



SOCIETE GENERALE

FACTORING

2024

Activity report



SOCIETE GENERALE
Factoring

EDITORIAL



**AURELIEN VIRY,
CHIEF EXECUTIVE
OFFICER**

«In a complex economic and political environment, Société Générale Factoring has successfully faced numerous challenges to adapt to changes. Our performance has been the result of the hard work and dedication of all our employees.

2025 will once again be a demanding year, during which we aim to continue our development both in France and internationally.»

Strong and recognized values

For more than 50 years, Societe Generale Factoring has relied on the expertise and commitment of its employees to develop solutions that generate added value for its clients. Innovation is a strong value that has enabled it to be recognized within the Societe Generale Group, but also by its peers, in particular within the Factor Chain International Association (FCI).

Our corporate purpose

"As a major European provider, Societe Generale Factoring designs and delivers expert and innovative solutions to optimize cash flow, finance and secure the balance sheet from very small companies to large international groups for sustainable relationships and growth. We cultivate a demanding, caring and positive entrepreneurial spirit."

Client satisfaction, a priority

For Societe Generale Factoring, customer satisfaction is a priority and several actions have been put in place to maintain a lasting relationship with our customers and support them in their development. Many initiatives are implemented annually, such as the deployment of a satisfaction barometer for all client segments, or the implementation of measurement tools that help us build our service offerings and meet the growing expectations of our clients.

Rise in the global factoring market

The French Association of Financial Companies (ASF) regularly publishes market indicators on the activities of specialized institutions. For the factoring market in 2024:

«In line with the trend observed in 2023, the activity of factoring companies has registered a modest growth in 2024: +1.3% to €431.4 billion. After a decline in production in the first quarter (-2.6%), the situation improved subsequently (+3.1% and +4% in the following quarters), before slowing down in the fourth quarter (+0.8%).»

KEY FIGURES

€6.9bn	€61.1bn	3,000	307
Average outstandings	Purchased receivables of which 49 % international	Clients	Employees

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Keep up to date with our latest news and all the useful information on our products and services at www.factoring.societegenerale.com
Communication/Marketing department factoring: communication@socgen.com



YOUR BUSINESS PARTNER



SOCIETE GENERALE FACTORING provides solutions for businesses to finance, manage and guarantee their receivables. Major factoring company on the French market and growing internationally, it is a fully owned subsidiary of the Societe Generale Group.

Founded in 1974, Societe Generale Factoring France has 307 employees, mainly based in its metropolitan areas and french overseas (Reunion Island). In terms of governance, Societe Generale Factoring France is leading the worldwide factoring business line of the Group.

As a specialist in short term financing and inter-company credit (financing of trade receivables and accounts payables, management and guarantees), Societe Generale Factoring has developed a wide range of products to meet all customer needs, whether small, medium, or large companies, in France or abroad.

Its business expertise and proximity to customers make it a preferred partner for companies seeking innovative financing solutions specifically tailored to fit their needs.



