event of a major incident,
- collecting the results of business continuity tests of critical service providers on an annual basis.

Litigation

Like other companies, Dexia is involved in several instances of litigation. Unless otherwise indicated, the status of such litigation and investigations as at 31 December 2024 is summarised below and is based on the information available to Dexia at that date.

Based on this information, other litigation and investigations in which Dexia is named as a defendant are not expected to have a material impact on its financial position.

Dexia's statutory financial statements reflect the consequences, as assessed by Dexia on the basis of the information available to it at the aforementioned date, of the principal litigation and investigations likely to have a material impact on Dexia's financial position, results or activities, and provisions have been recorded where necessary.

In 2024, thanks to positive and definitive court rulings, Dexia was able to close the last remaining legal cases in France concerning its structured loans.

Dexia, via its branch in Rome (formerly Dexia Crediop), like other companies in Italy, is involved in a series of disputes in Italy and the United Kingdom concerning (i) hedging transactions (involving the use of derivatives) entered into as part of debt restructuring agreements and/or financing transactions with local authorities, as well as (ii) other financial transactions.

In 2024, Dexia obtained conclusive confirmation of the full validity of the Venice swaps at the level of the Supreme Court in London, as well as other positive decisions in other disputes, both from English and Italian courts, including at the level of the second instance of the Italian Court of Auditors. These decisions also enabled Dexia to obtain substantial reimbursements of its legal costs.

Other civil cases relating to the alleged invalidity of Dexia's swaps are still pending in Italy and the United Kingdom.

2024

Report on corporate governance

Report on corporate governance

Since 1 January 2024, following the withdrawal of its banking licence and investment services authorisations, the company has been pursuing its orderly resolution as a non-bank. Dexia is a public limited company under French law and as such is subject to the provisions of the French Commercial Code as well as certain provisions of the French Monetary and Financial Code applicable to companies with securities listed on a regulated market. At its meeting on 19 March 2025, the Board of Directors approved the principle of transferring Dexia's entire debt (guaranteed and unguaranteed) from the regulated market of the Luxembourg Stock Exchange to the unregulated market of the Euro MTF. From October 2025, Dexia will therefore no longer hold securities listed on a regulated market.

Since 2012, Dexia and its parent company Dexia Holding have had an integrated executive management team adapted to the size and specific characteristics of the Group. While separate legal structures have been maintained, the Group's management has been unified, in particular through the joint management of the two main entities, Dexia Holding and Dexia.

Share capital

As at 31 December 2024, Dexia's share capital amounted to EUR 279,213,332. It is divided into 279,213,332 shares with a nominal value of EUR 1.00. Each share carries one voting right and none are pledged as collateral. Almost all of Dexia's share capital is held directly by Dexia Holding, with the CEO holding one share in the company.

Indirectly, via Dexia Holding, 52.78% of Dexia's capital is held by the Federal Holding and Investment Company (*Société fédérale de participations et d'investissement* - SFPI), acting on behalf of the Belgian State, and 46.81% by the French State.

In accordance with the statutory provisions, the sale or transfer of shares is free without the need for the approval of the Board of Directors when it is for the benefit of companies of the Group or any new director or his original transferor in the case of a transfer by a director at the end of his term of office. In other cases, the transfer or assignment of shares to a third party must be submitted for approval by the company, via a decision of the Board of Directors.

Shareholders' meetings

Shareholders' meetings are convened under the conditions laid down by law. They are held at the registered office or at any other place chosen by the person convening the meeting. All shareholders have the right to obtain the necessary documents to enable them to make an informed decision and to make an enlightened judgement on the management and control of the company. The nature of these documents and the conditions for their dispatch and availability are determined by law and regulations.

The Board of Directors

The role of the Board of Directors is to determine the strategic direction of Dexia's activities and to oversee their implementation. Its actions are guided by the interests of the company. There are no potential conflicts of interest between the duties to Dexia of any of the members of the Board of Directors and their private interests and/or other duties.

Composition

The Board of Directors is composed of ten members chosen for their skills and the contribution they can make to the administration of the company. For the sake of simplification, the number of members on the Board of Directors was reduced from 15 to 10 directors on 21 May 2024.

Mr Gilles Denoyel has been Chairman of the Board of Directors since 16 May 2018. As Chairman, he organises and directs the work of the Board, ensures the proper functioning of Dexia's corporate bodies and participates in the company's relations with the institutional authorities.

Since 21 May 2024, the composition of Dexia's Board of Directors is as follows:

- Gilles Denoyel (président du conseil)
- Pierre Crevits
- Véronique Hugues
- Giovanni Albanese Guidi
- Anne Blondy-Touret
- Victor Richon
- Alexandre De Geest
- Filiz Korkmazer
- Tamar Joulia-Paris
- Alexandra Serizay

In accordance with Article L. 225-18-1 of the Commercial Code, according to which the Board must be composed with a view to achieving a balanced representation of women and men and the proportion of directors of each sex may not be less than 40%, the Board of Directors is composed of five women and five men.

Professional expertise and competence

Dexia has put in place the procedures and processes necessary to verify the expertise and professional integrity of directors, responsible or effective managers and those responsible for independent control functions so that they have the individual and collective competence necessary to understand the activities and issues encountered, to enable them to perform their duties properly.
When new members of the Board of Directors, the Management Board and the heads of the independent control functions are appointed, the appointments and remuneration committee carries out an individual assessment during which the professional experience, technical skills and training of the candidates are taken into account. The prior opinion of the Surveillance Committee is sought before any appointment is made. To ensure that directors have a good knowledge of the issues specific to the Dexia Group, internal training sessions are organised when a director is appointed and during their term of office. External training is also provided.
The Board of Directors and the Management Board periodically carry out self-assessment exercises. The points addressed include the structure, size, composition and organisation of the work (performance and knowledge of the members).

Operation

The Board of Directors meets at least once every quarter. In 2024, it met 11 times with a very satisfactory attendance rate. The Chairman of the Board of Directors and the CEO provide the members of the Board of Directors with all the information they need to perform their duties. During board meetings, the CEO presents the activity of the past period. The Board also regularly reviews the work of the audit committee, internal control and risk monitoring.

Specialised commitees

To enable sound governance and to examine the matters submitted to it in depth, the Board of Directors has maintained specialised committees composed of non-executive directors. These specialised committees are responsible for preparing the Board's decisions, which remain its sole responsibility. Except in the case of special delegation by the Board and reserved matters, the specialised committees have no decision-making power.
The Audit Committee is mainly responsible for monitoring the statutory audit of the accounts and the financial reporting process. The Risk Committee monitors aspects relating to strategy and the level of risk tolerance, and the Appointments and Remuneration Committee, which resulted from the merger of the Appointments Committee and the Remuneration Committee, effective since 22 May 2024, prepares decisions on proposals for the appointment or renewal of directors and decisions on the remuneration of legal bodies.
The Audit and Risk Committees meet as often as necessary to deal with common issues, when convened by the Chairman of the Board of Directors or the chairman of the Audit Committee or the Risk Committee, as the case may be. The chairman of the Audit Committee chairs these meetings.
The composition of the specialist committees is as follows:

Audit Committee	Risk Committee	Appointments and Remuneration Committee
Alexandra Serizay (Chairman)	**Tamar Joulia-Paris** (Chairman)	**Gilles Denoyel** (Chairman)
Tamar Joulia-Paris	Anne Blondy-Touret	Alexandre De Geest
Alexandre De Geest	Filiz Korkmazer	Filiz Korkmazer
Victor Richon	Alexandra Serizay	Victor Richon

General Management

The general management of the company is assumed by the CEO appointed by the Board of Directors. Subject to the powers expressly attributed by law to the shareholders' meetings and to the Board of Directors, and within the limits of the corporate object, the CEO is vested with the most extensive powers to act in all circumstances on behalf of the company. He represents the company in its relations with third parties. The CEO may be dismissed at any time by the Board of Directors, under the conditions laid down by law. Mr Pierre Crevits was appointed by the Board of Directors on 19 May 2020 as CEO, effective manager of the company, and vested with the most extensive powers to act in all circumstances in the name of the company. His term of office was renewed on 22 May 2024.
On the proposal of the CEO, the Board of Directors appointed five Deputy CEOs to assist him. In accordance with Article L. 225-56, II, paragraph 2 of the Commercial Code, the Deputy CEOs have the same powers as the CEO with regard to third parties.

As at 22 March 2025, the Management Board is composed as follows:
- Pierre Crevits, CEO;
- Véronique Hugues, Deputy CEO and CFO;
- Giovanni Albanese Guidi, Deputy CEO and CRO;
- Benoît Debroise, Deputy CEO and Head of the Funding and Markets activity line;
- Pascal Gilliard, Deputy CEO and Head of the Assets activity line;
- Jean Le Naour, Deputy CEO and COO.

Since 1 April 2025, following the retirement of Benoît Debroise, Deputy CEO and Head of the Funding and Markets activity line as at 31 March 2025, Pascal Gilliard has been appointed interim Head of the Funding and Markets activity line.
On 1 February 2024, an Executive Committee was set up. It is responsible for overseeing operational management, monitoring projects and transformation, and coordinating the various sectors. As at 1 April 2025, The Executive Committee is made up of the members of the Management Board and:
- Nathalie Bonnecarrère, Head of Human Resources;
- Fabienne Carlier, Head of Communication and Investor Relations, and
- Olivier Paring, General Secretary and Head of Transformation.

*The Executive Committee. From left to right, seated: Pascal Gilliard, Véronique Hugues, Pierre Crevits.
Standing: Olivier Paring, Fabienne Carlier, Giovanni Albanese Guidi, Jean Le Naour and Nathalie Bonnecarrère.*

Diversity policy applied to members of the Board of Directors, the Management Board and the Executive Committee

The question of the diversity of members of the Board of Directors, the Management Board and the Executive Committee is addressed within Dexia in two ways:

- Diversity in terms of skills and training, to ensure that together and individually the members of the management bodies have the knowledge and skills needed to understand Dexia's activities and the challenges it faces;
- Compliance with legal requirements on the representation of women on the Board of Directors.

As at 1 April 2025, the Board of Directors comprises ten members, five of whom are women. The Management Board has five members, including one woman, and the Executive Committee has eight members, including three women.

More detailed information is provided in the section "Corporate social and environmental responsibility report" in this Annual Report.

Remuneration Report

Remuneration granted to directors in 2024

The ordinary shareholders' meeting of Dexia Holding decided, in 2006, to allocate to the directors a maximum overall annual remuneration package of EUR 1,300,000 and conferred on the Board of Directors the power to determine the practical terms of this remuneration. If the overall annual ceiling is reached, additional meetings will no longer be remunerated.

Executive directors do not receive any remuneration for their directorships.

Non-executive directors do not receive any performance-related remuneration, such as bonuses and long-term incentive schemes, or benefits in kind or pension plan benefits.

The remuneration of non-executive directors (excluding the Chairman of the Board of Directors) consists of a fixed amount of EUR 3,000 per quarter (consolidated at the level of the Dexia Board) and a variable amount of EUR 2,000 for meetings of the Dexia Boards, EUR 1,000 for meetings of the Board of Directors of Dexia Holding organised concomitantly with the Dexia Board (or non-concomitantly but with a similar agenda). Meetings lasting less than one hour are not remunerated. Meetings of the audit committee, the risk committee and the joint audit and risk committee are remunerated at a rate of EUR 1,000. For the chairmen of the audit committee and the risk committee, the attendance fees are increased to EUR 1,500 per meeting. Meetings of the appointments and remuneration committee are remunerated at a rate of EUR 750 (including for the chairman).

Half of the remuneration of the Chairman of the Board of Directors is paid by Dexia Holding and half by Dexia, and consists of a fixed remuneration and ordinary attendance fees paid to all directors.

The social security contributions of directors who already benefit from social security protection under another scheme and who are required to pay contributions in Belgium solely because of their position at Dexia Holding, without benefiting in return from more extensive social security benefits, are paid by Dexia Holding.

Number of meetings and remuneration granted to non-executive directors for the 2024 financial year											
	BD Dexia (11 meetings)	BD Dexia Holding (12 meetings, 11 remunerated)	Risk committee (10 meetings)	Audit committee (8 meetings)	Joint audit and risk committee (10 meetings)	Appointments committee (a) (2 meetings)	Remuneration committee (a) (1 meeting)	Appointments and remuneration committee (a) (4 meetings)	Total Dexia Holding (gross amount in EUR)	Total Dexia (gross amount in EUR)	Overall total (gross amount in EUR)
N/A	11	12	N/A	N/A	N/A	2	1	4	102,774	100,000	202,774
Anne Blondy-Touret[2]	9	10	9	N/A	9	N/A	0	N/A	27,000	30,000	57,000
Alexandre De Geest[3]	11	12	4	5	10	N/A	1	4	33,750	34,000	67,750
Tamar Joulia-Paris[4]	11	12	10	8	10	N/A	N/A	N/A	42,500	34,000	76,500
Filiz Korkmazer[5]	7	8	6	N/A	6	N/A	N/A	4	22,000	23,000	45,000
Victor Richon[2][6]	7	9	N/A	4	5	N/A	N/A	4	20,000	23,000	43,000
Alexandra Serizay[7]	10	11	6	8	10	N/A	N/A	N/A	43,000	32,000	75,000
Bart Bronselaer[8]	4	4	4	3	4	N/A	N/A	N/A	17,000	14,000	31,000
Aline Bec[8]	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14,000	14,000
Thierry Francq[8][9]	4	4	N/A	3	4	2	N/A	N/A	12,500	14,000	26,500
Véronique Tai[8]	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14,000	14,000
Michel Tison[2]	3	3	N/A	3	4	2	1	N/A	12,250	12,000	24,250
Koen Van Loo[8]	4	4	N/A	N/A	N/A	2	N/A	N/A	5,500	14,000	19,500
Pierre Darbre[10]	2	2	N/A	N/A	N/A	N/A	0	N/A	2,000	7,000	9,000

(a) The appointments committee and the remuneration committee were merged on 22 May 2024.
(1) Chairman of the Board of Directors.
(2) The payment of attendance fees for representatives of the French State is governed by Article 6 of Order 2014-948 of 20 August 2014..
(3) Member of the risk committee until 22 May 2024, member of the Audit Committee from 22 May 2024.
(4) Chairman of the risk committee as from 22 May 2024.
(5) Appointment on 22 May 2024.
(6) Appointment on 22 March 2024.
(7) Member of the audit committee since 22 May 2024.
(8) Resignation on 21 and 22 May 2024.
(9) The remuneration of Th. Francq is paid as follows : 15% for the French Treasury and 85% paid to Th. Francq.
(10) Resignation on 18 March 2024.

Remuneration paid to General Management in 2024

Composition of the remuneration

The remuneration of the members of the Management Board consists solely of a fixed component, which is not performance-related and constitutes a whole. Therefore, no variable remuneration has been or will be granted for the year 2024 to the Chief Executive Officer and the Deputy Chief Executive Officers.

Furthermore, in accordance with the commitments made by Dexia under the 2013 guarantee agreement concluded with the Belgian and French States and as long as guaranteed bonds exist or are likely to be issued, Dexia will not grant any stock options or bonus shares, make any payment of performance-related remuneration or benefits, or deferred remuneration for the following persons: Chairman of the Board of Directors, CEO(s) and members of the Board of Directors.

Remuneration for the year 2024

(in EUR)	Entity – Country	Gross basic remuneration
Pierre Crevits	Dexia Holding – Belgium	550,000 on average over the year: – 600,000 from January to July – 480,000 as from August
Giovanni Albanese Guidi	Dexia – France	465,044
Benoît Debroise	Dexia – France	407,378
Pascal Gilliard	Dexia Holding – Belgium	420,000
Véronique Hugues	Dexia – France	450,000
Jean Le Naour	Dexia – France	405,000

Supplementary death cover, permanent invalidity and medical costs

The members of the Management Board benefit from additional death, permanent disability and medical expenses cover, as well as additional benefits such as entertainment expenses and benefits in kind such as telephones and vehicles. All of these premiums and benefits amounted to EUR 155,042 in 2024.
The CEO and the Deputy CEOs who do not perform their duties under a French contract (in Belgium) also benefit from supplementary pension schemes set up by Dexia Holding. The premiums paid in 2024 amounted to EUR 212,086.

Conditions relating to departure

In accordance with Dexia and Dexia Holding's remuneration policy, members of the Management Board may not be awarded a severance payment exceeding nine months' fixed remuneration.
Notwithstanding the above, Dexia may grant a higher severance payment if the person concerned, prior to being granted the mandate of director, in accordance with the legal framework in force and on the basis of his or her accumulated seniority within the Dexia Group, is entitled, in the event of dismissal, to a severance payment higher than the aforementioned payment.

Information on internal and external control

Following the withdrawal of its banking licence on 1 January 2024, Dexia replaced the banking prudential supervision framework with an appropriate ad hoc internal and external control framework, enabling it to ensure the sustainability of the resolution, for the benefit of its counterparties as well as the shareholder and guarantor States. Dexia's internal control system still incorporates three lines of defence, including compliance monitoring and AML control procedures.
In addition, an independent Surveillance Committee took office on 1 January 2024 and succeeds banking supervision in a role adapted to the new context.

Internal control

Organisation of internal control

The Group's internal control charter defines the fundamental principles governing the internal control system and applies throughout the Group.
The control system contributes to:
• the effectiveness of the risk management system: the internal control system aims to ensure that Dexia's activities are conducted with a degree of risk management compatible with the level of risk accepted by the Board of Directors,
• compliance with laws and regulations: internal control helps to ensure that Dexia complies with legal and regulatory obligations,
• the efficiency and security of operational processes: internal control contributes to the proper functioning of operational processes and the efficiency of operations, the integrity of information and compliance with decisions taken,
• the accuracy of accounting and financial information: internal control contributes to providing assurance on the relevance, accuracy, regularity, completeness and transparency of the production of accounting and financial information.
The general architecture of the Dexia Group's internal control system is based on a three-tier organisation:
• The **first level of control** is performed by each staff member and their management, in accordance with the responsibilities which have been expressly delegated to them, procedures applicable to the activity they perform, and with instructions provided to them by their management;
• The **second level of control** is performed by specialised functions, independent from the activities controlled or members of staff who are independent from the activities controlled;
• The **third level of control** is performed by the Dexia Group Audit activity line, the task of which is, through periodic checks, to ensure that there is efficient and effective performance of both of the levels of control defined above, within Dexia and its entities.
The actors concerned by internal control are as follows:
• **Staff members and their direct superiors** are responsible for defining and implementing first level controls, as an integral part of their activity, in accordance with regulations. The heads of each activity line are responsible for defining and updating a body of procedures adapted to the complexity and risks associated with their activity.
• **Permanent Control** has the role of challenging key first level controls, implementing second level controls and collecting the results of key second level controls implemented by other specialised functions (for instance: Accounting Control, Validation, Credit Model Control).
• **Compliance** ensures that all the regulations in the fields entrusted to it are applied on a permanent basis and do not, through their absence or non-application, result in the company running risks, either of administrative, disciplinary, financial or even reputational penalty.
• **Internal Audit** considers all the objectives of the organisation, analyses the risks liable to compromise the achievement of those objectives and periodically assesses the robustness of the controls put in place to manage such risks.
Internal control functions are strictly independent of the functions they control and of the day-to-day management of the activity.

Internal control as part of the process of preparing accounting and financial information

The Finance activity line at Dexia is responsible for producing accounting and financial information.
Within the Finance activity line, the Accounting Department is responsible for producing the basic accounting data and the statutory financial statements. It also analyses and checks the accounting data of the branches as part of the process of preparing the statutory financial statements. In collaboration with Management Control, it verifies that the information provided is consistent and complies with the Group's rules.
In addition to the financial statements, Dexia also provides its shareholders, investors and the public with financial indicators, breakdowns and analyses of results, outlooks and risk assessments, which are included in the various external communication media. Most of these financial indicators are provided by the Management Control department. At each stage of data processing, consistency checks are carried out, based on the reconciliation of analytical and accounting information. This reconciliation is an important element of internal control. Some indicators are also provided directly by the operational departments or by the Risk activity line. Their accuracy is then guaranteed by the internal control system of the departments concerned.
The Accounting, Management Control and Communication departments implement cross-checking procedures to ensure the consistency of the accounting and financial information published and made available to the public.

External control

Auditors

The auditors carry out checks on Dexia's financial reports. They are involved in the entire process of checking financial and accounting information with a view to ensuring efficiency and transparency. As part of their due diligence, they analyse the accounting procedures and evaluate the internal control systems necessary for the reliable preparation of the financial statements. They organise summary meetings on the results of their audits and assess the interpretation of standards. Finally, they verify the consistency of the accounting information between the management report and the financial statements. By performing these procedures, they can obtain reasonable assurance that, in accordance with the legal and regulatory provisions governing them, the annual accounts give a true and fair view of the company's assets, financial position and results, and that the information provided in the notes to the accounts is adequate. They issue an opinion on Dexia's statutory financial statements.

Under Article 22 of the company's articles of association, the shareholders' meeting appoints two statutory auditors and two deputy auditors who fulfil the conditions laid down by law and regulations.

The auditors are appointed for six financial years, their term of office expiring after the shareholders' meeting which decides on the financial statements for the sixth financial year.

The auditors are vested with the functions and powers conferred on them by law. Their remuneration is set in accordance with the regulatory provisions in force.

The terms of office of the statutory and alternate auditors were renewed by the shareholders' meeting of 19 May 2020 for a period of six financial years expiring at the end of the shareholders' meeting called to approve the financial statements for the financial year ending 31 December 2025:

- Principal Statutory Auditors: Forvis Mazars et Deloitte & Associés
- Substitute Statutory Auditors: Mr Charles de Boisriou and BEAS

This table provides an overview of the remuneration that the auditors received for their services in 2024 at Dexia.

Remuneration of the statutory auditors for the 2024 financial year

(in EUR thousands)	Forvis Mazars	Deloitte
Certification of the statutory financial statements and limited examination	948	948
Services other than the certification of financial statements	4,5	4,5

Surveillance Committee

Under the supervisory agreement signed on 22 December 2023 between the French and Belgian States and Dexia and Dexia Holding, an independent surveillance committee took office on 1 January 2024. It succeeds banking supervision in a role adapted to the new context and is composed of four members. Two members are appointed by the French State and two by the National Bank of Belgium on behalf of the Belgian State. These four members have been chosen for their solid expertise in banking supervision. They carry out their mission and make their judgements completely independently on the subjects entrusted to them.

This surveillance committee is responsible for ensuring that the fit and proper requirements are met by candidates for the positions of member of the Board of Directors, member of the Management Board and internal control function manager (risk management, compliance, internal audit). It also issues technical opinions on the risk assessment of the Dexia Group and on the risks associated with any project the impact of which on Dexia's balance sheet, income statement, equity or liquidity position could, in the short, medium or long term, result in alert thresholds being crossed. It alerts the Board of Directors if a deficiency concerning the quality of data or tools for monitoring risk indicators or the organisation and internal control mechanisms is observed, or when Dexia's strategic decisions or their execution appear to be incompatible with the orderly resolution plan or the Group's risk appetite framework.

Information on the service contracts binding the members of the administrative and management bodies to Dexia or one of its subsidiaries and providing for the granting of benefits at the end of such a contract

Nil.

Mandates and functions exercised by the authorised representatives during the financial year

In accordance with Article L. 225-37-4 of the Commercial Code, the offices and positions held by each Dexia corporate officer as at 22 March 2025 are listed below.

Mr Gilles Denoyel

Professional address: CBX Tower, 1 Passerelle des Reflets, La Défense 2, 92919 La Défense Cedex
4 August 1954

- Chairman of the Board of Directors of Dexia Holding, independent (non-executive) director
- Member of the Surveillance Committee of Memo Bank
- Director and Chairman of the Nuclear Commitments Monitoring Committee of EDF

Mr Pierre Crevits

Professional address: CBX Tower, 1 Passerelle des Reflets, La Défense 2, 92919 La Défense Cedex
23 May 1967

- Chief Executive Officer and Chairman of the Management Board of Dexia Holding
- Chairman of the Board of Directors of Namur Invest SA

Mr Giovanni Albanese Guidi

Professional address: CBX Tower, 1 Passerelle des Reflets, La Défense 2, 92919 La Défense Cedex
22 February 1959

- Executive director and member of the Management Board of Dexia Holding

Mrs Véronique Hugues

Professional address: CBX Tower, 1 Passerelle des Reflets, La Défense 2, 92919 La Défense Cedex
28 May 1970

- Executive director and member of the Management Board of Dexia Holding
- Permanent representative of Dexia Holding, permanent establishment in France

Mrs Anne Blondy-Touret

Professional address: 139 Rue de Bercy, 75572 Paris
7 October 1978

- Non-executive director of Dexia Holding
- General Secretary of the Economic and Finance Ministries, France

Mr Alexandre De Geest

Professional address: Avenue des Arts 30 – 1040 Brussels (Belgium)
5 February 1971

- Non-executive director of Dexia Holding
- CEO of SFP Finances-Trésorerie
- Chairman of the Financial Instruments Protection Fund
- Chairman of the strategic committee of the Federal Debt Agency
- Member of the Nuclear Provisions Commission

Mme Alexandra Serizay

Professional address: Tour CBX Tower, 1 Passerelle des Reflets, La Défense 2, 92919 La Défense Cedex
31 March 1977

- Independent (non-executive) director of Dexia Holding
- Director of Cofiroute (Vinci Autoroutes Group)
- Director of ASF (Vinci Autoroutes Group)

The French State represented by Victor Richon
Professional address: 139 Rue de Bercy, 75572 Paris Cedex 12
5 May 1993
- Non-executive director of Dexia Holding
- Deputy Director of Investments ad interim at the State Participations Agency (APE)
- Director, State representative at Française des Jeux
- Director, State representative at IN Groupe
- Director, State representative at Radio France
- Director, State representative at SEMMARIS

Mrs Tamar Joulia-Paris
Professional address: 25 Avenue des Statutaires, 1180 Uccle (Belgium)
5 October 1952
- Independent (non-executive) director of Dexia Holding
- Executive director of TJ Capital
- Independent (non-executive) director of Greenomy

Mrs Filiz Korkmazer
Professional address: 30 Avenue des Arts, 1040 Brussels (Belgium
20 April 1979
- Non-executive director of Dexia Holding

Information on non-regulated agreements

Article L.225-102-1 of the Commercial Code requires companies to indicate in their management report the agreements, directly or through intermediaries, between:
- on the one hand, a director, the CEO, one of the Deputy CEO's of the company or one of its shareholders with more than 10% of the voting rights; and
- on the other hand, another company in which the company directly or indirectly holds more than 50% of the capital.

Agreements relating to current operations concluded under normal conditions do not need to be mentioned.

Current delegations granted by the shareholders' meeting

Nil

Factors likely to have an impact in the event of a public purchase or exchange offer (article L 225-37-5)

Nil

Proposed resolutions which will be submitted to the combined shareholders' meeting

By virtue of the ordinary shareholders' meeting:

Proposal for the approval of the annual financial statements

The ordinary shareholders' meeting, after hearing the reports of the Board of Directors, the Chairman of the Board of Directors and the Auditors, approves the annual financial statements as at 31 December 2024 as presented to it, with all the transactions reflected in those financial statements or mentioned in the said reports, showing a deficit of -266,502,524.44.
The ordinary shareholders' meeting approves the total amount of non-deductible expenses and charges from profits subject to corporation tax (Article 39 of the General Tax Code), amounting to EUR 69,331.68..

Proposal for the approval of the regulated agreements

The ordinary shareholders' meeting, having heard the reading of the special report of the Auditors on the regulated agreements and commitments referred to in Article L. 225-38 of the Commercial Code, approves under the conditions of Article L. 225-40 of the same code the regulated agreements and commitments indicated therein.

Proposition to discharge the executive officers

The ordinary shareholders' meeting, as a consequence of the approval of the preceding resolutions, gives full and unreserved discharge to the executive officers for the performance of their duties for the financial year ending 31 December 2024.

Proposition to discharge the CEO and Deputy CEOs

The ordinary shareholders' meeting, as a result of the approval of the previous resolutions, gives full and unreserved discharge to the CEO and to the Deputy CEOs for the performance of their duties for the financial year ended 31 December 2024.

Proposal to allocate the result

The ordinary shareholders' meeting decides to fully allocate the loss for the financial year, amounting to EUR -266,502,524.44, to the retained earnings account.
Following this allocation, the retained earnings account will show a positive balance of EUR 857,058,781.35.
The shareholders' meeting notes, in accordance with Article 243 bis of the General Tax Code, that no dividend has been distributed over the past three financial years.

Proposition for certification of the financial statements by the Auditors

The ordinary shareholders' meeting, in accordance with the provisions of Article L. 822-14 of the Commercial Code, notes that the annual and consolidated financial statements for the financial year ending 31 December 2024 are certified by the statutory auditors:

- Mr Franck Boyer and Ms Laurence Karagulian, partners, representing the company Forvis Mazars, on the one hand; and
- Ms Charlotte Vandeputte, partner, representing the company Deloitte & Associés, on the other hand.

Proposition to renew the mandates of directors

The ordinary shareholders' meeting decides, in accordance with the provisions of Article L.225-18 of the Commercial Code, to renew the mandates of directors which are due to expire, until the ordinary shareholders' meeting to be held in 2029 and called to approve the financial statements for the financial year ending 31 December 2028.

For the extraordinary shareholder's meeting

Proposal to amend Article 16 of the Articles of Association

Statutory Auditors' special report on regulated agreements

Shareholders' Meeting held to approve the financial statements

To the shareholders,

In our capacity as statutory auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements and commitments are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements and commitments, if any.

It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (Code de commerce), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We performed the procedures that we considered necessary with regard to the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

Agreements submitted to the approval of the Shareholders' Meeting

Pursuant to Article L. 225-40 of the French Commercial Code, we hereby inform you that we were not advised of any agreement authorized and entered into during the past fiscal year that should be submitted to the approval of the Shareholders' Meeting.

Agreements previously approved by Shareholders' Meeting

Agreements approved in previous years, with continuing effect during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, previously approved by Shareholders' Meetings of prior years, had continuing effect during the year:

Monitoring Agreement

The Monitoring agreement between the Kingdom of Belgium, the French Republic, Dexia Holding (ex Dexia SA) and Dexia (ex Dexia Crédit Local) was concluded on December 22, 2023. This will allow the pursuit of the orderly resolution plan for Dexia (ex Dexia Crédit Local) and for the states as well as the correct assessment of Dexia (ex Dexia Crédit Local) by its counterparts in a supervisory framework designed to replace the banking prudential framework.

Remuneration paid to members of the Supervisory Committee for the 2024 financial year was €73,600.

State guarantee agreement for the refinancing of Dexia Holding (ex Dexia SA) and Dexia (ex Dexia Crédit Local)

As at December 28, 2012, the European Commission advised its agreement to the revised orderly resolution plan for the Dexia Group submitted by the Belgian, French and Luxembourg States on December 14, 2012. This approval resulted in the implementation of the arrangements for the tripartite guarantee granted by the Belgian, French and Luxembourg States, capped at EUR 85 billion, based on the following allocation key: 51.41% for Belgium, 45.59% for France and 3% for Luxembourg.

The guarantee fee on the outstanding debt issued will be calculated based on an annual rate of 5 basis points compared with 90 basis points previously under the temporary guarantee.

The cost of the guarantee for 2024 is calculated based on Amendment No. 2 to the Guarantee Agreement (see next paragraph).

Your Board of Directors authorized this agreement on December 19, 2012.

Amendment no. 2 to the Guarantees Issuance Agreement and the amended and reworded version of the Guarantees Issuance Agreement

On September 7, 2021, the Board of Directors of Dexia (ex Dexia Crédit Local) authorized the signature of Amendment no. 2 to the Guarantee Issuance Agreement as well as the amended and reworded version of the Guarantees Issuance Agreement itself between Dexia (ex Dexia Crédit Local), Dexia Holding (ex Dexia SA), the Kingdom of Belgium and the French Republic (the Agreements).

The guarantee is extended to December 31, 2031 and retains most of its current characteristics and therefore remains joint, unconditional, irrevocable and on first demand. The following changes were however made: (i) the new guarantee ceiling is €75 billion; (ii) the Luxembourg State no longer participates in the guarantee mechanism. Its 3% share is divided between the Belgian and French States in proportion to their respective shares of 53% and 47%; (iii) the guarantee remuneration remains at 5 basis points per annum on the guaranteed outstanding amounts, payable monthly. This commission will be increased by a conditional deferred commission payable on the liquidation of the Group and provided that Dexia (ex Dexia Crédit Local) no longer holds a banking license. The pricing of this commission will be progressive from 2022 and will reach an annual rate of 135 basis points on outstanding amounts in 2027.

In addition to the adaptations detailed above (duration, ceiling, exit of Luxembourg and deferred commission) other amendments are included to take account of technical imperatives applicable to Dexia (ex Dexia Crédit Local): (i) hedging of intraday overdrafts in euros and foreign currencies, not necessary for euro amounts under the 2013 Agreement as Dexia (ex Dexia Crédit Local) could access the ECB Target 2 payment system (no longer the case from January 1, 2022). The 2021 Agreement provides for a specific ceiling of €3 billion (out of a total amount of €75 billion) which may be used for this purpose and will be the subject of specific documentation and reporting; (ii) the self-underwriting capacity for Dexia (ex Dexia Crédit Local) and its subsidiaries to subscribe.

The Board of Directors also validated the completion and signature of all documents appended to the aforementioned contracts, in the context of Amendment no. 2 to the Guarantees Issuance Agreement (that is amendments no. 2 to the subordinated pledge agreement on financial instruments accounts and the assignment agreement guaranteeing receivables, both between Dexia (ex Dexia Crédit Local) and Banque de France, the operational memorandum between the States, Dexia Holding (ex Dexia SA) and Dexia (ex Dexia Crédit Local) and the reporting protocol between the States, Dexia Holding (ex Dexia SA) and Dexia (ex Dexia Crédit Local)).

As of December 31, 2024 the cost of the guarantee for Dexia (ex Dexia Crédit Local) amounted to EUR 18.8 million and the cost of the conditional deferred commission amounted to EUR 64,8 million.

Agreements approved in previous years, without continuing effect during the year

In addition, we have been informed of the following agreements, previously approved by Shareholders' Meeting of previous years, which had no effect during the year.

Agreement allowing Dexia (ex Dexia Crédit Local) to use subsidiaries' receivables as collateral

In order to reduce Dexia's (ex Dexia Crédit Local) financing needs, it was decided to mobilize the eligible assets of Dexia and its subsidiaries as collateral for financing or issues guaranteed by the States.

Dexia (ex Dexia Crédit Local) mobilized the subsidiaries' assets under market conditions throughout 2019.

These transactions were authorized by your Board of Directors on February 23, 2012 and have not resulted in the signature of any formal agreements, are no longer valid and did not have any impact in 2024.

Litigation management agreement for disputed loans

On January 31, 2013, DMA, Dexia (ex Dexia Crédit Local) and SFIL signed an agreement for the management of litigation relating to disputed loans. The purpose of this agreement is to establish the procedures for managing all judicial (other than criminal) and administrative proceedings relating to loans recorded on DMA's balance sheet on the date of sale of the SFIL shares until maturity of all such loans.

This agreement was authorized by your Board of Directors on January 15, 2013 and had no impact in 2024.

Intra-group netting agreement between Dexia (ex Dexia Crédit Local), Dexia Holding (ex Dexia SA), Banque Internationale à Luxembourg S.A. (hereafter "BIL"), Belfius Banque SA/NV (hereafter "Belfius") and Crediop

The Dexia Group Master Netting Agreement ("DGMNA") was concluded on November 2, 2009 between Dexia (ex Dexia Crédit Local), Dexia Holding (ex Dexia SA), BIL, Belfius and Crediop.

The DGMNA allows the parties to offset amounts due in the context of transactions governed by different agreements, such as in particular the ISDA Master Agreements or other master agreements on financial instruments ("Main Agreements"). The main purpose of the DGMNA is to allow netting in the event of default by one of the parties. It therefore only allows netting when the transactions governed by the Master Agreements are accelerated, terminated, liquidated or cancelled (hereafter "Close Out").

When a party is in default according to the DGMNA, each of the other non-defaulting parties may elect to Close Out all transactions governed by the Master Agreements to which that non-defaulting party is a party.

BIL and Belfius are no longer part of the DGMNA since January 29, 2014 and November 2, 2015 respectively.

This agreement was approved by the Shareholders' Meeting of May 19, 2015 based on the Statutory Auditors' special report of March 31, 2015.

In the absence of default by the companies concerned, this agreement had no effect in 2024.

Intra-group netting agreement between Dexia, Dexia Holding (formerly Dexia SA), Banque Internationale à Luxembourg S.A. (hereinafter 'BIL'), Belfius Banque SA/NV (hereinafter 'Belfius'), and Crediop.

Paris La Défense, April 25, 2025

The Statutory Auditors

Forvis Mazars SA		Deloitte & Associés
Laurence KARAGULIAN	Franck BOYER	Charlotte VANDEPUTTE

2024

Corporate social and environmental responsibility report

Corporate social and environmental responsibility report

Preamble

As indicated in the "Dexia Profile" section of this Annual Report, the Dexia Group is implementing the orderly resolution plan validated by the European Commission in December 2012. This implementation is reflected in particular by:

• The fact that the Dexia Group no longer has any commercial activity and is fully dedicated to the management of its asset portfolio in run-off. Dexia therefore no longer has any new customers and no longer grants any new financing. In addition, it has adopted a dynamic policy of reducing its portfolio and its risks.

• The gradual and constant reduction of the scope of the Dexia Group, which is taking the form of the simplification of its international network and the centralisation of its activities, the closure or sale of subsidiaries and branches, as well as the outsourcing of certain production activities.

• .The orderly resolution has direct consequences in terms of the impact on Dexia's corporate social and environmental responsibility. Historically, Dexia was mainly active in the financing of the public sector, in particular States, regions and local authorities, which results in a high exposure to those sectors. Financing of the industrial sector, although it existed, remained very marginal.

Furthermore, Dexia is not in a position to support new sustainable or innovative projects, or to participate actively in the current ecological transition through the granting of financing. For the same reason, Dexia does not have access to the market to finance itself through the issuance of sustainable bonds *(green bonds)*.

Moreover, as Dexia does not have a network of branches and does not provide universal or private banking services, it is not exposed to the risks associated with those types of activities. Dexia does not manage individual deposits or bank accounts. There are no physical or virtual branches and Dexia does not market any technological applications which would allow remote access or account management, for example.

Finally, as an entity in resolution, Dexia is sensitive to social and staff issues. Specific support has been implemented to limit and manage HR risks.

With regard to the CSR commitment of its stakeholders, Dexia ensures that its subcontractors and suppliers respect their CSR commitments by systematically adding clauses to the contracts concluded and by having them sign its responsible purchasing charter.

In terms of customers and projects financed, Dexia is required to honour its contractual commitments until their term, irrespective of the resulting aspect of corporate social responsibility.

With a workforce of 362 and 407 staff members respectively as at 31 December 2024, Dexia and its parent company Dexia Holding are not among the large groups subject to the reporting obligations of the Corporate Sustainability Reporting Directive (CSRD) for the 2024 financial year[1].

(1) Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014 and Directives 2004/109/EC, 2006/43/EC and 2013/34/EU in relation to the publication of sustainability information by companies.

Furthermore, on 26 February 2025, the European Commission published an Omnibus bill including amendments to the CSRD, CS3D directives and the Taxonomy Regulation. The proposed text provides for a simplification of the three aforementioned texts and a significant reduction in the scope of application *rationae materiae*. Subject to the adoption of the Omnibus law, Dexia Holding and Dexia would (i) be exempted from producing a sustainability report under the CSRD in 2026 and 2027, and (ii) would be outside the scope of the CSRD, as both entities fall below the threshold of 1,000 staff members.

Dexia nevertheless wishes to communicate transparently on the issues and topics which are applicable and relevant to it, in particular through the voluntary publication of this report.

Social and staff questions

Key social data

At the end of 2024, the Dexia Group has 407 staff members of 27 different nationalities, spread across 8 countries. 41 people are based in Belgium. In France, Dexia's total workforce is 334 people as of 31 December 2024, compared with 350 at the end of 2023.

A reduction in the workforce is recorded in the Group's three main entities in 2023, namely in France within Dexia, in Belgium within Dexia Holding and in Italy within the branch of Dexia, which succeeded Dexia Crediop on 1 October 2023. Also of note is the transfer, in February 2024, of 8 members of staff from the Dublin branch to Mount Street, which took over the management of Dexia's bond portfolio. In 2024, Dexia also welcomed 32 new staff members, including 10 on permanent contracts. 47% of these new recruits are women.

BREAKDOWN OF STAFF MEMBERS BY ESTABLISHMENT AND GEOGRAPHICAL LOCATION

	2023	2024
Dexia Holding (Belgium)	45	41
Dexia (France) (excluding seconded / expatriate staff members)	350	334
Dexia Rome Branch (Italy)	64	7
Dexia Dublin Branch (Ireland)	16	6
Dexia Holdings Inc. (USA)	11	11
Other establishments / countries	8	8
TOTAL	**494**	**407**

STAFF MOVEMENTS OVER THE ENTIRE GROUP

	2023	2024
ITC recruitments	24	10
Individual ITC redundancies	2	2
Economic ITC redundancies	7	62
ITC resignations	27	14
DTC recruitments (including work students)	30	22
End of DTC (including work students)	25	28
Others[2]	14	13

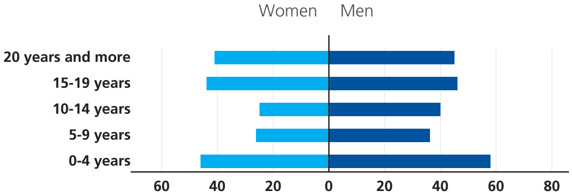
(2) The 13 "other departures" correspond to 1 retirement, 1 end of trial period, 2 contractual terminations and 8 TUPE-transfers (Transfer of Undertakings Protection of Employment rights) less 1 return from expatriation.

BREAKDOWN OF STAFF MEMBERS BY CATEGORY AND GENDER

	2023			2024		
	Women	Men	Total	Women	Men	Total
Management Board	1	5	6	1	5	6
Executives	180	225	405	165	193	358
Staff members	37	46	83	16	27	43
TOTAL	**218**	**276**	**494**	**182**	**225**	**407**

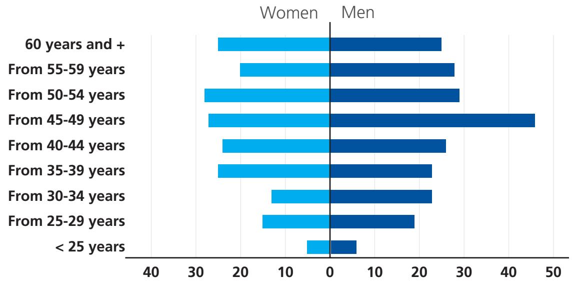
The overall distribution of staff members between men and women is 55.28% and 44.72% respectively.

LENGTH OF SERVICE PYRAMID AS AT 31 DECEMBER 2024



At the end of 2024, the average length of service of the Group's staff members is 13 years. In total, almost 41% of staff members have been with the Group for less than ten years.

AGE PYRAMID AS AT 31 DECEMBER 2024



The average age is 46 years

Issues

The orderly resolution plan implemented since 2012 has significant social consequences which Dexia wishes to anticipate in the best possible way. On the other hand, through its constant transformation, the Group ensures the versatility and employability of its staff members so that they continue to be part of a scheme of development and mobility.
Maintaining a calm social climate remains a major objective in the pursuit of the orderly resolution, while ensuring that the commitments made by the States to the European Commission in December 2012 are honoured.
The management is therefore committed to enhancing the attractiveness of Dexia Holding and Dexia, promoting professional opportunities within the Group and ensuring that staff members have the best possible visibility regarding job prospects. Training and the development of individual and collective skills are therefore two fundamental aspects of this plan.

Policies put in place

StOpE initiative

Since 2023, the Group has been a signatory of the #StOpE charter with the aim of committing to the fight against everyday sexism.
This initiative makes it possible to pool energies in order to fight against everyday sexism at work and to spread actions and good practices on this subject. It brings together a network of employers who are committed to the eight principles defined by the #StOpE charter of commitment:
- displaying and applying the principle of zero tolerance,
- informing, to raise awareness of sexist behaviour (actions, words, attitudes) and their impact,
- providing targeted training on the obligations and good practices of the fight against everyday sexism,
- distributing educational tools to staff members to help them deal with sexist behaviour in the workplace,
- encouraging all staff members to contribute, prevent and identify sexist behaviour and to react to everyday sexism,
- preventing situations of sexism and providing personalised support to victims, witnesses and decision-makers in reporting and dealing with sexist behaviour,
- sanctioning reprehensible behaviour and communicating the associated sanctions,
- measuring and implementing monitoring indicators.

Dexia is still a member of this initiative and took part in the movement's annual ceremony on 25 January 2024.

Barometer and HR action plan

Eager to take care of its staff members and identify possible risks within its teams, Dexia set up a barometer in 2020, which makes it possible to monitor indicators around six themes: management, mood, hybrid working, strategy, working conditions and team cohesion.
The two barometers organised in March and July 2024 were conducted with an average satisfaction rating of 4/5.
The results made it possible to identify needs in these different areas and to raise management's awareness in case of a situation requiring joint HR/management action.
A customised training programme is also offered on the basis of the results. Awareness-raising activities, in the form of workshops or webinars, have addressed topics such as work-life balance, stress management, project management and remote management (cf. the chapter on "Training policy").

Leadership model

In order to share a common understanding, the leadership model defines each of the values – being agile, promoting cohesion, committing to the general interest and cultivating trust –, indicates the convictions which underlie each of them and details the behaviours which illustrate them so that the values are live on a daily basis within the company. To facilitate understanding and support the adoption of the model, transversal competences and personal qualities have been defined.
A key element of the Group's strategy, the model emphasises how the mission entrusted to it by the Belgian and French States is accomplished by answering the question "how".
In order to embody these values and to integrate them into everyday professional practices, the leadership model feeds into the human resources processes of recruitment, integration, training and performance. In particular, the model makes it possible to validate the commitment of future staff members, to acclimatise newcomers and to support the

development of skills and interpersonal skills derived from the model through training. The values are also integrated into the annual staff appraisals and objectives.
The year 2024 was marked by the organisation of a connected and fun challenge, thus reinforcing staff members' knowledge of the values and expected behaviours. All staff members were invited to take up several challenges as a team on Dexia's values, lasting four weeks.

Training policy

Dexia seeks to offer all its staff members an environment in which each individual can develop their skills so as to contribute to the transformation of the Group and work on their own employability.
Each staff member is offered a wide range of training and development opportunities, through close collaboration between the Human Resources department, department heads and direct managers. In this way, Dexia aims to develop and maintain the expertise of each individual in line with developments in the various professions, guaranteeing performance and employability.
A skills development plan has been drawn up on a common basis for Dexia Holding (Brussels) and Dexia (Paris). The other entities in the Group define their own training activities in order to respond in the manner best suited to their particular situation and local needs.
Comparing figures on training between entities is not very relevant to the extent that the definition and rules applicable to training differ from one country to another.
In 2024, and in line with previous years, the Human Resources department has structured its action plan around seven training areas:
- developing skills and promoting internal mobility in order to maintain employability,
- supporting managers in Dexia's transformation,
- managing change,
- bringing the leadership model and expected behaviours into life in line with values,
- continuing the roll-out of the women's leadership programme,
- continuing to detect and prevent psychosocial risks, with a focus on well-being at work,
- promoting the development of seniors' skills and preparing them for retirement.

From these axes, there stems a training offer deployed in the internal training tool which allows each staff member and manager to follow their actions and training requests in real time.
In 2024, 62 collective programmes were rolled out, supporting major company initiatives and agreements, the implementation of regulatory and compliance measures, professional training, change management, managerial skills and personal development, as well as language and office automation training.
More particularly, some tailored training courses were organised:
- reinforcing training activities in foreign languages (French, Dutch, English, Spanish and Italian) with the aim of adaptation to the workplace,
- developing training activities leading to certification and qualifications,
- developing professional training such as the continuation of training in French GAAP, Belgian GAAP and banking accounting standards and the introduction of IFRS sessions in order to maintain expertise in these subjects.

Finally, to meet the needs of the various business lines, staff members have the option of registering individually for training courses and conferences given by external training organisations.
Within the framework of the training academy, a community of internal trainers provides training with the aim of:
- encouraging knowledge transfer (operational continuity),
- encouraging transversality by developing more generalist profiles,
- developing the knowledge and skills of newcomers,
- promoting professional knowledge and expertise,
- making staff members actors of transformation,
- bringing the values of the leadership model to life

In 2024, 14 training sessions were organised as part of this training academy

Internal mobility, recruitment and skills developmen

Internal mobility, recruitment and employer branding

Within the context of its resolution, Dexia offers specific professional opportunities, presenting a wide variety of missions and a comprehensive vision of financial professions.
This year, the Group has supported internal mobility and the use of the internal talent pool (trainees, work-study trainees, VIE volunteers or consultants) in order to promote skills development. As a result, 18 internal transfers and two staff recruitments from the internal talent pool took place in 2024. When the required skill was not available internally, the Group adopted a proactive and selective strategy of searching for candidates externally.
Within Dexia Holding and Dexia, the entire recruitment process is managed internally by a dedicated team. The team relies on various CV databases and a solution which allows it to post job advertisements on several channels simultaneously and to process applications received online. Given their size and recruitment volume, the other entities in the Group have chosen to outsource their recruitment activities in order to optimally meet their internal skills needs.
In order to optimise its recruitment and employer brand activities and to increase its appeal to candidates, Dexia maintained its presence on social networks and its partnerships with recruitment sites and organisations in 2024 (LinkedIn, APEC, Efinancial, Jobteaser, Dog Finance).
Dexia's presence on the LinkedIn social network allows it continuously to post job offers and relay company news, internal events and recruitment-related events in order to attract a large number of candidates. Around fifty posts were published on the company's LinkedIn page in 2024. Potential candidates have the option of being alerted after each publication. In total, just over 2,500 people subscribed to the Dexia page during 2024, bringing the total number of subscribers to 21,952.
In addition, members of the Recruitment team participated in the following forums:
- Forum Objectifs Emploi of Paris 1 Panthéon Sorbonne,
- *Talent For Finance* fair organised by AGEFI at the NEWCAP Event Centre,
- Seekube and Hellowork virtual forum dedicated to the auditing and finance professions,
- Virtual Career Fair organised by Job Teaser,
- ESSEC's Apprenticeship Week.

These forums provided a chance to present the opportunities within the Group and to meet new talent.
Three interviews also appeared in the student press at "Le Monde des Grandes Écoles". The CEO, the director of the Assets division and the director of Purchasing spoke about their experience at Dexia and the advantages of joining Dexia.

In addition, the Recruitment Manager took part in the filmed interview "Give me Five" on the website of the elite educational institution "Le Monde des Grandes Écoles", which allows the general public to learn more about Dexia and to understand its news and values through a question and answer session.
In addition, Dexia apprenticeship supervisors took part in "flash interviews"' produced by Jobteaser, highlighting the positions available on work-study programmes.
In order to measure the quality of the candidate experience, the Recruitment team participated in the HappyIndex Candidates Label awarded by Choose my Company. Created in 2019, this label is unique on the market today. Through 16 questions, it explores and values the attention and respect given to each candidate. Dexia obtained a score of 8.9/10 and a recommendation rate of 94.7%. In addition, the team also obtained the HappyIndexTrainees Alternance Label, which measures the satisfaction of work-study trainees and interns within the company. Dexia obtained a score of 8.8/10 and a recommendation rate of 85%.
Finally, in collaboration with the Communications department, the "Welcome@Dexia" induction event for new staff members allows for customised *onboarding* for better integration.