BEST BANK FOR TRANSACTION

RECONNU « BEST BANK FOR TRANSACTION »
EN EUROPE DE L'OUEST

ESG INVOICE FINANCIER OF THE YEAR

GOVERNANCE

EXECUTIVE COMMITTEE – 2024



AURELIEN VIRY
Chief Executive Officer



OPHELIE ZAVAGNO
General Secretary,
Head of Compliance



PHILIPPE POUGARD
Deputy Ceo
Head of Business



HOUDA ANFAOUI
Deputy Ceo
Head of Ressources



LUC HENRY
Head of
Risks



ERWAN LECLERC
Head of Retail
Client Management



MARIELE SYLVESTRE
Head of Retail
Commercial Development



JONATHAN CROFT
Chief Information
Officer



ALAIN DUPEYRON
Head of Operations



PIERRE DEMPÈRE
Head of
Corporate



MARIE-PIERRE DEVIDTS
Head of Strategic
Development, Marketing
& Communication



LAURENT GONZALEZ
Head of
Finance



CORALIE DE SOUSA
Head of Human
Resources



JÉRÉMIE WILENSKI
Head of Steering &
Transformation

BOARD OF DIRECTORS*

David ABITBOL - Director and Chairman
of the board of directors

Aurélien VIRY – Chief Executive Officer

Evelyne COLLIN – Director

Bruno MAGNIN- Director

Cécile WAYMEL - Director

Florence ESCAFFRE - Director

Yann DE NANTEUIL - Director

Raoul LABBE de la GENARDIERE - Director

SOCIETE GENERALE, Director, represented
by Benoite ARMAND-PIEYRE

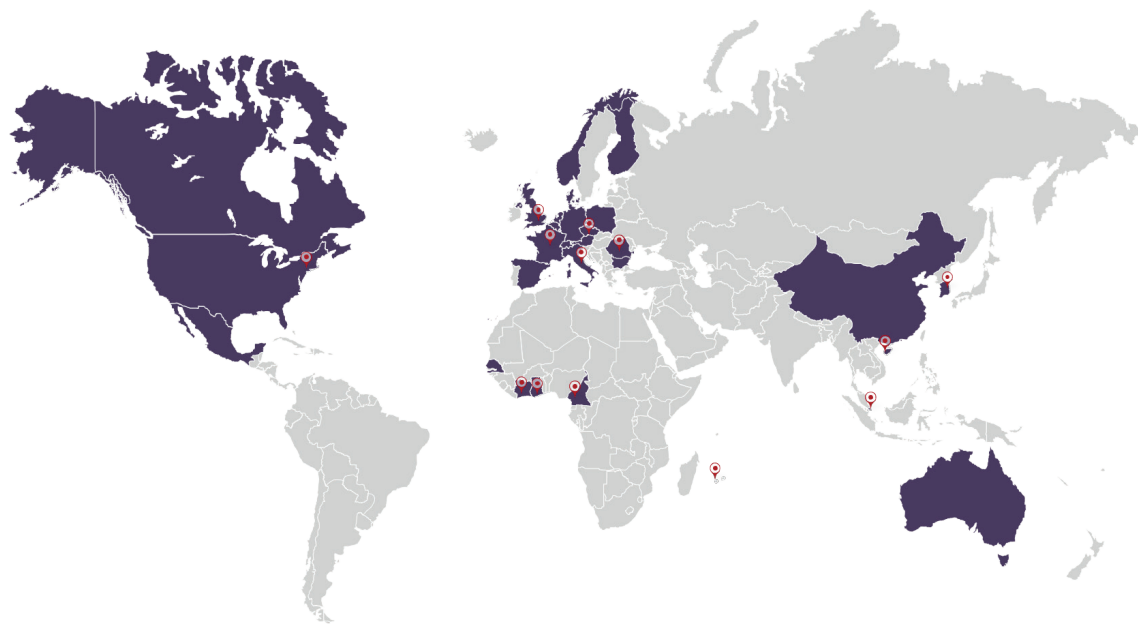
AUDITORS

KPMG SA represented by
Nicolas BOURHIS

PricewaterhouseCoopers Audit represented by
Ridha BEN CHAMEK

*Composition as at December 31st, 2024

WORLDWIDE SCOPE IN 2024



AMERICA

-  CANADA
-  MEXICO
-  UNITED STATES

AFRICA

-  CAMEROON
-  GHANA
-  IVORY COAST
-  SENEGAL

EUROPE


-  AUSTRIA
-  BELGIUM
-  BULGARIA
-  CZECH REPUBLIC
-  DENMARK
-  FINLAND
-  FRANCE
-  GERMANY
-  ITALY
-  LUXEMBOURG
-  NETHERLANDS
-  NORWAY
-  POLAND
-  ROMANIA
-  SPAIN
-  SWITZERLAND
-  UNITED KINGDOM