Staffing committee

A staffing committee meets regularly, several times a year, to address one of Dexia's major objectives: the development of transversality, skills and employability of staff members.
This committee, which is part of the Executive Committee, aims to promote the use of internal talent and encourage staff mobility, prioritising the search for external candidates. It examines all requests for internal mobility made by any staff member or manager (change of sector, job). It also aims to propose options for unsolicited mobility in order to promote the broadening of skills within the Group.

Skills development

Through their contribution, staff members enable Dexia to perform its mission for its shareholders and guarantors. In order to assess whether the objectives and the quality of this contribution are properly understood, staff members are assessed annually by their managers through individual interviews. The annual interview is a special opportunity for discussion, allowing the staff member and their manager to look back on the past year, discuss objectives for the coming year and review the professional career path, training wishes, career development and expectations of each individual. Particular attention is also paid to the workload and the work-life balance.
Within Dexia Holding and Dexia, annual assessments and objectives (both professional and behavioural) are entered by managers and staff members in a specific tool. Business objectives derive from the strategic orientations and are linked to the professional activity of the Group's staff members. Behavioural objectives are defined for each staff member based on the Group's values. Specific objectives are assigned to staff members with responsibilities as operational risk correspondents and permanent control referents in order to guarantee compliance rules within the Group. This entire system allows for the reinforcement of individual monitoring of each staff member and managerial involvement as well as performance monitoring and aims to ensure the collaboration of each individual towards the common objective.
Furthermore, as part of professional support and talent development, the Human Resources department conducts professional interviews with each staff member every two years. The purpose of these regular individual interviews is to review the staff member's career path and, with strict confidentiality, to consider their prospects for professional development by defining the associated training resources. It also provides an opportunity to discuss the various aspects of professional life: job content, management, remuneration, work-life balance and career plans. During career interviews, the various French legal training schemes (VAE, CPF, CEP, professional transition projects, and so on) are also discussed so that each staff member knows which schemes they can apply for to receive support in their professional career.
In addition, career interviews can be held at any time with the Human Resources department to address the same points mentioned above.

Prevention of social risks, health and safety

Eager to follow the policy of prevention of psychosocial risks which it has been following for several years, Dexia renewed the support and prevention measures for psychosocial risks implemented in Brussels and Paris in 2024. Several channels for reporting information currently enable the detection of these risks within the entities (business partners, occupational medicine, social workers, staff representatives, and so on).
As for prevention, a number of measures have been put in place within the entities, particularly preventive medical consultations, the provision of a psychological and social support service, yoga classes, ergonomic advice and a system dedicated to supporting staff members leaving the company for economic reasons.
The Dexia Group also organises regular conferences to raise staff member awareness of psychosocial risks, conferences on well-being and quality of life, training and practical workshops on stress management and sleep-stress interactions, as well as coaching sessions.
Reported stress situations are managed and supported by various means: interviews with the Human Resources department, coaching and psychological support measures.
The Group entities comply with local regulations in force and apply specific procedures relating to the health and safety of staff members at work. Documents relating to health and safety at work are accessible on the intranet and are updated annually. In addition, the single risk assessment and prevention document has been updated for the year 2024.
Individualised monitoring by the Human Resources department is carried out in the event of the detection of a potential situation of psychosocial risks.
The number of workplace accidents recorded at Group level is extremely limited and therefore not significant.

Remuneration policy

The scheme in place within the Dexia Group stipulates that the Appointments and Remuneration Committee prepares all matters relating to remuneration policy. Its proposals are then submitted to the Board of Directors, which decides on the appropriate measures.
Following the withdrawal of its banking licence and investment services authorisations on 1 January 2024, banking regulations, namely CRD IV & V and their national transpositions, no longer apply to Dexia.
However, the Dexia Group wishes to maintain sound remuneration practices and ensures that the best use is made of public funds in this area. Defined in accordance with the commitments made to the Belgian and French States and to the European Commission, Dexia's new remuneration policy, validated by the Board of Directors on 13 December 2024, is transparent and implements the main remuneration principles.

Average annual remuneration

An aggregation of remuneration appears to be irrelevant at a Group level as the allocation and calculation rules differ between entities. The figures relating to remuneration are therefore not communicated.

Social dialogue

All the Group's social negotiation bodies meet to discuss the financial situation and transformation, as part of the reorganisation linked to the Group's resolution.
Furthermore, the Group recognises, promotes and respects freedom of association and the right to collective bargaining. All staff members may establish or join a trade union organisation of their choice. Within the framework of the laws and regulations applicable to it, the Group also recognises and respects the right of its staff members, within the framework of collective bargaining relating to the employment relationship, to be represented by their trade union(s).
In 2024, the Dexia Group endeavoured to maintain a high level of social dialogue. To that end, all meetings of the works council and the committee for prevention and protection at work in Brussels, the social and economic committee and the health, safety and working conditions committee in Paris were held in person, by videoconference and conference call, allowing elected representatives to express their views at these monthly sessions. The staff representative bodies were systematically informed of developments within the company and were also consulted on decisions affecting staff members' working conditions.
Furthermore, in order to meet the obligations when consulting the body in a hybrid mode of operation (teleworking and face-to-face), a remote voting platform has been set up at Dexia in Paris, a practice which has proved to be a success.
In addition, the forward-looking management agreement for jobs and skills (GPMC) continues to apply and provides visibility and support for all staff members. This agreement is essential:

- for the company, in order to prevent and anticipate future developments affecting jobs and working methods,
- for staff members, in order to have visibility on the evolution of their profession and their skills.

Policy regarding equality of treatment

Professional gender equality

The Dexia Group pursues a proactive policy aimed at promoting professional equality between men and women. This commitment is reflected in the adoption of concrete actions in the areas of communication, recruitment, professional training, career management-mobility-promotions, work-life balance and remuneration. Indicators enable this policy to be monitored annually. As such, Dexia obtained a score of 93/100 in 2024 for its professional equality index.
Dexia is committed to reducing the gender pay gap by taking into account a range of factors (including gender, age, occupation, experience, classification and performance) in the analysis and implementing the necessary corrective measures. For example, an "equality package" aimed at reducing the gender pay gap is negotiated with the social partners every year.
In 2021, a professional equality agreement was signed unanimously by management and the trade unions. It is part of the continuity of the actions in which Dexia has been engaged for several years to promote professional equality.
Key measures have been adopted, such as improving the salary increase for part-time work, increasing the value of service employment vouchers and setting up a childcare solution for staff member.
Through this agreement, Dexia has committed to raising awareness among all staff members and managers of issues related to gender equality and to developing coaching programmes for women managers.
In 2022, a campaign to raise awareness of gender equality was launched. Managers and staff members had access to dedicated e-learning on their training platform.
At the same time, from September 2022 until January 2025, around 150 women took part in a leadership programme aimed at supporting them in developing their leadership, their influence and their ability to drive change. The programme consists of eight half-day training sessions in small groups.
During the various participative and interactive sessions, the participants had the opportunity to:

- meet and exchange ideas with inspiring personalities at conferences and informal gatherings,
- work on different topics with expert speakers in workshops: self-confidence, networking, negotiation, decision-making, leadership, and so on,
- share their experience, in a supportive environment, through co-development sessions.

More information on the diversity policy applied to the members of the board of directors and the management committee is provided in the section "Report on Corporate Governance" of this Annual Report.

Activities of the professional network for women

Created in 2018 on the initiative of a dozen or so female staff members, Dexi'elles, the Group's professional women's network, aims to help the women of Dexia to affirm their ambitions and to encourage them to meet each other to exchange and share their experiences, in order to get to know each other better and optimise their career development. Dexi'elles, which had around 75 members at the end of 2024, is behind a number of initiatives (workshops, mentoring programme, conferences with inspiring women, and so on). The Dexi'elles women's network also reinforces Dexia's attractiveness as an employer.

Actions in favour of younger staff measures

In Paris, Dexia welcomed ten new young people on work-study contracts (apprenticeship or professionalisation contracts) in September 2024 for 12 or 24-month contracts. Six work-study students have started their 2nd or 3rd year of contract. Dexia is therefore supporting 16 work-study trainees in various teams: Operational Risks, ALM Risks, Market Accounting, Purchasing, Credit Risks.
The Recruitment department ensures that these young people are well integrated, and offers activities to promote cohesion between them. Enhanced monitoring has been set up for work-study trainees, via quarterly interviews with the Recruitment department.
In partnership with APEC, the Recruitment team also organised a workshop entitled "Objectif 1er emploi" (Objective: First Job) at Dexia's offices in Paris. Led by an APEC consultant, this workshop provided work-study students and interns with a range of tips to help them succeed in their job search after their time at Dexia.
Finally, Dexia welcomed five new international corporate volunteering programme participants (*volontariat international en entreprise* – VIE) for a period of twelve months in Brussels, and one VIE participant for a period of twelve months in Dublin. Three VIE participants were extended in Brussels.

For each of the young people who have completed an internship, work-study programme or VIE contract at Dexia, an individual discussion with the Recruitment department is planned. This provides an opportunity to take stock of their experience at Dexia, the strengths and areas for improvement.

Combating other forms of discrimination

The Dexia Group respects all measures in force locally to combat discrimination.
In particular, Dexia promotes and respects the stipulations of fundamental agreements of the International Labour Organisation relating to freedom of association, the right to collective bargaining and the elimination of discrimination at work.
Dexia has also appointed a disability representative to guide, inform and support people with disabilities within the company.
Dexia's workforce is diverse and multicultural. The group has 27 different nationalities among its staff members and can draw on the expertise of senior staff: staff members over the age of 55 represent 23% of the workforce.

Combating sexual harassment and sexist acts

Dexia has appointed two representatives for sexual harassment and sexist behaviour, one representing the Management and one representing the Social and Economic Committee of Dexia. Their appointment was communicated to all Group staff members via the intranet and relayed on social networks. These representatives have also received the appropriate training.
The representatives met with the Human Resources department to define each person's role, the procedure to follow in the event of a report and the awareness-raising actions to be carried out with staff members.
In addition, a communication is posted on the intranet on a regular basis to remind staff members of the existence of these representatives and to specify their role and the channels of communication with them.

Human rights

Dexia carries on its activities respecting human rights. A breach of this commitment could tarnish Dexia's reputation and result in administrative, judicial or criminal sanctions. To protect itself from all indirect risks related to the activities of its suppliers, a code of ethics concerning the Dexia Group's relations with suppliers imposes numerous obligations with regard to human rights and, in particular, the obligation:

- not to use or allow its own suppliers and subcontractors to use child labour (under the age of 15) or forced labour,
- to observe all legislative and regulatory provisions aimed at ensuring that its staff have healthy and safe working conditions and environment with respect for individual and collective freedoms, particularly with regard to the management of working hours, remuneration, training, trade union rights, health and safety,
- to observe all legislative and regulatory provisions on discrimination (whether sexual, ethnic, religious, political or otherwise) in terms of hiring and personnel management,
- not to practice or to support any psychological or physical coercion or humiliating or vexatious verbal abuse,
- to comply with the provisions of labour law in force both when hiring staff and during the course of the employment contract.

In addition, in 2021 the Purchasing department of the Dexia Group adopted a responsible purchasing charter that lists the commitments of Dexia and its suppliers and business partners in terms of respect for human and labour rights, the environment, business ethics and fair practices, but also in terms of subcontracting.
This responsible purchasing charter is available via the following link: https://www.dexia.com/en/about-the-dexia-group/key-documents

Fair practices – corruption

Dexia is committed to carrying on its activities in a healthy and ethical environment, in full compliance with all applicable laws and regulations. Dexia will take all necessary measures to prevent corruption in all its activities and throughout the Group. Within that context, Dexia has established provisions applicable to all its staff members, but also to all those who work for the Group and act on its behalf in order to prevent corruption and to apply a policy of zero tolerance in this area.
Insofar as Dexia manages its balance sheet in run-off, has no new customers and currently only enters into business relationships with financial counterparties for the funding of its balance sheet, the risk of corruption is considered to be low and under control. Nevertheless, as with any activity, there are risks of non-compliance. To address this, the Dexia Group has implemented an integrity policy with the following objectives:

- promoting honest, open and ethical behaviour,
- ensuring respect for the laws, regulations and other professional standards, as well as with codes of ethics, codes of conduct and other group policies and procedures in order to enhance and protect Dexia's reputation.

Preventing corruption

The procedural framework for dealing with corruption includes an anti-corruption code of conduct, which complements the set of governance texts in force. This code of conduct, which defines the different types of behaviour to be prohibited, has several objectives:

- recalling Dexia's zero tolerance policy on corruption (in all its forms),
- defining the criteria for corruption,
- reminding people of the practices prohibited within Dexia, such as bribery, extortion, influence peddling and the laundering of proceeds from these practices,
- reminding people of the risks of corruption and the behaviour to adopt,
- reminding everybody of their responsibilities,
- stressing the strong duty to abstain,
- providing for the protection of staff members in the event of a report of corruption,
- providing for sanctions which refer to the sanctions in force within Dexia (cf. internal rules),
- implementing training for staff members

This code of conduct is becoming the market standard and enables the Group to respond to the demands of its financial partners and counterparties and of the rating agencies.
In addition to this anti-corruption code of conduct, Dexia has policies and procedures which attempt to limit the risks of private corruption, such as the responsible purchasing charter, the policy on gifts, favours or invitations and the policy on the management of outsourcing.
As part of the fight against political corruption, all the governance texts in force are reinforced by a "country risk" policy, which integrates the risk of corruption as an essential criterion in the classification of risks. The Group has also adopted a policy relating to politically exposed persons in

order to prevent the risk of money laundering based on acts of corruption.
Finally, internal standards complete the anti-corruption mechanism with a risk map adapted to the risk of corruption, the definition of an anti-corruption plan and training for staff members in the prevention of this risk. Dexia trains all of its staff members, at least every two years, in the risks of corruption and influence peddling. Currently, one person is in charge of training in Paris and a correspondent provides this training in the Group's entities.
During the year 2024, Dexia recorded:
- no confirmed incident of corruption,
- no confirmed incidents involving staff members,
- no confirmed incident with business partners,
- no public case against the company or its staff members

Preventing money laundering and terrorism financing

Following the withdrawal of its banking licence, effective since 1 January 2024, Dexia continues to carry out certain activities related to the financial sector, as a non-regulated entity. In this respect, the Group maintains an internal framework for combating money laundering and the financing of terrorism based on best practices in this area.
Dexia has thus defined a series of policies (country policy, politically exposed persons, AML-CFT manual, and so on), on the basis of which the Group's entities have adopted procedures and instruction notes detailing the obligations and formalities applicable in terms of:
- knowledge and identification of customers, representatives, agents and beneficial owners,
- verification in relation to official lists of criminals, terrorists, nuclear proliferators, and so on issued by national and international authorities,
- monitoring account and business relationships throughout the duration of the relationship,
- monitoring operations and detecting suspicious transactions,
- training staff members at least every two years on the risks of money laundering and terrorism financing,
- cooperating with judicial authorities in case of suspicion of money laundering or terrorism financing in accordance with the applicable requirements.

Market abuse

Dexia has introduced measures to manage the risks of market abuse, i.e. insider trading, unlawful disclosure of inside information and price manipulation in relation to financial instruments issued by Dexia and any other issuer.
These measures are mainly reflected in a policy aimed at preventing market abuse in relation to those financial instruments and in measures relating to confidentiality, the establishment of insider lists and Chinese walls.

Integrity and prevention of conflicts of interest

Dexia has implemented a policy aimed at preventing conflicts of interest which could arise in the course of its activities: credit restructuring, issuances, own account operations, outsourcing of activities as well as relations with suppliers, subcontractors and potential partners.
Dexia undertakes to respect the proper functioning of the markets in which it operates, as well as the internal rules and procedures of these markets. Dexia undertakes not to intervene in transactions which might contravene laws and regulations.
Dexia undertakes to ensure that market operators demonstrate professionalism and integrity towards intermediaries and counterparties.
Internal rules have been adopted to govern the external functions which may be performed by managers in accordance with local rules or general principles regarding the prevention of conflicts of interest.
Dexia has a policy aimed at guaranteeing the independence of its auditors. Thus, among other things, it is necessary to verify, prior to the granting of an assignment that is not directly linked to the statutory auditing of the accounts, whether this assignment is not nevertheless of a nature to affect the independence of the auditors.

Whistleblowing

Dexia has introduced an internal alert system accessible to all Dexia staff members as well as external and occasional service providers. It is intended to encourage staff and other relevant stakeholders, in good faith and confidentially, to report any potential or proven breach of regulations, corporate values and internal codes of conduct, or any unethical or illegal behaviour concerning aspects falling within the competence and supervision of Dexia.

Data protection and confidentiality

Discretion and observance of confidentiality requirements are essential, particularly with a view to preserving Dexia's reputation. In this respect, procedures have been put in place within the Dexia Group.
In addition, within the framework of compliance training, staff members are regularly made aware of these obligations of confidentiality and observance of the separation of functions, including reminders of good practices to be adopted.
Data protection is essential and Dexia complies with all national and European provisions relating to the protection of personal data.
Under the General Data Protection Regulation (GDPR), Dexia has identified and referenced all processes involving personal data, updated or drafted policies and procedures that describe the management of data subjects' rights and the reporting of violations. The Group has also set up training courses to make all staff members aware of these regulations.
In addition, Dexia has updated its website to enable third parties to understand the company's processing of personal data, their rights and contact details.
For more information, please visit the Dexia website (https://www.dexia.com/en/node/242).

Societal commitments in favour of sustainable development

Dialogue with stakeholders

Dexia communicates on a regular basis with, in particular, its majority shareholders, the monitoring trustee, who verifies the commitments made by the Dexia Group to the European Commission and, in general, the various stakeholders in its orderly resolution.

Solidarity initiatives, partnerships and sponsorship

Dexia's commitment to society is reflected in the implementation of policies and actions which benefit local stakeholders in the countries where the Group has a direct or indirect presence. Various initiatives, both permanent and one-off, are organised within the Group. Dexia also encourages and supports volunteering, as well as any other individual action which has a positive impact on vulnerable members of society or on the environment. In particular, Dexia publicises these initiatives through dedicated communications on its intranet.

The Duo for a Job mentoring programme

Dexia Holding and Dexia have responded to the call from the association Duo for a Job, to promote the professional integration of young people in difficulty. The association has thus enabled young people looking for work to be put in touch with Dexia Group staff members aged over 50, so that the latter can share their experience and support them in their professional integration. Once paired up, the young person and their mentor meet on a weekly basis for six months. The Group had three pairs in 2024.

Recycling plastic bottle tops for "Bouchons de l'espoir"

Collection points are located on all Dexia floors of the CBX Tower in Paris. The units collected are sold to the plastics industry and recycled for the benefit of people with disabilities.

Clothes collection in partnership with "La Cravate Solidaire"

La Cravate Solidaire is a network of associations recognised as being of general interest, working for equal opportunities. Its objective is to fight against discrimination in hiring, particularly that related to physical appearance. In May 2024, the collection of professional clothing organised on the Group's premises enabled 54 kg of professional clothing to be donated to the association.

End-of-year charity donation

This year, Dexia Holding has once again renewed its end-of-year charity campaign. Brussels-based staff members were invited to participate actively in the selection process of three locally active associations, through a dedicated communication campaign. This action consisted, in the first stage, of proposing one or more charitable associations which were close to their hearts and, in the second stage, of voting to elect those of their choice. In 2024, the staff members chose:

- Awel vzw, whose volunteers provide daily support and advice to young people aged 6 to 26,
- Eigen Kracht Centrale vzw, a citizens' initiative enabling people in difficult situations to share their concerns with their friends and family and to draw up an action plan with the help of a volunteer,
- Ladies against cancer asbl, an association which raises awareness and funds for breast cancer research.

Charity races

Each year, Dexia staff members in Paris take part in major running events aimed at raising funds for humanitarian causes.
In 2024, Dexia took part in the Imagine for Margo race in June, which, year after year, fights against childhood cancer. Group staff members also wore its colours in October, during the Odyssea race, which works for research against breast cancer, and in December, during the Cross du Figaro, which raises funds for the Telethon.

Environmental matters

Waste management and responsible management of consumables

For several years now, the Dexia Group has implemented a policy of responsible management of its consumption and waste. Thus, systems for selective sorting, collection and recycling of paper and internal waste (toners, electrical waste, obsolete equipment, and so on) have been set up at various locations.
As part of its policy of responsible purchasing and reducing its paper consumption, the Group has implemented various measures relating to the type of paper used, such as reducing the weight of the paper and systematically using virgin recycled, chlorine-free bleached paper with the PEFC label. During 2024, 2.4 tonnes of office paper were used in Paris and Brussels (compared with 1.9 tonnes in 2023).

Sustainable use of resources

The emissions produced by the Dexia Group(3) were 26.78 tCO_2 in 2024, compared to 22.85 tCO_2 in 2023.
Due to the switch in 2022 to 100% green electricity sources in the office spaces in Brussels, Paris and Dublin, the distribution of emissions by "scope" has been profoundly modified: the company's energy emissions (scope 2) have virtually disappeared, while emissions linked to business travel (scope 3) account for almost all emissions.

Electricity consumption

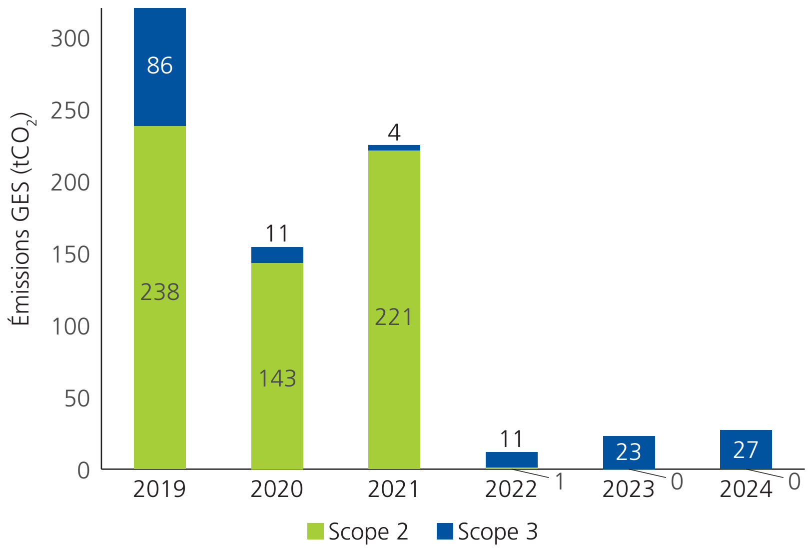
Dexia Holding monitors data relating to electricity consumption and associated greenhouse gas emissions.
In order to limit its carbon footprint, the Group is constantly seeking to improve the energy efficiency of its buildings. Since May 2022, the spaces occupied by Dexia in Belgium, France and Ireland have been supplied with 100% green electricity.
Furthermore, in order to respond to climate issues, the Management Board has taken a number of measures to limit the energy consumption of the premises, actively supporting the awareness campaign on the need to reduce the consumption of companies initiated by RTE, manager of the electricity transmission network in Paris-La Défense, and in accordance with the decisions of the federal and regional authorities and the energy charter of the Federation of Belgian Companies (FEB) for Brussels. These measures, which remain in force until the end of the winter period (31 March), are tailored to the entities and aim to improve the Group's energy efficiency. They include, in particular, a reduction in heating in the premises, generalised teleworking on Fridays for staff members in Paris and compulsory teleworking from 26 December 2024 to 3 January 2025 in Paris and Brussels, a limitation of lighting on sites according to location or timetable, and a reduction in water temperature.

Business travel

For several years, Dexia Holding has been working to reduce greenhouse gas emissions related to its staff members commuting by focusing on two areas: reducing travel and minimising its impact by encouraging the use of less polluting modes of transport.
The Group covers public transport season tickets in full (Belgium) or in part (France, Italy) or encourages cycling to work (Bike to Work Scheme in Ireland).
In addition, in order to reduce business travel, staff members have the option of working from home up to three days a week and making use of videoconferencing and conference calls.

(3) The figures presented in this section cover Dexia Holding's headquarters in Brussels, Dexia in Paris and its branch in Dublin

GREENHOUSE GAS EMISSIONS BY SCOPE (IN TCO_2)



However, in recent years, emissions related to business travel (scope 3) emissions have increased as a result of the resumption of more face-to-face work after a few years of severe limitation, as well as a temporary increase in business travel as part of the profound restructuring of the Group and its international entities. In particular scope 3 emissions amounted to 26.75 tCO_2 in 2024, compared to 22.81 tCO_2 in 2023. This increase is linked to the resumption of an investor roadshow programme in 2024 after two years dedicated to preparing for the withdrawal of Dexia's banking licence and investment services authorisations.

Water consumption

Water consumption at the sites in Paris and Brussels was 1,303 m³ in 2024, compared with 1,526 m³ in 2023.

2024

Financial statements

Balance sheet

Assets

(in EUR million)		Note	As at 31/12/2023	As at 31/12/2024
I.	Cash, central banks and postal checking accounts	*2.1*	0	0
II.	Government securities	*2.2*	11,254	11,727
III.	Interbank loans and advances	*2.3*	1,976	1,824
IV.	Customer loans and advances	*2.4*	14,907	12,811
V.	Bonds and other fixed-income securities	*2.5*	12,695	13 461
VI.	Equities and other variable-income securities	*2.6*	0	0
VII.	Long-term equity investments	*2.7*	57	5
VIII.	Intangible assets	*2.8*	2	1
IX.	Tangible fixed assets	*2.9*	1	1
X.	Unpaid capital		0	0
XI.	Uncalled capital		0	0
XII.	Treasury stock		0	0
XIII.	Other assets	*2.10*	9,799	7,318
XIV.	Accruals	*2.10*	4,953	5,265
TOTAL ASSETS			**55,644**	**52,413**

Liabilities and equity

(in EUR million)		Note	As at 31/12/2023	As at 31/12/2024
I.	Central banks and postal checking accounts		0	0
II.	Interbank borrowings and deposits	*3.1*	552	180
III.	Customer deposits	*3.2*	3,290	2,990
IV.	Debt securities	*3.3*	39,052	34,948
V.	Other liabilities	*3.4*	770	1,319
VI.	Accruals	*3.4*	7,293	8,538
VII.	Provisions for risks and charges	*3.5*	504	522
VIII.	Subordinated debt	*3.6*	56	56
EQUITY		*3.7*	**4,127**	**3,860**
XI.	Capital stock		279	279
XII.	Additional paid-in capital		2,674	2,674
XIII.	Reserves and retained earnings		1,282	1,174
XVII.	Net income (loss) for the year		(108)	(267)
TOTAL LIABILITIES AND EQUITY			**55,644**	**52,413**

Off-balance sheet items

(in EUR million)		Note	As at 31/12/2023	As at 31/12/2024
COMMITMENTS GIVEN				
I.	Financing commitments given	*4.1*	448	375
II.	Guarantee commitments given	*4.2*	2,047	1,641
III.	Other commitments given	*4.3*	2,259	2,367
COMMITMENTS RECEIVED				
IV.	Financing commitments received	*4.4*	1,649	1,359
V.	Guarantee commitments received	*4.4*	5,848	4,359
VI.	Commitments related to securities	*4.5*	0	0
VII.	Commitments related to foreign currency transactions	*4.6*	55,465	46,595
VIII.	Commitments related to forward and derivative financial instruments	*4.7*	155,845	142,924

Income statement

(in EUR million)		Note	As at 31/12/2023	As at 31/12/2024
I.	Interest income	*5.1*	5,133	5,227
II.	Interest expense	*5.1*	(4,840)	(5,129)
III.	Income from variable-income securities	*5.2*	30	1
IV.	Fee and commission income	*5.3*	1	2
V.	Fee and commission expenses	*5.3*	(5)	(7)
VI. A	Net gains (losses) on held-for-trading portfolio transactions	*5.4*	15	(16)
VI. B	Net gains (losses) on available-for-sale portfolio transactions	*5.4*	12	(16)
VI. C	Net gains (losses) on held-to-maturity portfolio transactions	*5.4*	0	(66)
VII.	Other banking income	*5.8*	15	4
VIII.	Other banking expenses	*5.8*	0	0
NET BANKING INCOME (LOSS / PROFIT)			**361**	**0**
IX.	General operating expenses	*5.5*	(364)	(237)
X.	Depreciations and amortisation		(5)	(2)
GROSS OPERATING INCOME (LOSS / PROFIT)			**(8)**	**(239)**
XI.	Cost of risk	*5.6*	(99)	(57)
OPERATING INCOME (LOSS / PROFIT) AFTER COST OF RISK			**(107)**	**(296)**
XII.	Net gains (losses) on non-current assets	*5.7*	(4)	6
INCOME (LOSS / PROFIT) BEFORE TAX			**(111)**	**(290)**
XIII.	Non-recurring items	*5.9*	12	29
XIV.	Corporate income tax	*5.10*	(9)	(6)
NET INCOME (LOSS / PROFIT)			**(108)**	**(267)**
BASIC EARNINGS PER SHARE (EUR)			(0,39)	(0,96)

Notes to the statutory financial statements

1. Significant events, presentation and valuation rules

1.1. Significant events included in the income statement

The net income amounted to EUR -267 million for the year 2024, compared with EUR -108 million for the year 2023.

Over the year, the net banking income amounted to EUR -0.3 million, whereas it amounted to EUR +361 million in 2023. In addition to asset carry, it includes the results of disposals and remains sensitive to changes in the valuation of the available-for-sale portfolio and derivatives classified in the held-for-trading portfolio. In particular it includes in 2024:

• The net interest margin at EUR +98 million (EUR +293 million in 2023), which includes:

– on the one hand, the cost of carrying the assets and the transformation result at EUR +253 million (EUR +302 million in 2023). The decrease of EUR -49 million in 2024 is mainly the result of a reduction in interest income linked to the attrition of asset portfolios and of an increase in funding costs due to the rise in interest rates over the financial year.

– on the other hand, the result of loan disposals and the unwinding of macro-hedging transactions at EUR -155 million (EUR -9 million in 2023).

• Income from variable-income securities, amounting to EUR +1 million, which in 2023 included dividends received from leasing companies for EUR +30 million.

• The net gains or losses on the held-for-trading portfolio of EUR -16 million (EUR +15 million in 2023), consisting mainly of exchange rate variations for EUR +15 million, and a negative result of EUR -31 million on derivatives, the valuation of which is impacted by the rise in interest rates. This result also includes a favourable change in the Funding Value Adjustment (FVA) and the Credit Value Adjustment (CVA) for a total amount of EUR +10 million, as well as income of EUR +20 million linked to the unwinding of a Credit Default Swap (CDS).

• The net gains or losses on the available-for-sale portfolio of EUR -16 million (EUR +12 million in 2023), including a charge of EUR -57 million related to the change in the valuation of the portfolio, and various disposal results of EUR +41 million.

• The net gains or losses on the held-to-maturity portfolio of EUR -66 million (EUR -0.4 million in 2023), mainly related to the partial disposal of an exposure in the UK water distribution sector.

General operating expenses amounted to EUR -239 million compared with EUR -369 million in 2023, marking a sharp drop of EUR -130 million. In 2023, they included the allocation of a provision of EUR -90 million for the risk of non-repayment of all sums paid under irrevocable payment commitments to the Single Resolution Board and a contribution to the Single Resolution Fund of EUR -37 million, to which Dexia is no longer subject in 2024 due to the withdrawal of its banking licence. General operating expenses will continue to be impacted in 2024 by significant non-recurring costs (EUR -71 million). These restructuring and transformation costs are mainly related to the context of Dexia's resolution and include, in particular, study costs relating to the project to outsource certain support functions in 2026.

The cost of risk was EUR -57 million (EUR -99 million in 2023). It consists almost exclusively of variations of impairments for individual credit risk and provisions for non-individualised credit risk, amounting to EUR -54 million, which mainly include the provisioning of a water distribution company in the United Kingdom.

Net gains or losses on non-current assets amounted to EUR +6 million (EUR -4 million in 2023). In 2024, they included a gain of EUR +42 million following the sale of Dexia's leasing activities on 1 February 2024, as well as an allocation to provisions for risks and charges of EUR -36 million, which reflects the decline in the value in use of the subsidiary Dexia Holdings, Inc. in 2024.

The non-recurring items included an error correction of EUR +29 million related to the overestimation, at the end of 2023, of the depreciation of an Italian security classified in the available-for-sale portfolio.

Corporate income tax amounted to EUR -6 million (EUR -9 million in 2023).

1.2. Other significant items in the financial year

Withdrawal of Dexia's banking licence and investment services authorisations on 1 January 2024

The European Central Bank (ECB) has, in a letter dated 11 December 2023, validated the withdrawal of Dexia's credit institution licence and investment services authorisations as of 1 January 2024.

The withdrawal of Dexia's banking licence and investment services authorisations is part of the ongoing implementation of the orderly resolution plan validated by the European Commission in December 2012 and has enabled a simplification of Dexia's organisation, in particular through the cessation of regulatory production, as well as an improvement in its cost trajectory. It is based on a detailed impact and risk analysis, which has demonstrated that Dexia is perfectly capable of pursuing this resolution process outside the banking regulation without affecting its capacity to carry out its resolution or the quality of monitoring of its portfolio. Since 1 January 2024, Dexia has been pursuing its orderly resolution as a non-bank.

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Simplification of the accounting framework and exit from IFRS

Following the merger between Dexia and Dexia Crediop, Dexia undertook an in-depth analysis of its scope of consolidation, which led to the recognition of the negligible interest represented, individually and collectively, by its subsidiaries. Consequently, since 1 January 2024, Dexia has abandoned the production of consolidated financial statements under IFRS and only publishes statutory financial statements under French banking standards, according to ANC regulation no. 2014-07 relative to the financial statements of companies in the banking sector. Dexia favours this presentation, in continuity with previous years and given the nature of its activity, which remains "banking" in essence.
A table showing the transition from the consolidated accounts under IFRS to the statutory financial statements under French standards has been provided in the notes to the consolidated financial statements of the 2023 annual report.
Information on Dexia's subsidiaries which, both individually and collectively, are of negligible interest for the preparation of the financial statements as at 31December 2024, is presented in note 6.2 Interests in subsidiaries and other entities.
Finally, Dexia has chosen to add to its statutory financial statements certain additional information which was deemed relevant, to ensure the continuity of a good understanding of the published financial information (see note 1.4.b Modification of the presentation and valuation rules of the statutory financial statements).

Disposal of leasing activities

On 8 December 2023, Dexia signed a sale agreement providing for the purchase by the BAWAG Group of its five unregulated leasing entities: DCL Evolution, Alsatram, Dexiarail, Dexia FB France and Dexia RB France.
This transaction represents leasing outstandings of nearly EUR 750 million, corresponding to approximately 80 contracts entered into mainly with public sector counterparties.
The transaction was finalised on 1 February 2024. Income of EUR 42 million was recognised in Dexia's statutory financial statements as at 31 March 2024, offsetting a net impact of EUR -26 million recorded as at 31 December 2023 (cf. the "Financial results" section of this annual report).
An income of EUR 42 million was recognised under 'Net gains or losses on non-current assets' in 2024 in respect of the disposal of Dexia FB France.

Reshaping of the operating model

In 2023, Dexia had initiated a strategic review in order to accelerate the orderly resolution of its assets and adapt the structure of its organisation to this long-term objective. Within this context, Dexia conducted an in-depth analysis of its operating model and decided to outsource certain production functions related to risk management, accounting, taxation and back-office management of its operations, while retaining the strategic decision-making and management activities of the outsourced functions in-house.
Thus, after entrusting Arkéa Banking Services with the back-office processing of its loans, Dexia signed a service contract with BlackRock at the end of December 2023 providing for the use of the Aladdin technology for market front office activities as well as the outsourcing of the production of market risk indicators, the management of its market back and middle offices and part of its accounting.
Furthermore, in May 2024, Dexia signed a service contract with EY concerning the outsourcing of certain activities, in particular the production of accounting and tax reports and credit risk indicators.
The implementation of this ambitious project began in early 2024. The work in 2024 focused on defining needs and designing target processes with the two partners EY and BlackRock. After the design phase and extensive testing in 2025, a period of double run is planned before the switchover scheduled for mid-2026.
Finally, in February 2024, Dexia also implemented an agreement with Mount Street allowing the latter to take over the management of Dexia's bond portfolio.

1.3. Post-balance-sheet events

There are no post-balance-sheet events.

1.4. Accounting policies and valuation methods used to present the statutory financial statements

Going concern

Dexia's financial statements as at 31 December 2024 have been prepared in accordance with the accounting rules applicable to a going concern.
Since 1 January 2024, Dexia has been pursuing its orderly resolution as a non-bank. The withdrawal of Dexia's banking licence and investment services authorisations is part of the ongoing implementation of the orderly resolution plan. It is based on a detailed impact and risk analysis, which has demonstrated that Dexia is perfectly capable of pursuing this resolution process outside banking regulation and that this withdrawal will in no way affect Dexia's ability to carry out its resolution or the quality of its portfolio monitoring. In particular:

- Dexia retains its ability to finance itself through the issuance of debt guaranteed by the Belgian and French States, which retains the HQLA Level 1 qualification. To recall, the Dexia State guarantee was extended in 2022 for a period of ten years.
- Dexia also retains direct access to clearing houses and the main trading venues, which are essential to the management of its orderly resolution.

Following the withdrawal of Dexia's licences, the rating agencies affirmed Dexia's senior unsecured rating at investment grade level.
The continuation of Dexia's orderly resolution is based on a number of assumptions constituting the business plan underlying its resolution, which are reassessed on the basis of the information available at each reporting date. These assumptions, and the areas of residual uncertainty, are summarised below:

- Although it manages its risks proactively, Dexia remains sensitive to changes in the macroeconomic environment and market parameters such as exchange rates, interest rates and credit spreads. An unfavourable change in these parameters over time could affect liquidity and solvency levels. It could also have an impact on the valuation of assets, financial liabilities or derivatives. Dexia also remains subject to the constraints and uncertainties associated with its operating model, as well as to the risks related to business continuity, inherent to the specific nature of Dexia as an entity in resolution.
- The continuation of the resolution is based on maintaining Dexia's rating at a level equivalent to or higher than Investment Grade. It also assumes that Dexia retains a good funding capacity through the issuance of debt guaranteed by the Belgian and French States and the raising of secured funding.

• Finally, residual uncertainties related, for example, to changes in legislation or accounting rules over the duration of Dexia's resolution could influence the initially anticipated resolution trajectory.

At the time of closing the accounts on 31 December 2024, the management examined each of these assumptions and areas of uncertainty.

• By virtue of meticulous preparation, the withdrawal of Dexia's banking licence was correctly understood by the market, enabling Dexia to complete its long-term 2024 issuance programme successfully. Furthermore, Dexia maintains a liquidity reserve deemed adequate to cope with stressed market conditions. This liquidity reserve amounted to EUR 13.7 billion as at 31 December 2024.

• Within the framework of the preparation of the financial statements as at 31 December 2024, Dexia reviewed the macroeconomic scenarios used for the assessment of expected credit losses and selected a macroeconomic scenario developed on the basis of the most recent projections of the European Central Bank (ECB), published in December 2024, supplemented by the scenarios published by the national central banks when available. The ECB has thus revised its macroeconomic growth projections for the European Union for the next three years slightly downwards. A similar trend is observed in the United Kingdom, linked to the increase in public spending with the adaptation of the new budget voted in autumn 2024. Inflation is expected to continue to decline, reaching 2% in Europe and the United States in 2026 and in the United Kingdom in 2027. Labour markets are expected to remain resilient overall in all three areas.

After taking all these elements and uncertainties into account, Dexia's management confirms that as of 31 December 2024, they do not call into question the fundamentals of the Dexia's orderly resolution or the assessment of the adequacy of the application of the going concern assumption. Consequently, the statutory financial statements can be prepared in accordance with the principles of ANC Regulation No. 2014-07 relating to the financial statements of companies in the banking sector.

a. Accounting standards used by Dexia

Following the withdrawal of its banking license on 1 January 2024, Dexia continues, as a non-financial entity, the run-off management of its balance sheet and the carrying of its portfolio acquired as part of banking activities. In order to comply, on the one hand, with the true and fair view principle defined in Article L 123-14 of the French Commercial Code and, on the other hand, with the principle of consistency of accounting methods between accounting periods defined in Article L 123-17 of the French Commercial Code, Dexia continues to apply the ANC regulation n° 2014-07 of 26 November 2014 relating to the financial statements of banking sector companies for the preparation of its financial statements.

b. Changes in accounting policies and valuation methods applied to the financial statements

The accounting policies and valuation methods applied to the statutory financial statements take into account the following changes:

• Following the discontinuation of the publication of consolidated financial statements under IFRS, Dexia has chosen to add certain additional information to its statutory financial statements, deemed relevant to ensure the continued understanding of the financial information published by Dexia, particularly regarding:

– subsidiaries for which the negligible interest allows the absence of publication of consolidated financial statements while still complying with the obligation to provide a true and fair view of the financial situation (see note 6.2 Interests in subsidiaries and other entities);

– the identification and management of risks (see note 7. Risk Management).

• Correction of the presentation of inflation-linked financial instruments

Dexia holds securities whose particularity is that a portion of their remuneration, indexed to inflation, is paid upon the final repayment of the instrument. These securities are perfectly hedged by micro-hedging swaps or financed by borrowings, which have the same characteristics of inflation-linked remuneration.

As these are amounts to be paid or received at maturity, perfectly offsetting each other and therefore having no impact on the result, they had not been separately presented on the asset and liability sides until 31 December 2023, in accordance with the non-offsetting principle under the French general chart of accounts.

During the year 2024, Dexia corrected the presentation of these instruments. Thus, the increase in the repayment amount on the securities due to the inflation observed at the end of each reporting period is now recorded as an asset on the balance sheet through the income statement as a remuneration presented under "Interest income." The accrued interest on the hedging derivatives or related borrowings is recorded symmetrically on the liability side of the balance sheet and in the income statement under "Interest expense." This error correction, recorded on 1 January 2024 in the income statement for the reporting period in accordance with the ANC Regulation n° 2018-01, results in an impact of EUR 2,071 million on the asset side of the balance sheet, with a corresponding adjustment to non-recurring income, and an impact of EUR 2,071 million on the liability side of the balance sheet, with a corresponding adjustment to non-recurring expenses, resulting in a net zero effect on the non-recurring income and expenses.

• Change in the valuation of micro-hedge derivatives of available-for-sale securities and derivatives classified in the position-taking portfolio.

A thorough review of valuation adjustments applied to derivatives whose market value is recorded in the income statement has been conducted. Following this review, and in accordance with the prudence principle, Dexia takes now into account the Bid/Ask spread in the valuation of micro-hedge derivatives of available-for-sale securities and derivatives classified in the position-taking portfolio for the purpose of calculating the unrealised loss.

This change in estimate allows a better assessment of the transactions concerned and results from Dexia's better experience in understanding the different components of derivative valuation. This change, applied prospectively, has an impact of EUR -22.5 million on the result as of 1 January 2024. It is recorded under "Net gains (losses) on available-for-sale portfolio transactions" (see note 5.4 Analysis of gains and losses on portfolio transactions).

c. Measurement of items in the balance sheet, off-balance sheet and income statement in the annual financial statements

The financial statements have been prepared in accordance with the rules of prudence and generally accepted accounting principles based on fundamental assumptions:

• going concern assumption;
• independence of accounting periods;
• consistency of methods

Customer loans

Any loans approved but not yet disbursed are shown as off-balance-sheet items.

Current and accrued interest on customer loans is recognised in banking income on an accrual basis, as is the interest on overdue payments. Interest on non-performing loans reported in net banking income is neutralised by the recognition of an equivalent amount of impairment.

Commissions received and incremental transaction costs on extending or acquiring credits, if significant, are spread over the effective life of the loan. Other commissions received are recorded directly to income.

All early repayment penalties on loans are taken into income at the repayment date.

Customer loans are stated in the balance sheet net of provisions for possible losses. They are broken out into four separate categories: performing loans, restructured performing loans, non-performing loans under collection and doubtful non-performing loans.

A loan is considered to be non-performing as soon as it carries an incurred credit risk which makes it probable that Dexia will not recover all or part of the amounts due under the counterparty's commitment. Any loan is classified as non-performing:

- if one or more repayments are more than three months overdue, or if, regardless of whether any payments have been missed, it can be assumed that there is an incurred risk. The application of this criterion is overall in accordance with the prudential definition of default, although since 1 January 2024 it has no longer been a regulatory requirement for Dexia, following the withdrawal of its banking licence;
- or if a loan is considered as contentious and subject to legal proceedings (formal alert procedures, file for bankruptcy…).

When a loan is non-performing, an impairment is recorded corresponding to the difference between the carrying amount of the asset and the present value of estimated future recoverable cash flows discounted at the financial assets' effective interest rate, taking into account the financial situation of the counterparty, its economic perspective and any guarantees net of the cost of realising any payment from the guarantor (see note 7.2 Credit risk). Interests, both overdue and not yet collected, and accrued but not yet due, are fully impaired through the interest margin. Thus, once a loan is downgraded to non-performing, only interests collected on these assets contribute to the interest margin.

The classification of a loan as non-performing triggers, through a contagion effect, the same classification for all other loans and commitments related to that counterparty, regardless of existence of any collateral or guarantee.

Non-performing loans are considered to be doubtful as soon as their repayment becomes highly uncertain, and it becomes apparent that they will eventually be written off. Non-performing loans are assumed to be doubtful one year after becoming non-performing, unless a write-off is not expected in the future. They are then subject to an appropriate impairment.

Once there is no longer any probable credit risk and once payments have resumed on a regular basis for original contractual amounts due, a non-performing loan is reclassified as a performing loan.

Loans that have been restructured due to the financial situation of a debtor are included in the restructured performing loans category until their final maturity. They are written down for impairment in an amount equal to the present value of the future interest payments gap. This write-down is taken immediately into expense under the cost of risk and is reversed into income on an accrual basis over the remaining term of the loan.

Securities transactions

The securities held by Dexia are recorded on the balance sheet under the following asset headings:

- government securities eligible for Central Bank refinancing;
- bonds and other fixed-income securities;
- equities and other variable-income securities.

In accordance with ANC Regulation n° 2014-07, they are broken out in the notes to the financial statements into "Held-for-trading securities", "Available-for-sale securities", "Held-to-maturity securities" and "Portfolio securities".

Held-for-trading securities

Held-for-trading securities are securities traded on a liquid market that are purchased or sold with the intention of being sold or repurchased within a short period of time. Held-for-trading securities are taken to the balance sheet at cost, including accrued interest and excluding acquisition costs. At each period end, they are marked to market (see "Available-for-sale securities" for the calculation of the market value) and the resulting unrealised gain or loss is taken to the income statement. As at 31 December 2024, Dexia no longer holds any held-for-trading securities.

Available-for-sale securities

These consist of securities that are not recognised as held-for-trading securities, held-to-maturity securities, portfolio securities, other long-term investments, investments in associates or investments in related parties.

The portfolio consists primarily of fixed and adjustable-rate bonds. Fixed-rate bonds are generally hedged against interest rate risks by means of interest rate or currency swaps classified as hedges. The use of this technique has the effect of creating synthetic adjustable or variable-rate assets that are immunised against interest rate risks. As at 31 December 2024, Dexia no longer holds any variable-income securities classified as available-for-sale.

Available-for-sale securities are taken to the balance sheet at cost, excluding acquisition costs and accrued interest, which are recorded separately. Any premiums or discounts, corresponding to the difference between the acquisition cost and the redemption price, are recorded on the balance sheet and amortised to the income statement on a quasi-yield-to-maturity basis over the remaining life of the securities. This method is applied to all securities in the portfolio.

At the reporting date, in application of the prudence principle, available-for-sale securities are recorded on the balance sheet at the lower of their acquisition cost or selling price at the reporting date, after taking into account gains or losses on micro hedging transactions for purposes of calculating the reduction in their value.

The calculation of the realisable value (or the market value, as defined in the notes to the financial statements) of a financial instrument depends on whether or not there is an active market for that instrument. The methods for determining the market value are presented in note 7.1 Market value of financial instruments.

If the potential decrease in the value of the securities exceeds the related unrealised hedging gain, a provision corresponding to the difference is deducted from the securities' carrying amount. A provision is booked on the liabilities side of the balance sheet for any unrealised hedging losses that are not offset by an increase in the market value of the hedged securities.

Gains and losses on disposals of marketable available-for-sale securities are calculated on a FIFO basis.

Any available-for-sale securities transferred to the held-to-maturity portfolio are transferred at cost. Any provisions for impairment that are no longer required at the date of transfer are released to the income statement over the remaining life of the securities.

Held-to-maturity securities

Held-to-maturity securities consist of fixed-income securities with fixed maturities that have been acquired or transferred from "available-for-sale securities" and "held-for-trading securities" with the explicit intention of being held to maturity.

They are either financed with back-to-back resources or hedged in order to neutralise the effect of interest rate fluctuations on earnings. The hedging instruments used consist solely of interest rate or currency swaps.

The use of these specific, allocated hedges has the effect of creating synthetic adjustable – or variable-rate assets that are immunised against interest rate risks.

Held-to-maturity securities are stated at cost, excluding acquisition costs and accrued interest at the date of acquisition, which are recorded separately. Premiums and discounts, representing the difference between the cost of the securities, excluding accrued interest, and the redemption price, are amortised on a yield-to-maturity basis over the remaining life of the securities.

Unrealised gains are not recognised, and no provisions are booked for unrealised losses at the balance sheet date except in cases where:

- the ability of the issuer to honor its repayment obligations appears uncertain;
- it is probable that the securities will not be held to maturity due to a change in circumstances.

Should held-to-maturity securities be sold or transferred to another portfolio category for an amount that is material relative to the total value of all held-to-maturity securities, Dexia would no longer be authorised to classify any securities previously or subsequently acquired as held-to-maturity until the third following full fiscal year. However, the following sales and transfers are not covered by this restriction:

- sale or transfer close to the maturity or to the redemption date of the security or occurring after receipt of almost all of the original principal of the security;
- sale or transfer caused by an isolated event, beyond the entity's control, which is not expected to happen again and which the entity was not able to reasonably anticipate;
- sale or transfer that does not call into question the company's intention of maintaining its other held-to-maturity securities until their actual maturity (e.g. sale of one particular held-to-maturity security whose issuer's credit quality has deteriorated significantly, or in the case of held-for-trading or available-for-sale securities that were previously transferred into held-to-maturity under extraordinary market conditions that required a change of strategy and which may once more be traded on an active market). All previously acquired held-to-maturity securities are reclassified as "available-for-sale securities" at their carrying amount at the same time that the other securities are reclassified.

For the 2024 reporting period, the withdrawal of Dexia's banking licence on 1 January 2024 is regarded as an exceptional event, unique by nature, which results in a significant change in Dexia's business activity and, as a consequence, in a revision of its strategy for holding held-to-maturity securities. Therefore, this event meets the requirements to apply the exception outlined above for sales and transfers realised during the reporting period in which the licence withdrawal occurred.

Portfolio securities

This category includes variable-income securities purchased on a regular basis with the intention of selling them at a profit in the medium-term. At the time of purchase, the company has no intention of investing in the long-term development of the issuer's business or of actively participating in its day-to-day management.

Portfolio securities are taken to the balance sheet at cost excluding acquisition costs. At each period end, they are stated at the lower of historical cost or the value in use to the company. The value in use is determined based on a range of criteria, including the issuer's outlook and the length of the estimated holding period. For listed securities, the value in use is the average market price determined over a sufficiently long period in view of the estimated holding period to eliminate the impact of any wide swings in market prices. At each period end, and for each line of securities, if the value in use represents less than the carrying amount, a provision is booked for the unrealised loss. For the purpose of determining the provision, unrealised losses are not netted against unrealised gains, which are not recognised.