ASIA

-  CHINA
-  HONG KONG
-  INDIA
-  SINGAPORE
-  SOUTH KOREA

OCEANIA

-  AUSTRALIA

 Scope of intervention in due respect of International embargoes and sanctions policies

ESG POLICY

An ESG policy aligned with that of the Group

The Group's CSR ambition is driven by its Purpose: *«To build together with our clients a better and sustainable future by providing responsible and innovative financial solutions.»*

This ambition is structured around four interconnected pillars. Two of these form the framework for responsible banking: a culture of responsibility and being a responsible employer. The other two pillars are the engines of positive transformation in the Group's actions as a responsible bank: supporting the ecological transition and the development of local communities.

Each of our employees is fully aware of their responsibilities and is sensitized to the importance of transparency, compliance, ethics, regulatory requirements, and data protection issues.

SOCIÉTÉ GÉNÉRALE FACTORING'S CONTRIBUTION TO SUPPORTING THE ECOLOGICAL TRANSITION AND COMMUNITY DEVELOPMENT

Société Générale Factoring supports its clients in their transition by offering products tailored to ESG challenges. These offerings may include specific environmental and social financing. They also encompass mechanisms related to ESG indicators (in the form of «sustainability-linked» products) implemented by our clients. These indicators allow for measuring the progress of the CSR approach among our clients and enable them to benefit from more favorable pricing conditions upon achieving their objectives in these environmental and social aspects. These environmental and social objectives

are selected based on the main CSR challenges faced by our clients and must follow ambitious trajectories.

SOCIÉTÉ GÉNÉRALE FACTORING IS PURSUING ITS AMBITIONS AS A RESPONSIBLE EMPLOYER WITH A PROGRAMME BASED ON 4 PILLARS.

DIVERSITY & INCLUSION: Disability diagnostics & CSSCT, Equal Pay and Gender Equality budget, Disability Awareness Week, parental leave, assessment of disability agreements.

COLLECTIVE LIFE & SOLIDARITY: E2C immersion, Solidarity Hackathon, Solidarity Space activities, quarterly breakfasts, renegotiation of the skills sponsorship agreement.

CULTURE: Managerial culture through managerial support (manager coaching, non-violent communication, and hybrid mode support), fostering a culture of responsibility through C&C actions and prevention/sensitization to inappropriate behaviors.

WORKING CONDITIONS: Redesign of the QVCT Charter, workshops on hybrid management, implementation of a psychosocial risk assessment, and support for transformations in change management.

Societe Generale Factoring publishes the level of its Gender Equality Index, which reaches 92 out of a maximum of 100 points in 2024. This strong score reflects the active efforts made by Société Générale Factoring over several years in promoting professional equality, particularly through the signing of successive corporate agreements.



REPORT OF THE STATUTORY AUDITORS

Extract

ON THE FINANCIAL STATEMENTS

For the year ended December 31st, 2024

At the General Meeting of Societe Generale Factoring

[Online
report of
statutory
auditors](#)



OPINION

In accordance with the mission entrusted to us, we have conducted an audit of the annual accounts of Société Générale Factoring for the fiscal year ending December 31, 2024, which are attached to this report. We certify that the annual accounts are, in light of French accounting rules and principles, regular and sincere, and provide a true and fair view of the results of operations for the past year, as well as the financial position and assets of the company at the end of this fiscal year. The opinion expressed above is consistent with the content of our report to the audit committee and internal control.

BASIS FOR THE OPINION

• Audit standards

We conducted our audit in accordance with applicable professional standards in France. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The responsibilities that we have under these standards are outlined in the section titled «Responsibilities of the Statutory Auditors Regarding the Audit of the Annual Accounts» in this report.