Gains and losses on disposals of portfolio securities are determined on a FIFO basis.

Sale and repurchase agreements and lending of securities

Securities may be sold under repurchase agreements, lent or borrowed for the purpose of reducing Dexia's short-term liquidity cost. The securities may or may not be physically delivered to the buyer.

When securities are sold under a repurchase agreement, a debt corresponding to the value of the repurchase commitment is recognised on the balance sheet. The interest paid on the funds received is recognised in the income statement on an accrual basis.

Gains and losses on repurchase agreements are calculated using the same method as for outright sales, depending on the portfolio from which the securities were taken.

Transactions involving the simultaneous cash sale and forward purchase of the same securities are accounted for in the same way as repurchase agreements. The cash held in connection with repurchase agreements is periodically adjusted to take account of changes in the market value of the securities during the term of the contract, so as to reduce the credit risk incurred by the buyer as a result of any impairment in value of the collateral represented by the securities.

Loaned securities are reclassified as receivables for an amount equal to the carrying amount of the loaned securities. At each balance sheet date, the receivable is remeasured using the valuation principles applicable to the securities that have been loaned.

Borrowed securities are recorded as held-for-trading securities, with a contra entry to a liability to the lender. At each balance sheet date, the borrowed securities and the corresponding liability are remeasured using the valuation principles applicable to held-for-trading securities. Borrowed securities and the corresponding debt are presented on a net basis under "Other liabilities".

Long-term investments

Investments in associates

Investments in associates represent investments that are intended to be useful to the company's activities over the long term. They are intended to be held on a long-term basis to exercise influence or control over the issuer.

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They are stated at cost excluding any related acquisition costs. At balance sheet date, these shares are measured at the lower of acquisition cost or value in use, which represents the amount that the company would be willing to pay in order to obtain these securities if it had to acquire them, taking into consideration its holding objective. This value in use is estimated by reference to various criteria such as the profitability and profitability outlook of the issuer, shareholders' equity and the economic environment. Unrealised losses, calculated for each line of securities, are recognised as an impairment without offsetting any unrealised gains. Unrealised gains are not recognised.
In the event of disposal of part of the company's interest in an associate, the resulting gain or loss is determined on a FIFO basis. Gains or losses on disposals and movements in impairment provisions and reversals are recorded under "Net gains (losses) on non-current assets" in the income statement.

Other long-term investments

This category comprises variable-income securities acquired with the aim of developing long-term business ties with the issuer, although Dexia is not in a position to influence the management of the issuer due to the small proportion of voting rights held. Other long-term securities are taken to the balance sheet at cost, excluding acquisition costs. At each period end, they are stated at the lower of historical cost or value in use. The value in use is determined for listed and unlisted securities held over the long term based on the amount the company would agree to pay to obtain the securities, given its holding objective, if it were to acquire them. Gains and losses on disposals of long-term investment securities are determined on a FIFO basis. Gains or losses on disposals and movements in impairment provisions and reversals are recorded under "Net gains (losses) on non-current assets" in the income statement.

Tangible and intangible assets

These assets are stated at cost and depreciated or amortised using the straight-line method over their estimated useful life, at the rate at which their future economic benefits are consumed.
Unless otherwise stated, the amortization period for furniture and fixtures is between five and ten years, for office equipment generally over three years. Software is amortised over three to five years.

Other assets

This heading includes mainly collateral (guarantee deposits) receivable under swap transactions, which is recognised at its carrying amount.

Debt securities

Debt securities include bonds and negotiable debt securities.

Bonds

Bonds are recorded at face value. All related accrued interest is computed at contractual rates and recorded under interest expense.
Zero-coupon bonds are recorded at their issue price. At each period end, accrued interest for the period, computed on the basis of the yield to maturity announced at the time of issue, is charged to the income statement as expenses on debt securities and an equivalent amount is added to the debt on the liabilities side of the balance sheet until the maturity date so as to gradually increase the carrying amount of the debt to the amount repayable at maturity.
Bond issuance costs are deferred and amortised on a straight-line basis over the life of the bonds. Premiums paid or received on bonds acquired by Dexia are recognised directly through the income statement.
Bonds denominated in foreign currencies are accounted for in the same way as foreign currency transactions.

Negotiable debt securities

Negotiable debt securities are stated at face value. Interest on medium-term notes, BMTN (domestic short- or medium-term notes) and negotiable certificates of deposit is recorded under "Interest expense" on an accrual basis. Prepaid interest on commercial paper is recorded under "Accrued assets" on the transaction date and amortised over the residual life of the paper.

Discounts and premiums on debt securities

Bond discounts and premiums and redemption premiums are amortised on a straight-line basis over the remaining life of the bonds from the date of acquisition. They are recorded on the consolidated balance sheet under the relevant liabilities accounts. Amortisation is taken to the income statement under "Interest expense on bonds and other fixed-income securities".

Other liabilities

This heading includes mainly collateral (guarantee deposits) payable under swap transactions, which is recognised at its carrying amount. The debt representing the value of borrowed securities included in this item is presented net of the value of these borrowed securities.

Reserves

Provisions for risks and charges are set aside at their present value when:
- Dexia has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate of the amount of the obligation can be made.

Non-individualised (or collective) provisions are included in this heading. These provisions cover the risk of loss in value not covered by an individualised (or specific) impairment where at the balance sheet date there is objective evidence that probable losses are present in certain segments of the credit portfolio or other lending-related commitments that:
- either are followed up under the watch list process,
- either belong to economic sectors presenting indications of high credit risk (see note 7.2 Credit risk).

These losses are estimated based on default probabilities calculated upon historical default rate patterns observed, losses in each counterparty segment historically observed and adjusted to the current macro-economic environment to date and forward looking over the next 3 years.
Reserves against forward and derivative financial instruments are booked in accordance with the rules specified in the paragraph concerning forward and derivative financial instruments.
Retirement and other post-employment benefits are calculated in accordance with the local regulations applicable in each country and are recognised as expenses for the year. These commitments are recalculated each year using an actuarial method and recognised under reserves in accordance with Recommendation 2013-02 on the evaluation and recognition of pension liabilities for annual accounts prepared in accordance with French accounting standards.

Subordinated liabilities

Subordinated debts include funds received from the issuance of dated or undated notes or debt, which in the event of liquidation of the issuer may only be repaid after all other creditor claims have been settled. Accrued interest payable on subordinated debts, if any, is recorded as related payables and as an expense in the income statement.
The redeemable subordinated securities issued by Dexia do not pay interest.

Forward and derivative financial instruments

Dexia uses forward and derivative financial instruments in the normal course of business, mainly as hedges against interest rate and currency risks and, to a lesser extent, in order to take advantage of favourable interest rate and currency trends. The instruments used include interest rate or currency swaps, FRAs, caps, floors, interest rate options, futures, credit default swaps.
Forward and derivative financial instruments are valued and accounted for in four transaction categories, in accordance with ANC Regulation n° 2014-07. This regulation distinguishes four accounting categories, based on the initial purpose of the transaction.
The allocation to one of these categories – micro hedging, macro hedging, position taking and specialist portfolio management – determines the valuation principles and accounting treatment.
For transactions in all categories, the commitment or notional amount is recorded as an off-balance-sheet commitment over the life of the contract, i.e. from the date of signing of the contract to its maturity or the start date of the reference period in the case of forward rate agreements. The amount of the commitment is adjusted to reflect any changes in notional amounts, so as to show at all times the maximum current or future commitment. Each contract is recorded separately and is classified in one of the above four categories. The accounting treatment of gains and losses depends on the underlying purpose of the transaction, as determined by its category.
Upfront equalisation payments on hedging transactions are amortised over the remaining life of the instrument. All transactions are amortised on a quasi-yield-to-maturity basis.

Micro hedging

Micro-hedges are used to hedge mainly the interest rate or foreign exchange rate risks on a specific item or group of items with similar characteristics, identified at the outset. The criteria applied to determine whether transactions qualify as micro-hedges are as follows:
• the hedged item must contribute to the bank's overall exposure to fluctuations in prices or interest rates;
• the contracts must be purchased or sold for the specific purpose, and must have the specific effect, of reducing Dexia's exposure to fluctuations in prices or interest rates in respect of the hedged item and must be identified as such at the outset.
Instruments meeting this definition consist primarily of interest rate or currency swaps acquired as micro-hedges of primary issues, bonds held in the "available-for-sale" and "held-to-maturity" portfolios and customer loans denominated in euros (hedged against interest rate risk) or in foreign currencies (hedged against interest rate or foreign exchange risk). Expenses and income on micro-hedges are recorded in the income statement in the same way as the expenses and income on the hedged item or group of similar items.
In cases where the hedged item is repaid early or disposed of, the equalisation payment received or paid due to the early unwinding of the hedging instrument is recognised in income statement on the date of termination. However, in the event of early repayment with refinancing, the equalisation payment paid by Dexia is charged against income only for the portion that do not exceed gains recorded in income on the symmetric position. The excess of the equalisation payments to be deferred are recorded in accrued assets or liabilities.
In the case where the hedging instrument is unwound or replaced by another instrument with continuation of the hedged instrument, the equalization payment is spread over the remaining life of the hedged item.

Macro hedging

This category includes contracts that are intended to hedge and manage Dexia's overall exposure to interest rate risks on assets, liabilities and off-balance-sheet items, other than micro-hedges, position-taking contracts and contracts acquired for specialist portfolio management purposes.
Macro-hedges have the effect of reducing the overall interest rate risk to which Dexia is exposed through its various activities.
Expenses and income on macro-hedges are recorded in the income statement on an accrual basis under "Interest expense on macro-hedges" and "Interest income on macro-hedges". The contra entry is recorded on the balance sheet in an accruals account until such time as the funds are collected or disbursed.
In the event of the unwinding of a macro-hedge, the equalisation payment is recognised directly through the income statement.

Specialist portfolio management

Operations included in this activity are designed to enable the specialist management of a held-for-trading portfolio comprising specific interest rate swaps and other interest rate-based derivatives.
The held-for-trading portfolio is actively managed based on sensitivity criteria, with predefined interest rate exposure limits set internally in accordance with the Arrêté of 3 November 2014 as amended. Positions are centralised and results calculated on a daily basis.
Gains and losses of the operations included in this activity are recognised on a mark-to-market basis, as follows:
• total future cash flows are marked to market on a monthly basis and the resulting unrealised gain or loss is taken to the income statement;
• all payments made or received are recorded directly in the income statement.
Mark-to-market gains and losses on derivatives are calculated using the replacement cost method. This method consists of taking each individual contract and simulating a new contract, which, at the balance sheet date, closes the open position created by the original contract. The differences in cash flows between the actual and simulated contracts are then discounted.
The valuation of this portfolio's operations in particular takes into account portfolio management costs as well as counterparty risk (see note 7.1 Market value of financial instruments).
For the purposes of this activity, Dexia centrally manages the risks generated by the portfolios. Risk is transferred using internal contracts. These contracts are put in place, recorded and valued in accordance with Regulation n° 2014-07.

Position-taking

Derivatives held in the position-taking portfolio are intended to keep isolated positions open inorder to take advantage of any favourable interest rate movements. The portfolio also includes all contracts (including credit derivatives) that do not fulfil the criteria for classification as specialist portfolio management.

Gains and losses are recognised in accordance with the prudence principle as follows:

- provisions for risks are booked for any unrealised losses calculated as a result of periodic mark-to-market valuations, with reference to the market value of the contracts; unrealised gains are not recognised in the income statement;
- interest and equalisation payments are recognised in the income statement on an accrual basis.

Foreign exchange transactions

Dexia uses currency swaps and forward purchases and sales of foreign currencies to hedge its currency risks. Currency swaps are used to match funding currencies with the currencies of the assets financed. Forward purchases and sales of foreign currencies are used to offset or reduce the impact of exchange rate fluctuations on specific items or groups of similar items. A limited number of unhedged foreign exchange positions are also established in connection with position-taking activities.

In accordance with ANC Regulation n° 2014-07, currency instruments are classified as either hedged transactions or position-management transactions. This categorisation determines the applicable accounting treatment for the related gains and losses.

Currency instruments in both categories are recorded as off-balance-sheet commitments over the life of the contract, i.e. from the date of signing of the contract to the start date of the reference period.

Each contract is recorded separately and is classified in one of the above categories. The accounting treatment of gains and losses depends on the underlying purpose of the transaction, as determined by its category.

Hedging transactions

Forward points – the difference between the forward rate and the spot rate – are recognised in the income statement on an accrual basis. The position is initially recorded at the spot rate and its value is gradually adjusted over the life of the contract to take account of the forward points.

Position-taking activities

These represent forward currency transactions that do not meet the criteria for qualification as hedged forward currency transactions as defined in ANC Regulation n° 2014-07, in that they do not relate simultaneously to loans and borrowings or to spot currency transactions. Such transactions are entered into with the aim of taking advantage of exchange rate movements.

Gains and losses on position-management transactions are determined and accounted for by translating movements in the currency accounts into euros at the forward rate applicable to the remaining terms of the contracts.

Foreign currency transactions

In accordance with ANC Regulation n° 2014-07, Dexia recognises foreign currency transactions in accounts opened and denominated in each of the currencies concerned.

Specific foreign currency position accounts are maintained in each currency showing the position in that currency and the euro equivalent.

At each period end, the difference between the value of the foreign currency position account translated into euro at the year-end spot rate and the value of the foreign currency position in the euro equivalent account is taken to the income statement.

Cost of risk

The cost of risk includes movements in impairment on interbank and customer loans, fixed-income held-to-maturity securities (in the case of recognised risk of default by the issuer), movements in non-individualised provisions for credit risk and off-balance-sheet items (other than off-balance-sheet derivatives), as well as loan losses, recoveries of loans written off in prior years, and movements in other provisions and reserves for credit risks and contingencies relating to these items.

Non-recurring items

Non-recurring items consist of expenses and income that are generated by exceptional events or circumstances and do not relate to the ordinary activities of the company. They represent material items of income and expense that do not depend on decisions made in connection with the day-to-day management of the business or of the company's assets and liabilities, but which result from external events that are exceptional in terms of their infrequency and their impact on net income. Only items of this nature, that have a significant impact on the income statement for the period, are classified as non-recurring income and expenses.

Corporate income tax

In accordance with I of article 219 of the General Tax Code (Code Général des Impôts – CGI) and except for specific provisions, the corporate income tax rate is 25% for all taxable profits for the accounting year 2024 and the following years. The social contribution of 3.3% remains applicable (based on the amount of the corporate income tax for the part which exceeds EUR 763,000). Dexia does not apply the deferred tax method in its annual accounts.

Since 1 January 2024, Dexia has no longer held a banking licence but continues to apply the rules specific to credit institutions for calculating its tax result, in accordance with the agreement obtained from the French tax authorities.

Tax consolidation

Dexia is in the scope of the tax consolidation the parent company of which since 1 January 2002 has been the permanent establishment (Dexia Holding ES) located in France.

Dexia Holding ES is solely liable for corporation tax and its additional contributions to be paid by the group. Dexia's tax expense is recorded in the accounts on stand-alone basis, as if there were no tax consolidation.

The savings generated by the tax consolidation group are recorded at Dexia Holding ES (out of Dexia's scope).

However, in accordance with an amendment to the tax treaty signed in 2011 between Dexia Holding ES and Dexia, the tax savings generated by Dexia and its subsidiaries are reallocated to Dexia.

Locations and activities in tax haven countries and territories

In compliance with Article L.511-45.of the French Monetary and Financial Code, it should be noted that Dexia has no offices (branches, subsidiaries or special purpose entities), affiliates or other exclusively or jointly controlled de facto or de jure interests in entities in countries that do not have administrative assistance agreements with France.

Company consolidating the financial statements of Dexia

Dexia Holding, Place du Champ de Mars 5, B-1050 Brussels, Belgium

2. Notes to the assets

2.1. Cash, central banks and postal checking accounts

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	0	0

b. Detailed analysis, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Cash	0	0
Deposits with central banks and issuing institutions	0	0
Deposits with postal checking accounts	0	0
TOTAL	**0**	**0**

2.2. Government securities eligible for Central Bank refinancing (item II – Assets)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	179	507

Accrued interests include the inflation linked remuneration paid when the underlying intruments are finally redeemed. In 2024, Dexia modified the presentation of inflation-linked instruments, resulting in an impact of EUR 173 million on the item as at 1 January 2024, with a counterpart in exceptionnal income (see chapter 1.4 Rules for the presentation and valuation of annual accounts).

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
	11,075	11,220	0	0	771	10,449

c. Analysis by type of portfolio and movements for the year, excluding accrued interest

(in EUR million)	Banking activity and other: Available for sale	Banking activity and other: Held to maturity	Total
Costs as at 31/12/2023	**218**	**10,894**	**11,112**
Movements for the year:			
• acquisitions[1]	0	977	977
• disposals and redemptions	(110)	(536)	(646)
• transfers	0	0	0
• translation adjustments	2	2	4
• other[2]	(30)	(188)	(218)
Costs as at 31/12/2024	**80**	**11,149**	**11,229**
Impairment as at 31/12/2023	**(37)**	**0**	**(37)**
Movements for the year:			
• charges	(2)	0	(2)
• recoveries	30	0	30
• translation adjustments	0	0	0
• other	0	0	0
Impairment as at 31/12/2024	**(9)**	**0**	**(9)**
Net carrying amount as at 31/12/2024	**71**	**11,149**	**11,220**

Additional information concerning government securities is provided in note 2.5. Bonds and other fixed-income securities.
(1) Acquisition of investment securities is exclusively related to the purchase of government securities as part of a long-term investment.
(2) The other variation on held for trading are fair value variation and premium/discount variation for the assets classified as available for sale and held to maturity.

d. Transfers between portfolios

No transfers were made between portfolios in 2024.

e. Listed and unlisted securities, excluding accrued interest

An analysis of listed and unlisted securities is presented in note 2.5. Bonds and other fixed-income securities.

2.3. Interbank loans and advances (item III – Assets)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	21	1

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Demand loans and advances	1,601	1,814	1,814	0	0	0
Term loans and advances	354	9	0	0	0	9
TOTAL	1,955	1,823	1,814	0	0	9

c. Analysis of non-performing loans, excluding accrued interest

No non-performing and litigious loans.

d. Analysis by degree of subordination, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Subordinated interbank loans	0	0
Non-subordinated interbank loans	354	9
TOTAL	354	9

e. Analysis of subordinated non-performing loans, excluding accrued interest

There are non-performing or litigious loans.

2.4. Customer loans and advances (item IV – Assets)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	102	69

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	No fixed maturity or not analysed
Securities received under repurchase agreements	4,910	5,061	5,061	0	0	0	0
Customer receivables	9,895	7,681	876	586	338	5,881	0
TOTAL	14,805	12,742	5,937	586	338	5,881	0

c. Analysis by type of borrower, excluding accrued interest

	As at 31/12/2023	As at 31/12/2024		
(in EUR million)	Total	Public sector	Other sectors	Total
Performing loans	14,305	4,903	7,686	12,589
Restructured performing loans	0	0	0	0
Non-performing loans under collection	500	17	136	153
Doubtful non-performing loans	0	0	0	0
TOTAL	14,805	4,920	7,822	12,742

d. Analysis of non-performing loans, excluding accrued interest

Valuation of risk (in EUR million)	As at 31/12/2023	As at 31/12/2024
Gross non-performing loans under collection	705	300
Accumulated impairment	(205)	(147)
NET NON-PERFORMING LOANS UNDER COLLECTION	500	153
Gross doubtful non-performing loans	0	29
Accumulated impairment	0	(29)
NET DOUBTFUL NON-PERFORMING LOANS	0	0

e. Analysis by degree of subordination, excluding accrued interests

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Subordinated customer loans	0	0
Non-subordinated customer loans	14,805	12,742
TOTAL	14,805	12,742

2.5. Bonds and other fixed-income securities (item V – Assets)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	101	2,248

Accrued interests include the inflation-linked remuneration paid when the underlying intruments are finally redeemed. In 2024, Dexia modified the presentation of inflation-linked instruments, resulting in an impact of EUR 1,898 million on the item as at 1 January 2024, with a counterpart in exceptionnal income (see note 1.4 Rules for the presentation and valuation of annual accounts).

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
	12,594	11,213	0	8	1,009	10,196

c. Analysis by type of issuer, excluding accrued interest

Analysis by type of issuer, excluding accrued intered (in EUR million)	As at 31/12/2023	As at 31/12/2024
Public sector issuers	5,482	4,636
Other issuers	7,112	6,577
TOTAL	12,594	11,213

d. Analysis by type of portfolio and movements for the year, excluding accrued interest

	Banking activity and other			
(in EUR million)	Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total
Costs as 31/12/2023	58	3,106	9,528	12,692
Movements for the year:				
• acquisitions	0	0	0	0
• disposals and redemptions	0	(556)	(671)	(1,227)
• transfers	(58)	28	30	0
• other movements(1)	0	(6)	(145)	(151)
• translation adjustments	0	6	92	98
Costs as AU 31/12/2024	0	2,578	8,834	11,412
Impairment as at 31/12/2023	0	(98)	0	(98)
Movements for the year:				
• charges	0	(20)	(119)	(139)
• recoveries	0	56	0	56
• transfers	0	(22)	0	(22)
• other movements	0	0	0	0
• translation adjustments	0	3	1	4
Impairment as at 31/12/2024	0	(81)	(118)	(199)
NET CARRYING AMOUNT AS AT 31/12/2024	0	2,497	8,716	11,213

(1) Other movements are related to the evolution of premium / discount on portfolios.

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e. Analysis by type of portfolio

(in EUR million)	As at 31/12/2023 Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total	As at 31/12/2024 Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total
Government securities	**0**	**181**	**10,894**	**11,075**	**0**	**71**	**11,149**	**11,220**
Gross carrying amount	0	182	10,277	10,459	0	68	10,755	10,823
Premiums/discounts	0	36	617	653	0	12	394	406
Impairment	0	(37)	0	(37)	0	(9)	0	(9)
Market value	*0*	*208*	*11,188*	*11,396*	*0*	*67*	*11,110*	*11,177*
Bonds and other fixed-income securities	**58**	**3,008**	**9,528**	**12,594**	**0**	**2,497**	**8,716**	**11,213**
Gross carrying amount	58	3,130	9,275	12,463	0	2,610	8,700	11,310
Premiums/discounts	0	(24)	253	229	0	(32)	134	102
Impairment	0	(98)	0	(98)	0	(81)	(118)	(199)
Market value	*58*	*3,494*	*10,274*	*13,826*	*0*	*2,527*	*7,510*	*10,037*
TOTAL SECURITIES PORTFOLIO	**58**	**3,189**	**20,422**	**23,669**	**0**	**2,568**	**19,865**	**22,433**
Provisions for risks and charges(1)	**0**	**(225)**	**0**	**(225)**	**0**	**(257)**	**0**	**(257)**

(1) The EUR -257 million provision for risks and charges is related to losses on hedges of available-for-sale securities. This provision is presented as a liability (see note 3.5. Provisions for risks and charges).

f. Analysis by type of counterparty

(in EUR million)	As at 31/12/2023 Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total	As at 31/12/2024 Held for trading portfolio	Available for sale portfolio	Held to maturity	Total
Government securities	**0**	**181**	**10,894**	**11,075**	**0**	**71**	**11,149**	**11,220**
Central governments	0	177	9,421	9,598	0	71	9,707	9,778
Local governments	0	4	1,473	1,477	0	0	1,442	1,442
Credit institutions	0	0	0	0	0	0	0	0
Bonds and other fixed-income securities	**58**	**3,008**	**9,528**	**12,594**	**0**	**2,497**	**8,716**	**11,213**
Central governments	0	1,253	926	2,179	0	1,175	896	2,071
Local governments	0	838	2,465	3,303	0	426	2,139	2,565
Credit institutions	0	233	93	326	0	224	95	319
Other private-sector entities	58	684	6,044	6,786	0	672	5,586	6,258
TOTAL SECURITIES PORTFOLIO	**58**	**3,189**	**20,422**	**23,669**	**0**	**2,568**	**19,865**	**22,433**

g. Analysis by listing of securities

(in EUR million)	As at 31/12/2023 Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total	As at 31/12/2024 Held for trading portfolio	Available for sale portfolio	Held to maturity portfolio	Total
Government securities	**0**	**181**	**10,894**	**11,075**	**0**	**71**	**11,149**	**11,220**
Listed securities	0	177	10,892	11,069	0	71	11,149	11,220
Unlisted securities	0	4	2	6	0	0	0	0
Bonds and other fixed-income securities	**58**	**3,008**	**9,528**	**12,594**	**0**	**2,497**	**8,716**	**11,213**
Listed securities	58	748	4,616	5,422	0	326	4,031	4,357
Unlisted securities	0	2,260	4,912	7,172	0	2,171	4,685	6,856
Total securities portfolio	**58**	**3,189**	**20,422**	**23,669**	**0**	**2,568**	**19,865**	**22,433**

h. Analysis by degree of subordination, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Subordinated bonds and other subordinated fixed-income securities issued by credit institutions	0	0
Subordinated bonds and other subordinated fixed-income securities issued by other issuers	0	0
Non-subordinated bonds and other non-subordinated fixed-income securities	12,594	11,213
TOTAL	**12,594**	**11,213**
of which: listed subordinated bonds and other listed subordinated fixed-income securities	0	0

i. Transfers between portfolios

(in EUR million)	From "Held-to-maturity" to "Available-for-sale" portfolio	From "Held-for-trading" to "Held-to-maturity" portfolio
Carrying amount of assets reclassified as at transfer date	30	58
Carrying amount of assets reclassified as at 31 December 2024	8	62
Market value of reclassified assets as at 31 December 2024	8	56

Transfers from the "Held-to-maturity" to the "Available-for-sale" portfolio were made under the exception described in note 1.4 Rules for presentation and valuation of annual accounts, in the paragraph on investment securities. The transferred securities were allocated a provision of EUR -41 million, including the hedging effect.

j. Analysis of non-performing loans, excluding accrued interest

Valuation of risk (in EUR million)	As at 31/12/2023	As at 31/12/2024
Gross non-performing loans under collection	82	334
Accumulated impairment	(45)	(123)
NET NON-PERFORMING LOANS UNDER COLLECTION	**37**	**211**

2.6. Equities and other variable-income securities (item VI – Assets)

a. Analysis by type of portfolio and movements for the year

(in EUR million)	Available -for-sale portfolio
Costs as 31/12/2023	**18**
Movements for the year:	
• acquisitions	0
• disposals and redemptions	0
• other movements(1)	(18)
• translation adjustments	0
Costs as 31/12/2024	**0**
Impairment as at 31/12/2023	**(18)**
Movements for the year:	
• charges	0
• recoveries	0
• other movements(1)	18
• translation adjustments	0
Impairment as at 31/12/2024	**0**
NET CARRYING AMOUNT AS AT 31/12/2024	**0**

(1) Other movements correspond to the disposal of a fully impaired asset.

b. Transfers between porfolios (excluding insurance business)

No transfers were made between portfolios in 2024.

c. Unrealised gains and losses on variable income securities

None

2.7. Long-term equity investments (item VII – Assets)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	0	0

b. Analysis by type of issuer and movements for the year

(in EUR million)	Related parties	Other long-term equity investments	Total
Cost as at 31/12/2023	**2,313**	**41**	**2,354**
Movements for the year:			
• acquisitions	0	0	0
• disposals and redemptions(1)	(64)	(27)	(91)
• transfers	0	0	0
• translation adjustments	0	0	0
• other movements(2)	33	0	33
Cost as at 31/12/2024	**2,282**	**14**	**2,296**
Impairment as at 31/12/2023	**(2,288)**	**(9)**	**(2,297)**
Movements for the year:			
• charges	0	0	0
• recoveries	3	2	5
• reversals	0	0	0
• transfers	2	(2)	0
• translation adjustments	0	0	0
• other movements	1	0	1
Impairment as at 31/12/2024	**(2,282)**	**(9)**	**(2,291)**
NET CARRYING AMOUNT AS AT 31/12/2024	**0**	**5**	**5**

(1) The disposals relate to the leasing subsidiaries and the equity investment in Istituto per il Credito Sportivo.
(2) In accordance with the transfer agreement, the company completed capital increases in its leasing subsidiaries prior to their disposal.

c. Listing of securities

(in EUR million)	Net carrying amount as at 31/12/2024
Unlisted securities	5
TOTAL	**5**

d. Significant investments

(in EUR million) **Unlisted securities**	Gross carrying amount as at 31/12/2024	Impairment as at 31/12/2024	Net carrying amount as at 31/12/2024	% interest in capital	Interest in capital as at 31/12/2024	Last balance sheet date
TOTAL of which:	**2,296**	**(2,291)**	**5**			
Dexia Holdings Inc.	2,283	(2,283)	0	100 %	(90)	31/12/2024

2.8. Intangible assets (item VIII – Assets)

Detailed analysis and movements for the year

(in EUR million)	Other intangible assets
Gross carrying amount as at 31/12/2023	**174**
Movements of the year:	
• increases	0
• decreases[1]	(122)
• other	0
• translation adjustments	0
Gross carrying amount as at 31/12/2024	**52**
Amortisation and impairment as at 31/12/2023	**(172)**
Movements for the year:	
• charges	(1)
• recoveries[1]	122
• other	0
• translation adjustments	0
Amortisation and impairment as at 31/12/2024	**(51)**
NET CARRYING AMOUNT AS AT 31/12/2024	**1**

(1) Decreases and recoveries correspond to scrapping of assets.

Intangible assets primarily include software purchased and in-house software development costs that have been capitalised.

2.9. Tangible fixed assets (item IX – Assets)

Detailed analysis and movements for the year

(in EUR million)	Other tangible fixed assets
Cost as at 31/12/2023	**16**
Movements of the year:	
• increases	0
• decreases[1]	(7)
• other	0
• translation adjustments	0
Cost as at 31/12/2024	**9**
Amortisation and impairment as at 31/12/2023	**(15)**
Movements for the year:	
• charges	0
• recoveries[1]	7
• other	0
• translation adjustments	0
Amortisation and impairment as at 31/12/2024	**(8)**
NET CARRYING AMOUNT AS AT 31/12/2024	**1**

(1) Decreases and recoveries correspond to scrapping of assets.

2.10. Other assets and accruals (items XIII and XIV – Assets)

Detailed analysis of other assets and accruals

(in EUR million)	As at 31/12/2023	As at 31/12/2024
OTHER ASSETS		
Premiums paid on swaptions issued	0	0
Premiums paid on options	31	27
Guarantee deposits paid[1]	9,699	7,249
Tax receivables	37	26
Other	32	16
TOTAL OTHER ASSETS	**9,799**	**7,318**

(1) Guarantee deposits paid consist nearly entirely of collateral deposited under contracts with the primary counterparties trading on derivatives markets.

(in EUR million)	As at 31/12/2023	As at 31/12/2024
ACCRUALS		
Premiums and deferred charges on borrowings	210	199
Premiums on loans and other deferred charges on loans	88	23
Premiums and deferred charges on hedging transactions	1,648	2,216
Premiums and deferred charges on trading transactions	451	0
Accrued income on hedging transactions	783	822
Accrued income on trading transactions	589	119
Unrealised translation losses	366	1,031
Other accrued income	818	855
TOTAL ACCRUALS	**4,953**	**5,265**

2.11. Analysis of assets by currency

Classification by original currency

(in EUR million)	As at 31/12/2024
In EUR	24,188
In other EU currencies	0
In GBP	11,466
In USD	16,097
In all other currencies	662
TOTAL ASSETS	**52,413**

3. Notes to the liabilities and equity

3.1. Interbank borrowings and deposits (item II – Liabilities and equity)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	25	1

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Demand deposits	61	2	2	0	0	0
Securities given under term repurchase agreements	227	17	17	0	0	0
Term deposits	239	160	33	0	8	119
TOTAL	**527**	**179**	**52**	**0**	**8**	**119**

3.2. Customer deposits (item III – Liabilities and equity)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	82	108

Accrued interests include the inflation-linked remuneration paid when the underlying intruments are finally redeemed. In 2024, Dexia modified the presentation of inflation-linked instruments, resulting in an impact of EUR 11 million on the item as at 1 January 2024, with an accounting entry in non-recurring income (see note 1.4 Rules for the presentation and valuation of annual accounts).

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Demand deposits	0	77	77	0	0	0
Securities given under term repurchase agreements	2,714	2,267	2,267	0	0	0
Term deposits	494	538	0	0	0	538
TOTAL	**3,208**	**2,882**	**2,344**	**0**	**0**	**538**

c. Analysis by type of issuer, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Public sector	298	409
Other sectors	2,910	2,473
TOTAL	**3,208**	**2,882**

3.3. Debt securities (item IV – Liabilities and equity)

a. Accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024
	124	191

b. Analysis by residual maturity, excluding accrued interest

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Negotiable debt securities	38,928	34,757	8,225	11,191	15,316	25
Bond issues	0	0	0	0	0	0
TOTAL	**38,928**	**34,757**	**8,225**	**11,191**	**15,316**	**25**

The size of debt securities in the company's total liabilities is a distinctive feature of Dexia's balance sheet.
As at 31 December 2024, Dexia's issues are covered by the State guarantee mechanism for an amount of EUR 34.5 billion.

c. Analysis by type of security and movements for the year, excluding accrued interest

(in EUR million)	Negotiable debt securitites
AS AT 31/12/2023	**38,928**
Movements for the year:	
• new issues	18,770
• redemptions	(23,215)
• translation adjustments	274
• other	0
AS AT 31/12/2024	**34,757**

3.4. Other liabilities and accruals (item V and VI – Liabilities and equity)

Details of other liabilities and accruals

(in EUR million)	As at 31/12/2023	As at 31/12/2024
OTHER LIABILITIES		
Guarantee deposits received[1]	722	1,291
Premiums on options sold	0	0
Representative debt of the value of the securities borrowed	0	0
Other creditors	48	28
TOTAL	770	1,319

(1) Guarantee deposits received correspond mainly to cash collateral received.

(in EUR million)	As at 31/12/2023	As at 31/12/2024
ACCRUALS		
Deferred income on loans	5	4
Discounts recognised on purchase of receivables	0	0
Deferred income on hedging transactions	3,077	3,088
Deferred income on trading transactions	780	351
Deferred gains on hedging contracts	3	0
Accrued charges on hedging transactions[1]	1,141	3,320
Accrued charges on trading transactions	751	630
Unrealised translation gains	278	0
Other deferred income	0	0
Other accrued charges	55	43
Other accrued liabilities	1,203	1,102
TOTAL	7,293	8,538

(1) In 2024, Dexia modified the presentation of inflation-linked instruments, resulting in an impact of EUR 2,060 million on the item as at 1 January 2024, with an accounting entry in non-recurring income (see note 1.4 Rules for the presentation and valuation of annual accounts).

3.5. Provisions for risks and charges (item VII – Liabilities and equity)

(in EUR million)	As at 31/12/2023	Charges	Recoveries	Translation adjustments	As at 31/12/2024
Pensions and similar commitments	4	1	(3)	0	2
Non-individualised provisions for credit risk[1]	120	23	(84)	3	62
Risks and charges related to long-term equity investments[2]	29	37	0	2	68
Other financial instruments[3]	225	94	(53)	(2)	264
Other risks and charges[4]	126	17	(17)	0	126
TOTAL	504	172	(157)	3	522

(1) The methods for determining provisions for non-individualised credit risk are presented in note 7.2 Credit Risk.
(2) The provision on long-term equity investment reflects the decline in the value in use of the subsidiary Dexia Holdings, Inc. in 2024.
(3) Provisions on other financial instruments include EUR 257 million related to hedging derivatives of available-for-sale securities (see note 2.5. Bonds and other fixed-income securities) and EUR 7 million related to isolated open positions in hedging derivatives..
(4) The 2023 amount included a provision of EUR -90 million for risks related to the non-repayment of the full amounts paid under the irrevocable payment commitment to the Single Resolution Board.

3.6. Subordinated debt (item VIII – Liabilities and equity)

a. Accrued interest

(in EUR million)	0

b. Movements for the year, excluding accrued interest

(in EUR million)	Total
AS AT 31/12/2023	56
Movements of the year:	
• new issues	0
• redemptions	0
• translation adjustments	0
• other movements	0
AS AT 31/12/2024	56

c. Details of individual subordinated borrowings:

Currency	Maturity	Amount in millions	a) Early repayment conditions b) Subordination conditions c) Convertibility conditions	Interest rate (%)
EUR	No fixed maturity	56.3	a) Early repayment possible at each due date for interest payments with effect from 18/11/2015 after approval by the French Prudential Control Authority(1). b) Repayment at per value after all creditors but preferred ranking over subordinated profit-sharing loans and preference shares and subordinate to the rights of the States as outlined under the Guarantee Convention (deferred conditional commission). c) No conversion	Fixed rate 4.30 from 2015 EURIBOR 3M +1.73

(1) Dexia's revised orderly resolution plan includes certain restrictions concerning the payment of coupons and the exercise of calls on its subordinated debt and hybrid capital (FR0010251421). In this way, Dexia is constrained only to pay coupons on its subordinated debt instruments and hybrid capital if there is a contractual obligation to do so. In addition, Dexia cannot exercise any discretionary options for the early redemption of these securities. Finally, it is not authorised to repurchase its hybrid capital debt , as subordinated creditors must share in the financial burden resulting from the restructuring of financial institutions which have been granted State aid..

3.7. Equity

Detailed analysis of equity

(in EUR million)	
AS AT 31/12/2023	
Capital stock	279
Additional paid-in capital	2,674
Commitments to increase capital stock and additional paid-in capital	0
Legal reserve	50
Non-distributable reserve	0
General reserves	0
Retained earnings	1,232
Translation adjustments	0
Net loss for the year	(108)
Interim dividends	0
EQUITY AS AT 31/12/2023	**4,127**
Movements for the year:	
Capital stock	0
Additional paid-in capital	0
Commitments to increase capital stock and additional paid-in capital	0
Reserves and retained earnings(1)	(108)
Legal reserve	0
Non-distributable reserve	0
Translation adjustments	0
Dividends paid (-)	0
Net loss for the year	(267)
Other movements	108
AS AT 31/12/2024	
Capital stock	279
Additional paid-in capital	2,674
Commitments to increase capital stock and additional paid-in capital	0
Legal reserve	50
Non-distributable reserve	0
General reserves	0
Retained earnings	1,124
Translation adjustments	0
Net loss for the year(2)	(267)
Interim dividends	0
EQUITY AS AT 31/12/2024	**3,860**

(1) The ordinary shareholders' meeting on 21 May 2024 decided to allocate the EUR -108 million loss for 2023 to retained earnings, bringing the latter to EUR 1,124 million.
(2) A proposal was submitted to the ordinary shareholders' meeting on 27 May 2025 to allocate the net loss for the year to retained earnings.

3.8. Analysis of liabilities and equity by currency

Classification by currency of origin (in EUR million)	**As at 31/12/2024**
In EUR	24,188
In other EU currencies	0
In GBP	11,466
In USD	16,097
In all other currencies	662
TOTAL LIABILITIES AND EQUITY	**52,413**

3.9. Other notes to the balance sheet

Transactions with related parties – Analysis by type

(in EUR million)			**Total**	**Of which, related parties[(1)]**
Assets	Items III and IV	Interbank loans and advances and customer loans and advances	14,635	598
	Items V, VI and VII	Securities held	13,466	2,712
	Items XIII and XIV	Other assets and accruals	12,583	138
Liabilities	Items II and III	Interbank borrowings and deposits and customer deposits	3,170	324
	Items IV	Debt securities	34,948	0
	Items VIII	Subordinated debt	56	0
	Items V and VI	Other liabilities and accruals	9,857	301

(1) Related parties correspond to those from Dexia Holding's consolidation scope.

4. Notes to the off-balance sheet items

4.1. Financing commitments given (item I – off balance sheet)

This item includes financing commitments given and commitments given on securities and on loaned foreign currencies. Financing commitments on loans include lines of credit approved but not disbursed as at 31 December 2024.

Analysis by type of beneficiary

(in EUR million)	**As at 31/12/2023**	**As at 31/12/2024**
Commitments to credit institutions	80	0
Commitments to customers	368	375
Currencies lent but not yet delivered	0	0
TOTAL	**448**	**375**

4.2. Guarantee commitments given (item II – off-balance sheet)

a. Analysis by type of beneficiary

(in EUR million)	**As at 31/12/2023**	**As at 31/12/2024**
Commitments to credit institutions	672	44
Commitments to customers	1,375	1,597
TOTAL	**2,047**	**1,641**

b. Analysis by type of transaction

(in EUR million)	**As at 31/12/2023**	**As at 31/12/2024**
Guarantee commitments given:		
• guarantees	2,047	1,641
• endorsements	0	0
• security interests	0	0
TOTAL	**2,047**	**1,641**

c. Contingent liabilities and risks and losses not quantifiable at the date of preparation of the financial statements

Upon completion of these financial statements, there were no contingent liabilities, risks or losses that were not quantifiable.

4.3. Other commitments given (item III – off-balance sheet)

This item includes assets pledged as collateral.

(in EUR million)	Assets pledged as at 31/12/2023	Assets pledged as at 31/12/2024
As collateral for debts and commitments of the company	0	0
Balance sheet liabilities	0	106
Off-balance sheet items	2,259	2,261
TOTAL	**2,259**	**2,367**

4.4. Financing and guarantee commitments received (items IV and V – off-balance sheet)

These items include all financing commitments and guarantees received from credit institutions, and commitments received on securities and foreign currency borrowings.

(in EUR million)	As at 31/12/2023	As at 31/12/2024
FINANCING COMMITMENTS RECEIVED		
Financing commitments received from credit institutions	1,649	1,329
Currencies borrowed but not yet received	0	30
TOTAL	**1,649**	**1,359**

(in EUR million)	As at 31/12/2023	As at 31/12/2024
FINANCING COMMITMENTS RECEIVED		
Guarantees received from credit institutions	1,076	1,155
Guarantees received from local authorities or claims on local authorities acquired as guarantees	2,414	1,558
Other commitments received	2,358	1,646
TOTAL	**5,848**	**4,359**

4.5. Commitments related to securities (item VI – off-balance sheet)

a. Analysis by type of transaction

Nil

b. Isolated open positions

Unrealised gains on isolated open positions	0

4.6. Commitments related to foreign currency transactions (item VII – off-balance sheet

Spot and forward currency transactions are presented in their accounting currency value and converted based on the year-end exchange rate.

The item "currencies receivable" amounted to EUR 23.1 billion and the item "currencies payable" to EUR 21.8 billion as at 31 December 2024.

The items non-accrued deferral/discount, non-accrued interest in hedged currencies and HB currency adjustment accounts amounted to EUR 1,606 million.

4.7. Commitments related to forward and derivative financial instruments (item VIII – off-balance sheet)

a. Analysis by type of use and instrument

Type of transaction (in EUR million)	As at 31/12/2023	As at 31/12/2024	Hedging		Trading		Accounting value in balance sheet Assets (+) Liabilities (-)	Market value as at 31/12/2024
			Macro-hedging	Micro-hedging	Isolated open position	Specialised trading portfolio management		
Foreign currency instruments[1]	27,633	21,494	3,565	13,124	0	4,805	(552)	486
• forward currency purchases and sales	16,935	12,799	0	12,799	0	0	40	475
• currency and interest rate swaps	10,698	8,695	3,565	325	0	4,805	(592)	11
• currency futures	0	0	0	0	0	0	0	0
• currency options	0	0	0	0	0	0	0	0
• forward currency agreements	0	0	0	0	0	0	0	0
Other financial instruments	155,845	142,924	37,049	34,754	496	70,625	(4,484)	(5,833)
Interest rate instruments[2]								
• interest rate swaps	152,620	138,313	35,642	34,754	496	67,421	(4,489)	(5,916)
• futures	1,540	1,634	0	0	0	1,634	0	0
• forward rate agreements	0	1,000	0	0	0	1,000	0	0
• interest rate options	10	7	0	0	0	7	0	0
Other forward purchases and sales[3]								
• other options	1,675	1,970	1,407	0	0	563	5	83
• *other futures*	0	0	0	0	0	0	0	0
• other forward purchases and sales	0	0	0	0	0	0	0	0
TOTAL	**183,478**	**164,418**	**40,614**	**47,878**	**496**	**75,430**	**(5,036)**	**(5,347)**

(1) Amount to be delivered
(2) Face value / notional amount.
(3) Purchase / selling price agreed between the partiess

The methods used to determine the market value of derivatives are presented in note 7.1 Market value of financial instruments.

b. Analysis by type of market

Type of transaction (in EUR million)	Over-the-counter market	Organised market	Total as at 31/12/2024
Foreign currency instruments	21,494	0	21,494
Other financial instruments:			
• interest rate instruments	37,107	103,847	140,954
• other forward purchases and sales	1,970	0	1,970
TOTAL	**60,571**	**103,847**	**164,418**

c. Analysis of forward contracts and options

Type of transaction (in EUR million)	Forward contracts	Options	Total as at 31/12/2023
Foreign currency instruments	21,494	0	21,494
Other financial instruments:			
• interest rate instruments	140,947	7	140,954
• other forward purchases and sales	1,970	0	1,970
TOTAL	**164,411**	**7**	**164,418**

d. Analysis by residual maturity

Type of transaction (in EUR million)	Up to 1 year	1 to 5 years	Over 5 years	Total as at 31/12/2024
Foreign currency instruments	13,335	2,634	5,525	21,494
Other financial instruments:				
• interest rate instruments	38,307	29,011	73,636	140,954
• other forward purchases and sales	0	0	1,970	1,970
TOTAL	**51,642**	**31,645**	**81,131**	**164,418**

e. Statement of off-balance sheet forward transactions in securities, foreign exchange and other forward financial instruments

Commitments on forward interest-rate financial instruments are presented in the tables above in accordance with the accounting standards and methods described in note 1.4 Accounting policies and valuation methods used to present the financial statements:
• for firm transactions, amounts are recorded at the nominal value of the contracts,
• for contingent transactions, amounts are recorded at the face value of the underlying instrument.

The use of forward financial instruments by Dexia is part of the following three strategies:

• Asset/Liability management
This management includes operations the purpose of which is to hedge and manage the institution's overall interest rate risk. This ALM management is carried out principally through swaps and future contracts.
Also included in this strategy are currency swaps which have been entered into to convert resources into the currency of the items they finance, as this conversion reduces currency risk.

• Hedging transactions
The transactions listed in this category are intended to hedge the interest rate or foreign exchange risk affecting an item or a group of homogeneous items identified at inception.
This category mainly includes interest rate or currency swaps used as micro-hedges for primary issues, securities in the available-for-sale or held-to-maturity bond portfolio and customer assets denominated in euros (hedged against interest rate risk) or in foreign currencies (hedged against interest rate or foreign exchange risk).

• Position management transactions
This strategy is broken down into two types of activity:
– an activity known as specialised management of a held-for-trading portfolio,
– a position-taking activity.
The specialised management of a held-for-trading portfolio consists of three groups of activities:
– transactions initiated by financial instrument trading activities up to the date of the orderly resolution of the Dexia Group, mainly covered by back-to-back transactions,
– transactions intended to hedge risks arising from divestments or asset sales carried out as part of the orderly resolution plan,
– transactions aimed at managing the exit or restructuring conditions for certain legacy assets.
The transactions processed are principally interest-rate swaps and other forward interest-rate financial instruments. The transactions included in this activity, the positions of which are centralised and the results of which are calculated daily, are subject to specialised sensitivity management.
The purpose of the position-taking activity is to maintain isolated open positions in order to benefit from changes in interest rates, where appropriate. Dexia's derivatives portfolio of isolated open positions includes balance sheet management transactions which are part of Dexia's orderly resolution policy and which cannot be hedge-accounted or do not meet the criteria for classification as specialised management activity. The transactions entered into are mainly interest-rate swaps and credit derivatives.

4.8. Transactions with related parties

a. Analysis by type

(in EUR million)			Total	Of which, related parties[1]
Off-balance sheet	Item I	Financing commitments given	375	164
	Item II	Guarantee commitments given	1,641	1,155
	Item IV	Financing commitments received	1,359	0
	Item V	Guarantee commitments received	4,359	1,242
	Items III, VI, VII et VIII	Other commitments given and received	191,886	0

(1) Related parties are entities included within the consolidation scope of the Dexia Group.

b. Transactions with the Belgian, French and Luxembourg States

Dexia's funding guarantee mechanisms

2013 Guarantee Agreement

On 24 January 2013, the French, Belgian and Luxembourg States and Dexia Holding and Dexia entered into a Guarantee Issuance Agreement, and granted an independent guarantee pursuant to such Guarantee Issuance Agreement in favour of Dexia (main issuer and main operating entity of the Group) pursuant to the Belgian royal decree of 19 December 2012 amending the royal decree of 18 October 2011 granting a State guarantee for certain loans of Dexia Holding and Dexia (as ratified by the law of 17 June 2013 "portant des dispositions fiscales et financières et des dispositions relatives au développement durable"), the French Enabling Law, as amended by the amending finance law n° 2012-1510 of 29 December 2012 and the Luxembourg Enabling Law. By virtue of this 2013 guarantee, the three States guarantee severally, but not jointly, the performance by Dexia of its repayment obligations resulting from certain financings provided by qualified, institutional or professional investors (within the meaning of the guarantee), provided that these obligations arise from certain financings contracted or issued in the form of securities and financial instruments, deposits and borrowings (with a maximum maturity of ten years) between 24 January 2013 and 31 December 2021.
This guarantee was effective immediately. It replaced the 2011 Temporary Guarantee Agreement which was terminated without retroactive effect and without prejudice to any rights arising pursuant to guaranteed obligations entered into or issued prior to the effectiveness of the guarantee. The States' guarantee by virtue of this agreement may not exceed a maximum aggregate limit of EUR 85 billion in principal, it being understood that the amounts which are so capped include

outstanding guaranteed obligations pursuant to the guarantee, the 2011 Temporary Guarantee Agreement, or any other guarantee granted pursuant to the Guarantee Issuance Agreement but exclude outstanding guaranteed obligations pursuant to the 2008 Guarantee Agreement. Each of the States guarantee the repayment obligations in the following proportion:

(i) 51.41% for the Belgian State (corresponding to a maximum amount of EUR 43.6985 billion);

(ii) 45.59% for the French State (corresponding to a maximum amount of EUR 38.7515 billion); and

(iii) 3.0% for the Luxembourg State (corresponding to a maximum amount of EUR 2.55 billion).

Under the terms of the Guarantee Issuance Agreement, Dexia must pay the following guarantee fee to the States:

(i) an upfront commission equal to 50 basis points of the EUR 85 billion limit, less the upfront commission already paid in connection with the 2011 temporary guarantee i.e. a balance of EUR 150 million.

(ii) a monthly fee, calculated at a rate per annum of 5 basis points on the amount outstanding under the guaranteed obligations, both on the preexisting guaranteed amounts outstanding under the 2011 temporary guarantee and the new guaranteed amounts outstanding under guarantees issued in accordance with the Guarantee Issuance Agreement (it being understood that such monthly fee shall, with respect to the portion of the outstanding amount of the guaranteed obligations that would be held by the Banque de France Gestion, the Banque de France, the National Bank of Belgium, be calculated in accordance with the 2011 Temporary Guarantee Agreement (as long as the European Central Bank accepts the all-in fee principle).

2022 guarantee agreement

Following the approval[1] by the European Commission of the extension of the Dexia funding guarantee for a further period of ten years as from 1 January 2022, the French and Belgian States adopted the legal texts relating to this extension on 29 December 2020 and 27 June 2021 respectively[2][3].

To recall, the extended funding guarantee (2022 guarantee) retains most of its current features and therefore remains joint, unconditional, irrevocable and on first demand. However, the following changes have been made to the guarantee scheme:

– The new guarantee ceiling is EUR 75 billion, of which EUR 72 billion to cover the Group's debt issues and EUR 3 billion for intraday interbank overdrafts in euros and foreign currencies.