• Independence

We carried out our audit mission in compliance with the independence rules set forth in the Commercial Code and the Code of Ethics for statutory auditors during the period from January 1, 2023, to the date of issuance of our report. In particular, we have not provided any services prohibited by Article 5, paragraph 1, of Regulation (EU) No. 537/2014.

SPECIFIC CHECKS

We also performed, in accordance with applicable professional standards in France, the specific verifications required by legal and regulatory texts.

► Information Provided in the Management Report and Other Documents Regarding Financial Position and Annual Accounts Sent to Shareholders

We have no observations to make regarding the sincerity and consistency with the annual accounts of the information provided in the

management report of the board of directors and in other documents regarding the financial position and annual accounts sent to shareholders. We attest to the sincerity and consistency with the annual accounts of the information related to payment terms mentioned in Article D.441-6 of the Commercial Code.

► Information Related to Corporate Governance

We confirm the existence, in the section of the management report of the board of directors dedicated to corporate governance, of the information required by Article L. 225-37-4 of the Commercial Code.

RESPONSIBILITIES OF MANAGEMENT AND CORPORATE GOVERNANCE IN RELATION TO THE ANNUAL ACCOUNTS

It is the responsibility of management to prepare annual accounts that present a true and fair view in accordance with French accounting rules and principles, as well as to implement the internal control deemed necessary to ensure that the annual accounts are free from significant anomalies, whether due to fraud or errors.

In preparing the annual accounts, management is responsible for assessing the company's ability to continue as a going concern, to present in these accounts, where applicable, the necessary information related to going concern, and to apply the going concern accounting convention unless liquidation of the company or cessation of operations is planned.

The audit committee and internal control are responsible for overseeing the process of preparing financial information and monitoring the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, regarding the procedures for preparing and processing accounting and financial information.

The annual accounts have been approved by the board of directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS IN RELATION TO THE AUDIT OF THE ANNUAL ACCOUNTS

• Audit objective and approach

It is our responsibility to establish a report on the annual accounts. Our objective is to obtain reasonable assurance that the annual accounts as a whole are free from significant anomalies. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with applicable professional standards will always detect a significant anomaly. Anomalies may arise from fraud or errors and are considered significant when it can reasonably be expected that they could, individually or in aggregate, influence the economic decisions that users of the accounts make based on them.

As stated in Article L. 821-55 of the Commercial Code, our certification mission does not involve guaranteeing the viability or quality of your company's management.

In the context of an audit conducted in accordance with applicable professional standards in France, the statutory auditor exercises professional judgment throughout the audit.

In addition:

- ▷ it identifies and assesses the risks that the annual accounts may contain significant anomalies, whether due to fraud or errors, defines and implements audit procedures in response to these risks, and gathers evidence that it deems sufficient and appropriate to support its opinion. The risk of not detecting a significant anomaly arising from fraud is higher than that of a significant anomaly resulting from an error, as fraud may involve collusion, forgery, deliberate omissions, false statements, or circumventing internal control;
- ▷ it understands the relevant internal control for the audit to define appropriate audit procedures in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- ▷ it assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information provided in the annual accounts regarding these estimates;
- ▷ it assesses the appropriateness of management's application of the going concern accounting convention and, based

on the evidence collected, the existence or absence of a significant uncertainty related to events or circumstances that may cast doubt on the company's ability to continue as a going concern. This assessment is based on the evidence collected up to the date of its report, with the caveat that subsequent circumstances or events could cast doubt on going concern. If it concludes that a significant uncertainty exists, it draws the attention of the report's readers to the information provided in the annual accounts regarding this uncertainty, or if such information is not provided or is not relevant, it issues a qualified opinion or a refusal to certify;

- ▷ it evaluates the overall presentation of the annual accounts and assesses whether the annual accounts reflect the underlying transactions and events in a manner that provides a true and fair view.