– The Luxembourg State no longer participates in the guarantee mechanism. Its 3% quota is divided between the Belgian and French States in proportion to their current respective shares of 51.41% and 45.59%, i.e. 53% for Belgium and 47% for France.

The extended guarantee came into force on 1 January 2022. The 2013 guarantee, although expiring on 31 December 2021, continues to produce its effects for all guaranteed bonds issued by Dexia until 31 December 2021 and this for a maximum maturity period of ten years since their issue date.

The remuneration of the guarantor States pursuant to the 2022 guarantee comprises a basic remuneration and a conditional deferred commission.

(1) https://ec.europa.eu/commission/presscorner/detail/en/mex_19_5875

(2) Cf. Dexia Holding Press Release dated 28 May 2021, available at www.dexia.com.

(3) Law 2020-1721 of 29 December 2020 on finance for 2021, published in the Official Journal on 30 December 2020 and Law of 27 June 2021 relating to various financial provisions, published in the Belgian Official Gazette on 9 July 2021.

The basic remuneration is 5 basis points per annum on the guaranteed amounts outstanding, payable monthly. This commission would also be increased by a conditional deferred commission, payable in the event that two conditions materialise. These two conditions are cumulative and are set out in the Decision of the European Commission of 27 September 2019, i.e. (i) Dexia and Dexia Holding may become liable to the holders of hybrid Tier 1 securities bearing the ISIN code FR0010251421 and XS0273230572 respectively, which means in practice that Dexia or Dexia Holding may be put into liquidation, and (ii) Dexia no longer has the authorisation as a credit institution provided for in Article L. 511-10 of the Monetary and Financial Code.

The pricing of this commission will be progressive as from 2022 and will reach an annual rate of 135 basis points in 2027 on outstanding amounts issued under the extended guarantee framework. This commission applies to the out-standing guaranteed debt issued by Dexia and is guaranteed by Dexia Holding.

This deferred commission is of such a level that it should absorb Dexia's net liquidation proceeds. Consequently, neither the holders of Dexia's Tier 1 hybrid subordinated debt (ISIN FR0010251421) and Dexia Holding's Tier 1 hybrid subordinated debt (ISIN XS0273230572), nor the States, as holders of profit shares issued by Dexia Holding, nor the shareholders of Dexia Holding (States and other shareholders) should receive any proceeds upon the liquidation of Dexia, as any such proceeds will be paid to the Belgian and French States as the conditional deferred commission.

This guarantee remuneration structure allows for the full implementation of the burden sharing principle underlying the orderly resolution of Dexia, which requires that any improvement in Dexia's financial situation should benefit only the shareholder States and guarantors. The outstanding debt guaranteed under the 2013 and 2022 guarantee agreements is published daily on the website of the National Bank of Belgium (http://www.nbb.be/DOC/DQ/warandia/index.htm). As at 31 December 2024, the total outstanding amount of bonds guaranteed by the three States stood at EUR 34.45 billion.

In 2024, Dexia paid commissions totalling EUR 18 million for its guaranteed funding. The conditional deferred commission recorded off-balance sheet amounted to EUR 87 million as at 31 December 2024.

Surveillance Agreement

On 22 December 2023, the Kingdom of Belgium and the French Republic signed a Surveillance Agreement with Dexia Holding and Dexia. The purpose of this agreement was to establish a supervisory framework which, in a role adapted to the new context, succeeded the prudential banking framework to which Dexia and Dexia Holding were subject prior to the withdrawal of Dexia's credit institution authorisation and the cessation of Dexia Holding's status as a financial company, in the interests of the continuation of Dexia's orderly resolution, the guarantor States and the proper assessment of Dexia by its counterparties.

This Surveillance Agreement came into force on 1 January 2024 and will remain in force until the assets of Dexia and its subsidiaries have been fully amortised.

The Surveillance Agreement provides in particular for the establishment of a Surveillance Committee to assist Dexia's Board of Directors with regard to the evolution of Dexia's financial and operational situation. The remuneration of the members of the Committee is fixed by mutual agreement between the States and is paid by Dexia.

5. Notes to the income statement

5.1. Interest income and interest expense (items I and II – Income statement)

(in EUR million)		As at 31/12/2023	As at 31/12/2024
INTEREST INCOME:			
Interbank loans	(a)	579	417
Customer loans and advances	(b)	959	1,192
Bonds and other fixed-income securities	(c)	1,151	1,352
Macro hedging transactions		2,444	2,266
TOTAL		**5,133**	**5,227**
INTEREST EXPENSE			
Interbank borrowings and deposits	(a)	(340)	(202)
Customer deposits	(b)	(373)	(820)
Bonds and other fixed-income securities	(c)	(1,751)	(1,864)
Macro hedging transactions		(2,357)	(2,225)
Charge related to the State guarantee		(19)	(18)
TOTAL		**(4,840)**	**(5,129)**
NET INTEREST MARGIN		**293**	**98**
*Including net interest income**		*302*	*253*
Including gain/loss on loan disposals and unwinding of macro-hedge		*(9)*	*(155)*

**The decrease of EUR -49 million in 2024 is mainly due to a reduction in interest income resulting from the attrition of asset portfolios and from an increase in funding costs due to the rise in interest rates over the year.*

a. Interest income and expense on interbank transactions

This item includes EUR -1 million on transactions with related parties.

b. Interest income and expense on customer transactions

Interest income and expense on customer loans and deposits include EUR 8 million in income from financing commitments and guarantees.

c. Interest income and expense on bonds and other fixed-income securities

The heading includes accrued interest on bonds and other fixed-income securities, amortisation of discounts and premiums on held-to-maturity and available-for-sale securities, and the related hedging gains and losses on these securities.
In addition to interest expense on bonds and other fixed-income securities, the heading also includes interest rate hedging gains and losses on specifically identified negotiable debt, bond and subordinated debt issues.

5.2. Income from variable-income securities (item III – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Related parties(1)	30	0
Other related parties and long-term investments	0	1
Equities and other variable-income securities	0	0
TOTAL	**30**	**1**

(1 In 2023, the EUR 30 million amount corresponds to the payment of a dividend by Dexia FB France.

5.3. Analysis of fees and commissions (items IV and V – Income statement)

a. Analysis of fee and commission income (item IV – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Loans	1	0
Other financial services	0	2
TOTAL	**1**	**2**

b. Analysis of fee and commission expenses (item V – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Loans	0	0
Securities transactions	(1)	(2)
Other financial services	(4)	(5)
TOTAL	**(5)**	**(7)**

5.4. Analysis of gains and losses on portfolio transactions (item VI – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Gains or losses on held-for-trading portfolio:		
• held-for-trading securities	1	0
• foreign currency transactions	38	15
• other financial instruments	(24)	(31)
Sub-total	**15**	**(16)**
Gains or losses on available-for-sale and similar securities:		
• charges/reversal of impairment(1)(3)	25	(56)
• Gains/losses on disposals	(13)	40
Sub-total	**12**	**(16)**
• Held-to-maturity securities(2)	0	(66)
Sub-total	**0**	**(66)**
TOTAL	**27**	**(98)**

(1) Movements in the available-for-sale portfolio are detailed in notes to the assets 2.2. Government securities eligible for Central Bank refinancing and 2.5. Bonds and other fixed-income securities
(2) The disposals in the held-to-maturity portfolio are justified in the context of the loss of the banking licence, which occured on 1 January 2024, and considered an exceptional event within the meaning of article 2341-2 of ANC regulation no. 2014-07
(3) This amount includes EUR -22,5 million in estimate change, resulting from the consideration of the bid/ask quotation range on 1 January 2024 (see notes 1.4 Rules for the presentation and valuation of annual accounts).

5.5. General operating expenses (item IX – Income statement)

a. Detailed analysis

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Personnel costs	**(88)**	**(83)**
• Salaries and wages	(52)	(63)
• Social security	(17)	(19)
• Restructuring cost	(14)	3
• Pension charges	0	1
• Provisions for litigation staff	0	0
• Other personnel costs	(5)	(5)
Other administrative expenses	**(275)**	**(154)**
• Other administrative expenses(1)	(271)	(158)
• Taxes and duties	(4)	4
TOTAL	**(363)**	**(237)**

(1) The 2023 amount includes a provision of EUR -90 million for risks related to the non-repayment of the full amounts paid under the irrevocable payment commitment to the Single Resolution Board.
(2) Furthermore, due to the withdrawal of its banking licence on 1 January 2024, Dexia is no longer subject to the Single Resolution Fund contribution (a charge of EUR-37 million had been recorded in 2023).

b. Employee information

	As at 31/12/2023	As at 31/12/2024
Number of employees(1)	**430**	**374**
• executive management	8	8
• other management	353	325
• administrative personnel	69	41

(1) As at 2024, the table presents average headcount figures.

5.6. Cost of risk (item XI – Income statement)

(in EUR million)	As at 31/12/2023			As at 31/12/2024		
	Charges and losses	Reversal and recoveries	Total	Impairment and losses	Reversal and recoveries	Total
Provisions for non-individualised credit risk	(82)	8	(74)	(23)	84	61
Provisions for individualised credit risk	(42)	14	(28)	(151)	98	(53)
Gains and losses	(3)	6	3	(68)	3	(65)
TOTAL	**(127)**	**28**	**(99)**	**(242)**	**185**	**(57)**

5.7. Net gains (losses) on non-current assets (item XII – Income statement)

(in EUR million)	As at 31/12/2023			As at 31/12/2024		
	Affiliated entreprises	Others	Total	Affiliated entreprises	Others	Total
Charges to impairment(1)	(5)	0	(5)	0	0	0
Recoveries of impairment	0	0	0	3	2	5
Charges related to long-term equity investments(2)	0	0	0	**(37)**	**0**	**(37)**
Recoveries related to long-term equity investments	0	0	0	**0**	**0**	**0**
SUB-TOTAL	**(5)**	**0**	**(5)**	**(34)**	**2**	**(32)**
Disposal losses	0	0	0	(4)	0	(4)
Disposal gains(3)	0	0	0	42	0	42
SUB-TOTAL	**0**	**0**	**0**	**38**	**0**	**38**
TOTAL	**(5)**	**0**	**(5)**	**4**	**2**	**6**

(1) In 2023, impairment losses on equity investments related mainly to the leasing subsidiaries Dexia RB France, DCL Evolution, Alsatram and Dexia Rail, which were sold at the beginning of 2024.
(2) The EUR -37 million charge to provisions for liabilities and charges reflects the lower value in use of the subsidiary Dexia Holdings Inc. in 2024.
In 2023, the provision made for Dexia Holdings Inc.'s value in use going beyond the provisioning of the loan granted by Dexia to its subsidiary was recorded in the cost of risk for an amount of EUR -29 million. As from 2024, the provision is reported under Net gains (losses) on non-current assets as it relates to a subsidiary 100% owned by Dexia.
(3) The EUR 42 million gain on disposal relates to the leasing subsidiary Dexia FB France.

5.8. Other banking income and expenses

a. Other banking income (item VII – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Income linked to litigation	0	1
Other miscellaneous income	15	3
TOTAL	**15**	**4**

b. Other banking expenses (item VIII – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Expenses linked to litigation	0	0
Other miscellaneous expenses	0	0
TOTAL	**0**	**0**

5.9. Non-recurring items (item XIII – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Non-recurring income	12	2,100
Non-recurring expenses	0	(2,071)
TOTAL	**12**	**29**

In 2024, non-recurring items include the following error corrections:

• a reversal of a provision of EUR +29 million on an Italian security classified in the held-to-maturity portfolio, valued at the lower of market value and acquisition cost, whose exposure was overprovisioned as at 31 December 2023.

• a change in the presentation of inflation-linked instruments, resulting in an impact of EUR 2.071 billion on securities on the assets side of the balance sheet, with an accounting entry in exceptional income, and an impact of EUR 2.071 billion on hedging derivatives and associated borrowings on the liabilities side of the balance sheet, with an accounting entry in exceptional expenses, i.e. a net zero impact on exceptional income (see note 1.4 Rules for the presentation and valuation of annual accounts).

In 2023, non-recurring income included a correction of a modeling error on a bond schedule.

5.10. Corporate income tax (item XIV – Income statement)

(in EUR million)	As at 31/12/2023	As at 31/12/2024
Corporate income tax	(9)	(6)
Provisions for tax litigation	0	0
TOTAL	**(9)**	**(6)**

a. Tax consolidation

Since 2002, Dexia Holding's permanent establishment in France has been the parent company of the tax consolidation group of which Dexia is one of the member subsidiaries. An amendment to the tax agreement between Dexia Holding permanent establishment and Dexia, signed in 2011, allows tax savings from Dexia and its subsidiaries to be reallocated to Dexia under certain conditions.

The sale of the leasing entities (Dexia FB France, Dexia RB France, Alsatram, DCL Evolution and Dexia Rail) on 1 February 2024 resulted in their removal from the tax consolidation group with retroactive effect to 1 January 2024. As a result, the companies in the tax consolidation group for the 2024 financial year are as follows: French permanent establishment of Dexia Holding, Dexia, DX White and DX Blue.

b. Withdrawal of the banking licence

In a letter dated 11 December 2023, the European Central Bank (ECB) approved the withdrawal of Dexia's credit institution licence and investment services authorisations. A ruling dated 27 June 2023 was granted by the Tax Legislation Department to Dexia Holding, authorising the company to maintain the application of certain provisions of the General Tax Code, the benefit of which is normally subordinated to the status of credit institution. It is therefore accepted that the transactions carried out by Dexia as part of its orderly resolution plan continue to be subject to the corporate tax regime applicable to credit institutions after the withdrawal of authorisation.

Therefore, in order to be able to apply the provisions of the second paragraph of Article 38(4) and Articles 38 bis A, 38 bis B and 38 bis C of the Genral Tax Code, these transactions will have to be accounted for in accordance with ANC regulation n° 2014-07 of 26 November 2014 relating to the accounts of companies in the banking sector.

5.11. Financial relationships with members of the Management Board and the Board of Directors

(in EUR million)	
REMUNERATION PAID TO THE MEMBERS OF THE MANAGEMENT BOARD AND THE BOARD OF DIRECTORS OF THE COMPANY IN RESPECT OF THEIR FUNCTIONS WITHIN THE COMPANY AND ITS SUBSIDIARIES AND ASSOCIATED COMPANIES	
Management Board	4
Board of Directors	0
TOTAL	**4**

AMOUNT OWED, CONTINGENT LIABILITIES IN THEIR FAVOUR AND OTHER MATERIAL COMMITMENTS	
Management Board	0
Board of Directors	0
TOTAL	**0**

6. Information on subsidiaries and equity investments as at 31 dece

6.1. Information on subsidiaries and equity investments

Company	Capital Stock	Additional paid-in capital, reserves and retained earnings	Revenue or net banking income (loss) for last fiscal year	Net income (loss) for last fiscal year
1 - DETAILS OF SUBSIDIARIES AND EQUITY INVESTMENTS WHOSE CARRYING AMOUNT EXCEEDS 1% OF DEXIA L'S CAPITAL STOCK				
A - SUBSIDIARIES (50% TO 100% OF EQUITY)				
(in EUR)				
Dexia Holdings Inc.[1] 445 Park Avenue, 7th floor NY 10022 New York	2,544,643,489	(2,631,416,684)	(2,684,167)	(2,923,304)

(1) Company that produces financial statements only under USGAAP.

2 – GENERAL INFORMATION	
A - OTHER SUBSIDIARIES NOT INCLUDED IN SECTION 1-A AND EQUITY INVESTMENTS WHERE EQUITY IS MORE THAN 10%	
- French companies	
- Foreign companies	
B - OTHER SUBSIDIARIES NOT INCLUDED IN SECTION 1-A AND EQUITY INVESTMENTS WHERE EQUITY IS LESS THAN 10%	
- French companies	
- Foreign companies	

mber 2024

Interest in equity (%)	Carrying amount of stock – Gross	Carrying amount of stock – Net	Dividends received by Dexia during the fiscal year	Loans and advances granted by Dexia	Guarantees given by Dexia	Activity
100%	2,283,076,144	1	0	86,746,988	0	Holding company
	345,000	170,000	0	50,000	0	
	2,683,069	475,019	0	0	0	
	7,538,791	4,138,665	791,866	13,574,499	1,756,457	
	2,669,043	0	132,314	0	0	

6.2. Interests in subsidiaries and other entities

Following the implementation of the orderly resolution plan, Dexia retains residual entities mainly outside France. These entities are, both individually and collectively, of negligible interest for the preparation of Dexia's financial statements. Consequently, and in accordance with Article L233-17-1 of the French Commercial Code, Dexia does not prepare consolidated financial statements.

a. List of non-consolidated subsidiaries as at 31 December 2024

Name	Country	31 December 2023		31 December 2024	
		% control	% interest	% control	% interest
Leasing activities					
Dexia RB France	France	100	100	0	0
Dexia FB France	France	100	100	0	0
DCL Evolution	France	100	100	0	0
Dexiarail	France	100	100	0	0
ALSATRAM	France	100	100	0	0
Activities in the United States					
Dexia Financial Products Services LLC(2)	USA	100	100	100	100
Dexia FP Holdings Inc.(1)	USA	100	100	100	100
Dexia Holdings, Inc.	USA	100	100	100	100
FSA Asset Management LLC(2)	USA	100	100	100	100
FSA Capital Management Services LLC(2)	USA	100	100	100	100
FSA Capital Markets Services LLC(2)	USA	100	100	100	100
FSA Global Funding LTD(1)	Cayman Islands	100	100	100	100
FSA Portfolio Asset Limited (UK)(2)(3)	United Kingdom	100	100	100	100
Premier International Funding Co	Cayman Islands	(*)	(*)	(*)	(*)
Other subsidiaries					
Dexia Crédito Local México SA de CV (Sofom Filial)	Mexico	100	100	100	100
Dexia Kommunalkredit Romania	Romania	100	100	100	100
Dexia Management Services Limited	United Kingdom	100	100	100	100
DX Blue	France	100	100	100	100
DX White	France	100	100	100	100
New Mexican Trust	Mexico	(*)	(*)	(*)	(*)
Progetto Fontana (in liquidation)	Italy	25	25	25	25
SPS – Sistema Permanente di Servizi Scpa in liquidazione e concordato preventivo(3)	Italy	20.4	20.4	20.4	20.4

(*) Control is exercised through agreements and based on risks and benefits.
(1) Companies held by Dexia Holdings Inc.
(2) Companies held by Dexia FP Holdings Inc.
(3) Companies in the process of dissolution

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The leasing subsidiaries were sold on 1 February 2024. As at 31 December 2024, the remaining active subsidiaries are located in the United States.

As specified in section 6.2.b, they are being wound up and their activities are being gradually transferred to Dexia in accordance with market conditions and the operational situations of each. The other subsidiaries are "shell" entities or entities in the process of being closed down which no longer have any business activities.

In addition to these subsidiaries, two ad hoc entities, WISE 2006-1 PLC and SPV Project 2219 S.r.l., are also analysed in section 6.2.c.

The figures below represent the financial position of the entities as at 31 December 2024, prepared in accordance with French accounting standards.

b. Information on subsidiaries active in the United States

Within the framework of the sale of FSA to Assured Guaranty in 2009, Dexia retained the Financial Products activities (FP and Global Funding) managed in run-off like the rest of the Group, and agreed to continue to indemnify FSA and Assured Guaranty for any losses related to these activities.

Dexia has not provided any financial or other support which would have resulted in control of a structured entity.

In terms of organisation, Dexia owns Dexia Holdings Inc. (DHI) in the United States. This holding company holds the securities of Dexia FP Holdings Inc. (DFP) and of FSA Global Funding LTD (GF).

Dexia FP Holdings Inc. (DFP)

(in EUR million)	31/12/2024
Balance-sheet total	1,375
Net result	2

Dexia FP Holdings Inc. (DFP) consolidates four entities in the United States and one entity in the United Kingdom which is currently being dissolved. 82% of DFP's liabilities are related to entities owned by Dexia.

On the asset side, DFP's exposures relate to financial institutions, the US sovereign and government-guaranteed agencies (34%), US municipal bonds and US military housing projects (41%), as well as loans granted to Dexia to finance a portfolio of securities transferred from DFP to Dexia in 2023 (25%).

The overall exposure, excluding intra-Group loans, is limited (outstanding amount of EUR 627 million) and rated Investment Grade.

Taking all these factors into account, management considered that DFP was of negligible interest to Dexia, both from an accounting perspective and in terms of its risk profile.

FSA Global Funding LTD (GF)

(in EUR million)	31/12/2024
Balance-sheet total	380
Net result	(2)

FSA Global Funding LTD (GF) purchased Guaranteed-Investment Contracts (GICs), intragroup with DFP, an entity owned by Dexia mentioned above, financed by EMTN.

Given the limited amounts involved and the absence of credit risk, GF is considered to be of negligible interest to Dexia.

c. Interests in non-consolidated ad hoc structures

WISE 2006-1 PLC (WISE)

(in EUR million)	31/12/2024
Balance-sheet total	81
Net result	0

Wise is an ad hoc structure which has issued structured bonds (CLNs) which protect the credit risk of a portfolio of securities. The proceeds from the issue of these CLNs were placed with Dexia. The consolidation of Wise would have an insignificant impact of EUR 14 million on the Dexia balance sheet (liabilities).

SPV Project 2219 S.r.l.

Within the context of the closure of its activities in Italy, Dexia has transferred its loans to the Italian local public sector to an SPV incorporated under Italian law (SPV Project 2219 S.r.l.). The contracts signed with this entity leave Dexia with effective control and the return on the loan portfolio.

This portfolio, amounting to EUR 2.63 billion as at 31 December 2024, is fully financed by a security of the same amount subscribed by Dexia, classified as an investment security, which appears under the item 'Bonds and other fixed-income securities' on Dexia's balance sheet.

The SPV is a transparent structure: any event which has an impact on the loan portfolio on the SPV's assets is therefore immediately reflected inDexia financial statements.

7. Risk management

7.1. Market value of financial instruments

a. Market value of financial assets

All of the items below are presented excluding accrued interest.

	Amount as at 31-12-2024		
(in EUR million)	Accounting value	Market value	Difference[3]
2.2. Public securities eligible for refinancing with the central bank	11,220	11,177	(43)
2.4. Customer-related transactions	12,742	12,593	(149)
2.5. Bonds and other fixed-income securities	11,213	10,037	(1,176)
a) Listed securities	*4,357*	*3,481*	*(876)*
– active market[1]	*1,171*	*1,097*	*(74)*
– not an active market[2]	*3,186*	*2,384*	*(802)*
b) Non-listed securities	*6,856*	*6,556*	*(300)*

(1) These are securities listed on an organised market or over-the-counter for which permanent listings are observed, and the regularly traded volumes of which are sufficient to allow for the consideration that sales are feasible at any time without significant impact on prices.
(2) These are securities listed on an organised market or over-the-counter, the market prices of which are not considered sufficiently reliable. Valuations are based on the valuation techniques described below.
(3) As Dexia's financial policy is to hedge interest rate and exchange rate risks, the amounts in this column do not represent the capital gains or losses which would be realised in the event of a sale.

	Amount as at 31-12-2024			
	Accounting value	Market value		
(in EUR million)		Total	Held-for-trading securities	Held-to-maturity securities
2.2. Public securities eligible for refinancing with the central bank	11,220	11,177	67	11,110
2.5. Bonds and other fixed-income securities	11,213	10,037	2,527	7,510

b. Market value of derivatives

The market value of derivatives is presented in Note 4.7. Commitments on forward financial instruments.

c. Principles and techniques for determining market value

Valuation principles

The market value of a financial instrument is defined as the amount for which the instrument might be exchanged in an orderly transaction between knowledgeable, willing parties in an arm's length transaction. The valuation principles used and the assumptions made within Dexia ensure a consistent measurement of the market value of financial instruments.
The valuation should take into account all the factors that market participants might consider when valuing the instrument. Assessing the market value of a financial instrument requires taking into account the market conditions existing at the time of the valuation. Insofar as observable data is available, it must be taken into account in the valuation.

Valuation techniques

The valuation techniques selected by Dexia for its financial instruments for which a market value is used for the purposes of recognition in its balance sheet or presentation in the notes depend on the determination of the existence or not of an active market, based on criteria such as the volume of transactions, the liquidity of the market or the buy-sell spread.

Financial instruments for which reliable market quotations are available

If there is an active market, the market quotations available for identical assets or liabilities are used to assess their market value. These prices are in fact the best estimate of the market value of a financial instrument.

Financial instruments for which there are no reliable market prices available

If a financial instrument is not traded on an active market, valuation techniques are used, such as the discounting of estimated future cash flows for loans and debt instruments or specific valuation models for other financial instruments. Within this context, Dexia relies on its own valuation models. The choice of valuation technique must be appropriate to the circumstances and the valuation level must reflect what its value would be under current market conditions. The valuation techniques used by Dexia maximise the use of observable data. These valuations are based on independent external market data providers and standard quantitative approaches. The Market Risk department regularly monitors the quality of valuations:
- The valuations of derivative instruments are compared with those of the counterparties, in particular via collateral, and analysed during a monthly ad hoc committee,
- The levels of execution of the transactions are used to ensure the quality of the valuation approaches,
- A regular review of the valuation approaches is made and submitted for validation to the Validation department.

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The data which Dexia incorporates into its valuation models are either directly observable (prices) or indirectly observable (spreads) or are the result of using directly observable prices or spreads on similar instruments.

Valuation of securities and loans

As mentioned above, securities and loans which are traded on a non-active market are valued according to a discounted cash flow model based on credit spreads.

For securities, the credit spread is estimated on the basis of data directly available from external contributors or, when no data is available for an instrument, on the basis of the issuer's credit curve, adjusted to take into account the specific characteristics of the securities in question (maturity, and so on) or, failing that, on the basis of spreads available for similar instruments on the market (sector, rating, currency).