REPORT TO THE AUDIT AND INTERNAL CONTROL COMMITTEE

We provide the audit committee and internal control with a report that presents, among other things, the scope of the audit work and the audit program implemented, as well as the conclusions arising from our work. We also inform them, where applicable, of any significant weaknesses in internal control that we have identified concerning the procedures for preparing and processing accounting and financial information.

Among the elements communicated in the report to the audit committee and internal control are the risks of significant anomalies that we consider to have been the most important for the audit of the annual accounts for the fiscal year and which therefore constitute the key audit matters that we must describe in this report.

We also provide the audit committee and internal control with the declaration required by Article 6 of Regulation (EU) No. 537/2014 confirming our independence, as defined by the applicable rules in France, as established notably by Articles L. 821-27 to L. 821-34 of the Commercial Code and in the Code of Ethics for statutory auditors. Where applicable, we discuss with the audit committee and internal control the risks affecting our independence and the safeguards applied.

The Statutory Auditors

Paris, La Défense, April 14th 2025

KPMG S.A.
Nicolas BOURHIS

Neuilly-sur-Seine, April 14th 2025

PricewaterhouseCoopers Audit
Ridha BEN CHAMEK

FINANCIAL REPORT

BALANCE SHEET

ASSETS (KEUR)	31-12-2024	31-12-2023
LOANS DUE FROM CREDIT INSTITUTIONS		
TRANSACTIONS WITH CLIENTS		
BONDS AND OTHER LONG-TERM SECURITIES	481,076	556,015
INTANGIBLE FIXED ASSETS	9,629,121	10,023,875
TANGIBLE FIXED ASSETS		-
OTHER ASSETS	53	56
ADJUSTMENT ACCOUNTS	23,336	23,016
ADJUSTMENT ACCOUNTS	4	5
OTHER ASSETS	5,532	5,384
ACCRUAL ACCOUNTS	6,610	12,781
TOTAL	10,145,732	10,621,133

LIABILITIES (KEUR)	31-12-2024	31-12-2023
CENTRAL BANKS, JCC		
DUE TO CREDIT INSTITUTIONS	8,442,552	9,012,528
TRANSACTIONS WITH CLIENTS	1,312,902	1,237,079
DEBTS REPRESENTED BY A SECURITY	-	-
OTHER LIABILITIES	31,663	35,274
REGULARISATION ACCOUNT	52,339	68,569
PROVISIONS FOR RISKS AND CHARGES	6,931	7,370
EQUITY	299,345	260,312
CAPITAL	14,400	14,400
RESERVES	245,912	207,602
RETAINED EARNINGS	0	1
RESULT	39,033	38,310
TOTAL	10,145,732	10,621,133

OFF BALANCE SHEET

OFF BALANCE SHEET (KEUR)	31-12-2024	31-12-2023
COMMITMENTS GIVEN		
GUARANTEE COMMITMENTS	909,862	767,246
COMMITMENTS RECEIVED		
FINANCING COMMITMENTS	70,309	357,079
GUARANTEE COMMITMENTS	4,860,209	3,836,619

FINANCIAL REPORT

INCOME STATEMENT

INCOME STATEMENT IN (KEUR)	31-12-2024	31-12-2023
+ FINANCING COMMISSIONS	389,512	396,722
+ INCOME FROM INTERBANK TRANSACTIONS	13,072	10,001
- EXPENSES ON INTERBANK TRANSACTIONS	-314,103	-309,465
+ SERVICE COMMISSIONS	42,613	45,953
+ COMMISSIONS (PRODUCTS)	8,018	10,196
- COMMISSIONS (EXPENSES)	-16,556	-17,099
+ OTHER BANKING INCOME	1,175	3,016
- OTHER BANKING EXPENSES	-193	-1,812
NET BANKING INCOME	123,537	137,512
- GENERAL OPERATING EXPENSES	-62,898	-72,103
- ALLOCATIONS TO DEPRECIATION AND PROVISIONS FOR DEPRECIATION ON TANGIBLE AND INTANGIBLE ASSETS	-7,217	-6,653
GROSS OPERATING PROFIT/LOSS	53,422	58,756
+ / COST OF RISK	-105	-5,515
OPERATING PROFIT/LOSS	53,316	53,241
+ / GAINS OR LOSSES ON FIXED ASSETS	0	20
PRE-TAX PROFIT/LOSS	53,316	53,261
+ / NON-RECURRING PROFIT/LOSS	0	-
- CORPORATION TAX	-14,284	-14,951
NET EARNINGS	39,033	38,310

EXPLANATORY NOTES

On the balance sheet and the income statement

Annual accounts ended december 31st, 2024

Societe Generale Factoring, factoring subsidiary of Societe Generale, offers companies solutions for managing, financing and guaranteeing their trade receivables.

ACCOUNTING PRINCIPLES, RULES AND METHODS

The financial statements of Société Générale Factoring have been prepared and are presented in accordance with the provisions of the Accounting Plan for Credit Institutions, and Regulation ANC No. 2014-07 concerning the accounts of companies in the banking sector. The valuation and presentation methods used for these annual accounts have not changed compared to the previous fiscal year.

General accounting conventions have been applied in compliance with the principle of prudence, in accordance with the following basic assumptions:

- ▷ Going concern,
- ▷ Consistency of methods from one fiscal year to the next,
- ▷ Independence of fiscal years, and in accordance with the general rules for the preparation and presentation of annual accounts.

The basic method used for the valuation of items recorded in the accounts is the historical cost method.

All amounts are stated in thousands of euros (KEUR). The information presented in the notes to the annual accounts focuses on those that are relevant and material in relation to the financial statements of Société Générale Factoring, its activities, and the circumstances under which these occurred during the period.

CHANGE IN THE METHODS FOR ESTIMATING PROVISIONS

There has been no change in the method and presentation of the annual accounts in 2024.

FIXED ASSETS AND DEPRECIATION

• Intangible assets generated internally

Internally generated IT studies related to a project using either the traditional method or the agile method are capitalized whenever the total cost of the project or the relevant release exceeds €50 KEUR.

• Other fixed assets - depreciation

Aside from internally generated assets, intangible assets mainly consist of external software.

Intangible assets are amortized on a straight-line basis over 4 years, except in the case of a major structural project for the company, the useful life of which is increased to 7 years.

RECEIVABLES, CREDIT RISK IMPAIRMENT

• Doubtful loans

Consistent with the new definition of doubtful persons (NDOD) and with IFRS principles, Societe Generale Factoring reviewed and improved the classification of its doubtful persons.

• Impairment of sound and doubtful receivables

In line with the estimation methods for expected credit losses adopted in the consolidated accounts of the Societe Generale Group since the application of IFRS 9 from January 1, 2018, the amount of provisions for credit risk is now evaluated based on the expected losses at termination calculated on the basis of the deteriorated healthy exposures (homogeneous portfolios of loans and commitments that have experienced a significant deterioration in credit risk since their initial recognition).

• Impairment on sound receivables

Without waiting for a proven credit risk to individually affect one or more receivables or commitments and to provide better information regarding its activities, Societe Generale Factoring recognizes a provision for credit risk on non-deteriorated healthy exposures, equivalent to the credit losses it expects to incur over a one-year horizon.

• Impairment of non-performing loans

The member files are sent to the litigation department and recorded in doubtful compromise, when the risk of non-payment is established.

COMMISSIONS

The factoring (service) commission which remunerates all the factor's services applies ad valorem to the amount of the invoices sold.

The (advance) financing commission remunerates the financing granted by Societe Generale Factoring to its members.



SOCIETE GENERALE
Factoring

Societe Generale Factoring

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94120 Fontenay-sous-Bois

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SA with share capital of 14 400 000 €

ADEME No.: FR231725_01YSGB

www.factoring.societegenerale.com

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