For loans, the discount factors use interest rates calculated from interest rate or currency swap contracts adjusted for risks related to the loan structure (liquidity or model risk) and risks intrinsic to the borrower (credit risk) as estimated by Dexia according to its own internal assumptions based on the primary market, on recent transactions on the secondary market or on possible discussions with external parties relating to the various disposal plans implemented as part of the resolution of Dexia.

The valuation of securities and loans takes into account the risk of early repayment associated with these assets.

Valuation of derivative contracts

The market value of derivative contracts takes the following elements into account:

• An adjustment to take account of the risk of counterparty default (*Credit Valuation Adjustment* – CVA) on non-collateralised derivatives for which there is a risk on the market value of the derivative at the reporting date as well as on anticipated changes in value over the life of the derivative. Based on projections, anticipated positive exposures are used to calculate the CVA. For the estimation of the CVA on non-collateralised derivatives, the probability of default (PD) parameters used are determined on the basis of market data and conventions. Loss given default (LGD) parameters are based on market conventions or internal statistics which take into account specific recovery rates observed.

• An adjustment to take account of the funding costs associated with non-collateralised derivatives (*Funding Valuation Adjustment* – FVA). As these non-collateralised derivatives are not subject to margin calls, Dexia benefits from a financing saving or bears the cost depending on the direction of its net position on the balance sheet, corresponding to the market values of these derivatives. The level of funding cost used in determining the FVA reflects the financing of the exposure of non-collateralised derivatives at rates different from overnight rates (*Risk Free Rate* - RFR).

• The management fees and the *Bid/Ask* reserve to take into account the spread between the bid (*Bid*) and ask (*Ask*) prices, the market value being based on market data quoted at the average price (*Mid*). The calculation of this spread is mainly based on a sensitivity approach and, for certain more complex derivatives, on a history of observed exit prices. Future fixed charges relating to the management of derivative contracts are also likely to be taken into account.

• Depending on the assumptions which market participants would take into consideration to assess the market value of financial instruments, Dexia uses a risk-free rate (RFR) curve or an RFR curve adjusted to take into account the conditions of collateral remuneration as discount curves for derivatives.

Due to the complexity of certain valuation techniques, corrections intended to cover valuation uncertainties have also been implemented. These corrections are based on an alternative valuation technique, when possible, or by using conservative valuation parameters in the case of using non-observable data.

Dexia continues to develop its models in line with developments in market practices.

7.2. Credit risk

Dexia's credit risk exposure is expressed as exposure at default (EAD).

The sections below present the definition of the EAD for Dexia as well as the distribution of the EADs by geographical area, type of counterparty and rating.

Credit risk management is covered in detail in the section "Risk management" in the management report of this Annual Report.

a. Definition of EAD

EAD is defined as the maximum gross loss which may be incurred on capital at the time of default in the event of a counterparty default without recovery of contractual cash flows (100% loss).

Until 31 December 2023, this EAD was defined within the framework of banking (CRR) and accounting (IFRS) regulations, in particular for the calculation of risk-weighted assets and regulatory capital requirements.

Following the withdrawal of its banking licence, Dexia defined new exposure measures based on its new status, accounting framework and risk monitoring framework. However, some elements of EAD are similar to the (regulatory) definition applied on 31 December 2023.

EAD measurements are systematically reported to the initial counterparty (i.e. without taking into account the existence of a potential guarantor). This means that there is no substitution effect.

Loans and bonds

The EAD includes the exposure on the asset itself, as well as the exposure which may exist in the case of a hedging relationship (micro or macro-hedging), as the default of the asset may have an impact on the income statement via the hedging derivative in the event of reclassification and/or unwinding of the swap. The EAD does not take into account the amounts of provisions for credit loss.

Off-balance sheet commitment (excluding derivatives)

The exposure at default (EAD) of an off-balance sheet item such as a credit facility or guarantee is the nominal value of the commitment, multiplied by a credit conversion factor (CCF). The CCF factors applied are the regulatory factors as at 31 December 2023.

Derivatives

Although no longer subject to banking regulations, Dexia has chosen to maintain the SA-CCR method[1] as applied on 31 December 2023.

(1) EU Regulation 2019/876 amending EU Regulation 575/2013 (Articles 274 to 280)

b. Distribution of the EADs

BREAKDOWN BY GEOGRAPHIC ZONE	As at 31/12/2024
(in EUR million)	Total EAD
Italy	11,992
United Kingdom	9,587
France	6,614
United States	3,339
Portugal	1,988
Belgium	1,975
Japan	1,776
Spain	1,754
Australia	1,063
Ireland	557
Germany	518
Other countries	757
TOTAL	41,920

BREAKDOWN BY TYPE OF COUNTERPARTY	As at 31/12/2024
(in EUR million)	Total EAD
Local public sector	13,967
Sovereigns	13,188
Financial institutions	6,524
Project finance	3,753
Corporates	3,068
ABS/MBS	1,110
Monolines	0
Others	311
TOTAL	41,920

BREAKDOWN BY RATING	As at 31/12/2024
(in EUR million)	Total EAD
AAA	4,851
AA	1,559
A	9,468
BBB	21,732
NIG *	3,368
D	730
No rating	213
TOTAL	41,920

**Non Investment Grade*

c) Rules on the impairment and provisioning of credit risk exposures

Credit risk impairments

The prescriptive principles relating to the accounting treatment of credit risk are presented in note 1.4 Accounting policies and valuation methods used to present the financial statements (cf. "Customer loans").

The projected losses corresponding to the impairment to take account of the credit risk of financial instruments classified as non-performing and doubtful non-performing loans are determined according to the individual characteristics of the exposure, mainly by applying cash flow models, by comparing the financial structure of similar counterparties, by analysis of the borrower's repayment capacity or by taking into account the value of the guarantee. In certain specific cases, no impairment is allocated, particularly when the value of the guarantee exceeds the value of the financial instrument.

Provisions for credit risk on a collective basis

The prescriptive principles relating to the accounting treatment of non-individualised provisions (collective provisions) are presented in note 1.4 Accounting policies and valuation methods used to present the financial statements (cf. "Reserves").

Scope of collective provisions

Collective provisions are allocated to a sub-scope of the credit portfolio, called Backstop, consisting of:

(i) counterparties classified as being on the Watch List, which show signs of deterioration in the short and medium term and the outstanding amounts of which are not classified as non-performing or doubtful non-performing,

(ii) economic sectors defined as "sensitive", i.e. showing signs of high credit risk.

This principle applies to both loans and securities.

Exposures which require specific monitoring due to their credit risk situation are identified and categorised according to the severity of their risk status at a "*Quarterly Review and Watch List*" (QRWL) committee meeting held on a quarterly basis. This identification is based on either:

- automatic criteria which involve systematic registration in QRWL (highly risky character, rating, financial difficulties), or
- criteria based on expert opinion which may involve registration in QRWL depending on their importance and impact on the counterparty's credit risk.

Then, on the basis of the analysis and recommendations of the QRWL committee, Dexia's governance bodies validate the scope of the most deteriorated files on the Watch List, which then enter the *Backstop*.

Sensitive sectors to be transferred to the *Backstop* are identified on the basis of the analysis carried out by expert credit analysts. This sectoral analysis, prepared at least on an annual basis or at a shorter frequency if justified, is validated by Dexia's governance bodies.

Exposures classified as Backstop are subject to collective provisioning at maturity.

Measurement of provisional credit losses for financial instruments classified as *Backstop*

Dexia determines an amount of provisional credit losses which represents the difference between the cash flows due to it in accordance with the contractual terms of a financial instrument and the cash flows it expects to receive.

This amount is determined on the basis of a certain number of implementation principles:

Forward Looking: The determination of provisional credit risk losses is based on the characteristics of the portfolio: the exposure at default (EAD) and the rating of the counterparties, to which risk parameters are associated: probability of default (PD), loss given default (LGD) and probability of rating migration. These elements are supplemented by forward-looking elements by virtue of the consideration of a Point in Time (PiT) effect applied to the PD associated with the rating, making it possible to obtain a forward-looking view of the portfolio's evolution, taking into account anticipated macroeconomic conditions over a three-year horizon.

Dexia has developed internal rating models based on the segmentation of sectors as well as on a modelling of default probabilities, rating migration probabilities and loss rates in the event of default, constructed over a multi-year horizon based on historical data, thus representing parameters Through The Cycle (TTC). The modelling of the PD and LGD parameters in PiT view is constructed statistically in order to take into account the link between the characteristic variables of the macroeconomic situation and the risk parameters, based on their historical interdependencies. The most relevant macroeconomic variables used are the unemployment rate, inflation, GDP growth, as well as yield and interest rate indicators. Such an approach allows for projections on PD, rating migrations and LGD, taking into account the economic situation.

The PiT nature of the migration probabilities of the ratings, the probability of default and the loss rate in the event of default is regularly checked, a posteriori, against historical data according to Dexia's internal *back-testing* policy. The results of these back-tests are submitted to the Validation department and presented to the Group's governance bodies.

Scénario: The basic macroeconomic scenario is based on forecasts over a three-year horizon and on a number of macroeconomic and financial data obtained from international institutions. For the preparation of the annual financial statements as at 31 December 2024, Dexia has adopted a baseline scenario which equally weights the central scenario published by the ECB in December 2024 or by national banks when available. The projections are then studied by a working group, combining experts from the Risk and Finance functions, who can, if necessary, cancel or modify certain forecasts.

Cure rate: The probability that a counterparty will return from a default situation to a healthy situation, i.e. representing a situation where the credit risk on the counterparty would be definitively removed and payments would resume on a regular basis for the amounts corresponding to the original contractual due dates, is taken into account in the estimates of the risk parameters.

Credit risk mitigants: The deterioration of credit risk is measured by the evolution of the borrower's default rate. The guarantors contractually allocated to the exposure (such as monolines) are taken into account in the calculation of expected credit losses, applying the probability of double default of the borrower and the guarantor.

Updating: The provisional losses by virtue of the credit risk established by probabilistic weighting are updated on the closing date using the effective interest rate.

7.3. Liquidity risk

a. Breakdown by residual maturity

(in EUR million)	As at 31/12/2023	As at 31/12/2024	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years
2.2. Public securities eligible for refinancing with the central bank	11,075	11,220			771	10,449
2.3. Receivables on credit institutions and similar institutions	1,955	1,823	1,814			9
A. On sight	*1,601*	*1,814*	*1,814*			
B. Other term of notice receivables	*354*	*9*				*9*
2.4. Customer transactions	14,805	12,742	5,937	586	338	5,881
2.5. Bonds and other fixed-income securities	12,594	11,213		8	1,009	10,196
TOTAL	**40,429**	**36,998**	**7,751**	**594**	**2,118**	**26,535**
3.1. Debts to credit institutions and similar organisations	527	179	52		8	119
A. On sight	*61*	*2*	*2*			
B. Other term or notice debts	*466*	*177*	*50*		*8*	*119*
3.2. Customer transactions	3,208	2,882	2,344			538
A. On sight		*77*	*77*			
B. Term or notice	*3,208*	*2,805*	*2,267*			*538*
3.3. Debts represented by a security	38,828	34,757	8,225	11,191	15,316	25
A. Interbank market securities and negotiable debt securities	*38,828*	*34,757*	*8,225*	*11,191*	*15,316*	*25*
B. Bond loans						
TOTAL	**42,563**	**37,818**	**10,621**	**11,191**	**15,324**	**682**

b. Liquidity management

Detailed information on liquidity management is provided in the section "Risk management" in the management report of this Annual Report.

7.4. Sensitivity to interest rate and other market risks

Interest rate and other market risks are described in detail in the section "Risk management" in the management report of this Annual Report.

7.5. Exchange risk

A balance sheet split by currency (EUR/GBP/USD/Others) is included in the appendices:
3.8. Breakdown of liabilities by currency .
2.11. Breakdown of assets by currency.
Information on the exchange risk is provided in the section "Risk management" in the management report of this Annual Report.

7.6.Management of operational risk during the resolution period

In recent years, Dexia has been pursuing a policy of outsourcing certain activities. In 2017, for example, Dexia outsourced its IT function (development, production and infrastructure) and back offices to an external service provider. Then, in 2022, Dexia signed a contract with Arkéa Banking Services for the back-office processing of its loans, which came into operation on 1 November 2023.

In 2024, Dexia continued to adapt its structure and operational processes to its orderly resolution mandate, resulting in new outsourcing projects.
These can represent a source of increased operational risk during the implementation phases. Nevertheless, they must ensure Dexia's operational continuity and limit the operational risks associated with systems, processes and people, taking Dexia's orderly resolution into account. The operational execution risks of major transformation projects are monitored on a quarterly basis to ensure that corrective actions are implemented to reduce the most significant risks.
Furthermore, the resolution phase is, by its very nature, conducive to the development of operational risks, particularly due to factors such as the departure of key personnel, a possible loss of staff motivation or changes to certain operational processes.
Operational risk management is covered in detail in the section "Risk management" in the management report of this Annual Report.

Statutory auditors' report on the financial statements

For the year ended December 31, 2024

To the Shareholders' Meeting of Dexia,

Opinion

In compliance with the engagement entrusted to us by your Shareholder Meeting, we have audited the accompanying financial statements of Dexia for the year ended December 31, 2024.
In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.
The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.
Furthermore, the non-audit services that we provided to your Company and its controlled undertakings during the financial year that are not disclosed in the management report or in the notes to the financial statements are as follows:
– Issuance of certificates and reports required by law and regulations,

Observation

Without qualifying our opinion, we draw your attention to:
– The application of ANC regulation no. 2014-07 of November 26, 2014 relating to the financial statements of companies in the banking sector for the preparation of Dexia's annual financial statements, as set out in note 1.4.a to the annual financial statements.
– The correction on inflation-indexed financial instruments and the change in estimate relating to micro-hedging derivatives on investment securities and derivatives classified as isolated open positions, as set out in note 1.4.b to the financial statements.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.
These matters were addressed in the context of our audit of the financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Going concern basis of accounting used for the preparation of the financial statements *(See Notes 1.2 and 1.4 to the Financial Statements)*	
Key Audit Matter	**How our audit addressed the key audit matter**
Dexia's ability to continue as a going concern is based on the revised orderly resolution plan of the Dexia Group, approved by the European Commission on December 28, 2012. This plan, further reassessed by the Dexia Board of Directors on December 13, 2024, is based, among others, on the following assumptions and uncertainties – Dexia has retained a «central» macroeconomic scenario, drawn up based on the most recent projections of the European Central Bank, published in December 2024, supplemented by the scenarios published by the national central banks when available. – Dexia is sensitive to changes in its macro-economic environment and to market parameters, including exchange rates, interest rates and credit spreads. A negative change in these parameters in the long term could weigh heavily on the Company's liquidity and solvency. It could also have an impact on the valuation of assets, financial liabilities or derivatives. Dexia also remains subject to the constraints and uncertainties related to its operating model as well as the risks related to going concern, inherent to the specific nature of an entity under a resolution plan. – the continuation of the resolution plan relies on the maintenance of Dexia's rating at a level equivalent or superior to the Investment Grade ranking. It supposes that Dexia maintains a sound funding capacity through the issuance of debts guaranteed by the Belgian and French States and the collection of secured financing. – Finally, residual uncertainties linked, for example, to changes in legislation or accounting rules on the duration of the resolution, could influence the resolution trajectory initially anticipated. After taking account of all of the items presented above, Dexia management considered that they do not call into question either the fundamental aspects of the Group's orderly resolution or the application of the going concern basis of accounting. After taking account of all the items presented above, we considered the Going concern basis of accounting used for the preparation of the financial statements as of December 31, 2024 as a key audit matter.	We have examined the most recent assessment made on December 13th, 2024 by Dexia's Executive Committee and Board of Directors of its ability to continue as a going concern during a period of twelve months starting at the closing date of the financial year, as well as the elements used to justify the assessment and the underlying documentation. We implemented the following procedures in accordance with professional standard NEP 570 "Going concern" (« Continuité d'exploitation »): – through discussion with management and based on the documentation made available to us, we have assessed the elements on which the liquidity projections were based by Dexia. – we assessed the design and implementation of the internal control process with regard to liquidity projections. – we have considered the key indicators put in place by governance as from January 1, 2024, the date since which Dexia is no longer subject to banking supervision requirements. – we have discussed with management the assumptions underlying the most recent version of the business plan approved by the Board of Directors on December 13th, 2024. Finally, we assessed the appropriateness and relevance of the going concern disclosures in the notes to the consolidated financial statements, including the uncertainties surrounding the main assumptions underlying the preparation of the financial statements on a going concern basis.

Operational risks linked to the information systems *(See note 1.2 and 7.6 to the Financial Statements)*	
Key Audit Matter	**How our audit addressed the key audit matter**
As a banking group, Dexia is dependent, for its operational activities, on the reliability and security of its information systems. Its activities take place in the specific context of the management of the existing assets portfolios in rundown, in the context of the orderly resolution plan validated by the European Commission on December 28, 2012. In this context, and in order to ensure operational continuity, Dexia has outsourced its IT function (development, production and infrastructure) and back offices to an external service provider. In 2022, Dexia signed a contract with Arkéa Banking Services for the back-office processing of its loans, which came into service on November 1, 2023. In this specific context, the management of operational risk related to the performance of the information systems and the automated treatment of accounting and financial information is considered to be a key audit matter.	The assessment of the general IT controls used throughout the accounting and financial information processing chains is a key step in our audit approach. The audit work performed, with the assistance of our IT specialists, consisted in particular of: – understanding the structure of the IT landscape and the processes and controls related to the production of the accounting and financial information; – examining the way Dexia handled the impacts of IT incidents that occurred during the accounting period and the related corrective actions implemented; – assessing the operating effectiveness of general IT controls (access right management to the applications and data, change management and application development, and management of the IT operations) and the key automated controls on significant information systems; – performing detailed procedures on manual journal entries, related to access rights, and reviewing journal entries and their documentation; – understanding the control and supervision framework currently deployed by Dexia related to the key services rendered by the external service provider. – Review of the effectiveness of Arkéa Banking Services' internal control Finally, we have reviewed the disclosures in the notes to the financial statements on the operational risks with relation to the information systems.

Assessment of credit risk and measurement of impairment *(See notes 1.4, 2.4, 5.6 and 7.2 to the Financial Statements)*	
Key Audit Matter	**How our audit addressed the key audit matter**
Dexia to credit risk resulting from the inability of its clients to meet their financial obligations. The measurement of credit risk requires the use of judgment by management; Once identified, the risk results in the recognition of impairment of the related assets and provisions for the off-balance sheet loan commitments. Firstly, Dexia determines specific impairment and provisions based on an estimation of the individual risk of non-recoverability and of the loss given default. Collective provisions are allocated to a sub-perimeter of the credit portfolio, known as the Backstop, comprising: (i) counterparties classified as "Watchlist", which show indications of deterioration in the short and medium term and whose outstandings are not classified as doubtful or impaired, and (ii) economic sectors defined as "sensitive", i.e. showing indications of high credit risk. At December 31, 2024, gross doubtful and impaired loans amounted to 329 million euros, and specific and collective impairment to 176 million euros. Finally, Dexia's cost of risk is a net charge of -57 million euros. We considered the assessment of credit risk and the measurement of impairment in a context marked by uncertain geopolitical and economic conditions to be a key audit matter as they require judgement and estimates by management.	We have reviewed the adequacy of the control process related to credit risk and tested the operating effectiveness of the key controls implemented by management. The key controls mainly concern the identification and monitoring of loans and advances to be impaired and of restructured doubtful loans; compliance with the methodologies defined by Dexia for the estimation of provisions and impairment; the quality and traceability of data used; and the calculation of data from the upstream management and risk systems and its input into the accounting systems. In carrying out our tests on impairment and provisions at the balance sheet date, we have taken into consideration the most significant outstandings and/or portfolios in terms of amount, for which Dexia's judgment is decisive in assessing provisions and impairment. The tests included amongst others: – the identification of single files with objective evidence of credit risk: for a selection of files deemed as sound by management, we have assessed the level of credit risk; – the estimation of the specific individual impairment losses: we have assessed, for a sample, the assumptions retained by management in the estimation of the recorded impairment losses; – the estimation of collective provisions; • we have assessed the relevance of methodologies used by Dexia, more specifically the aggregation of assets with similar exposures; • we analyzed the assessment made by Dexia of the impacts of the geopolitical and economic context on asset classification. Finally, we have reviewed the disclosures in the notes to the financial statements.

Valuation of financial instruments *(See notes 1.4.c, 2.2, 2.5, 4.7, 5.4 et 7.1 to the Financial Statements)*	
Key Audit Matter	**How our audit addressed the key audit matter**
In conducting its market activities, Dexia holds financial instruments as assets and liabilities recorded at market value. These instruments are recorded at fair market value estimated by valuation models, for which the parameters are either unobservable or cannot be corroborated directly with publicly available market data. The market value is determined according to different approaches depending on the nature and complexity of the instrument: use of directly observable quoted prices, valuation models with predominantly observable parameters or valuation models with largely unobservable parameters. The valuations obtained may be subject to additional value adjustments to take into account specific market, liquidity or counterparty risks. The methods used by Dexia to value these instruments may therefore include a significant part of professional judgment regarding the choice of models and data used. At December 31, 2024 : – Forward and derivative financial instruments represent 164.4 billion euros in off-balance sheet commitments and -5 billion euros in book value; – Government securities and Bonds and other fixed-income securities represent respectively 11.7 billion euros and 13.5 billion euros in Dexia's balance sheet assets; – The provision for liabilities and charges relating to losses on hedges of available-for-sale securities amounts to 257 million euros. Due to the significant nature of the outstanding amounts and the use of judgement to determine the market value, we considered the valuation of financial instruments to be a key audit matter, in particular for instruments valued using non-observable parameters.	We have assessed the relevance of the key controls, defined and implemented by Dexia in the context of the measurement of financial instruments at market value, in particular those relating to: – the governance set up by the risk department to validate and verify valuation models; – the determination of fair value adjustments. We have also relied on our valuation experts to conduct, on a sample basis: – A review of the level of reserves and material value adjustments. We have notably analyzed the relevance of methodologies implemented and conducted an analytical review of impacts recognized; – Analysis of the relevance of the valuation parameters used; – An independent valuation review using our own models. We have also examined the system for calculating and exchanging collateral on derivative instruments and have analyzed the main calculation differences with the counterparties in order to support our assessment of the reliability of the valuations performed by Dexia. Finally, we reviewed the disclosures in the notes to the financial statements relating to the valuation of financial instruments.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents provided to shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the shareholders, except for the point below:
The fair presentation and the consistency with the financial statements of the information relating to the payment periods mentioned in Article D.441-6 of the French Commercial Code call for the following comment: as indicated in the management report, this information does not include banking and related transactions, as your Company considers that they do not fall within the scope of the information to be produced.

Report on corporate governance

We attest that Board of Directors’ report on corporate governance sets out the information required by Article L.225-37-4 and L.22-10-10 of the French Commercial Code.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Dexia by the Shareholders’ Meeting held on May 16, 2008 for Deloitte & Associés and June 28, 1996 for Forvis Mazars SA.
As of December 31, 2024, Deloitte & Associés was in its 17th year of uninterrupted engagement and Forvis Mazars SA in its 29th year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.
The annual financial statements were approved by the Board of Directors.

Statutory Auditors’ Responsibilities for the Audit of the Financial Statemens

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.
As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:
- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, April 25, 2025

The Statutory Auditors

Forvis Mazars		Deloitte & Associés
Laurence KARAGULIAN	Franck BOYER	Charlotte VANDEPUTTE

2024

General information

Additional information

Certification by the responsible person

I, the undersigned, Pierre Crevits, Chief Executive Officer of Dexia,

certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the company's assets, financial position and results, and that the management report presents a true and fair view of the company's business, results and financial position, as well as a description of the main risks and uncertainties facing the company.

La Défense, 29 April 2025

Pierre Crevits
Chief Executive Officer
Dexia

General data

Name

Dexia is the corporate name of the company, as stated in its articles of association.

Registered office and registration number

Its registered office and principal place of business is located at La Défense (92913) - Tour CBX La Défense 2 - 1 Passerelle des Reflets (Phone: +33 1 58 58 77 77), since 1 March 2007.
It is registered with the Nanterre Commercial Court under number 351 804 042 (APE: 6492Z).

Legal form, incorporation, term

It is a public limited company with a Board of Directors governed by French law, governed by the laws and regulations applicable to commercial companies, in particular Articles L 210-1 et seq. of the French Commercial Code. The provisions of Order 2014-948 of 20 August 2014, ratified and amended by Law No. 2015-990 of 6 August 2015, apply to this company.
It was incorporated in Paris (France) on 28 August 1989 for a term of 99 years.

Corporate object

As a non-financial entity, the company's object, as a permanent mission, shall be the orderly resolution of its activities, by managing these in liquidation and optimally refinancing its balance sheet, with a view to reducing risks gradually and within a standardised framework as defined in these articles of association, in accordance with the orderly resolution plan approved by the European Commission on 28 December 2012.
In this capacity, the company may continue, in France and abroad, to carry out all financial, commercial, or civil transactions involving movable or immovable property, including the sale, transfer, novation, acquisition, management, negotiation, and leasing of assets or liabilities, and more generally of all movable and immovable property, financial instruments, securities, loans, bond debt, financial transactions, which relate directly or indirectly to the achievement of its corporate object and its orderly resolution, or which are likely to promote the achievement thereof and contribute to optimal risk management.

To that effect, it may in particular:
- create or dissolve subsidiaries or branches,
- hold interests in companies the activities of which are likely to facilitate the achievement of the corporate object.

Places where documents intended for the public can be consulted

Documents and information relating to the company may be consulted at its registered office.

The 2024 Dexia Annual Report is a publication of the Communications Department.

This report is also available in French.
This document is also available in French. In case of discrepancy between the English and the French versions of the Annual Report, the text of the French version shall prevail.
In order to protect the environment and control operating costs, Dexia has decided to discontinue printing its annual report.
It can be downloaded from the website: www.dexia.com.

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Tour CBX – La Défense 2
92913 La Défense Cedex
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Public Limited Company with capital of EUR 279,213,332
Registration with Nanterre Commercial Court 351 804 042
VAT: FR 49 351 804 042

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