


AMUNDI FINANCE

Annual report 2022

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Reports of the Board of Directors on the financial year ended 31 December 2022:

- Management report on the financial statements
- Corporate governance report

**Management report to the board of directors
Of AMUNDI FINANCE
On the company financial statements
for the year ended 31 December 2022**

ACTIVITY DURING THE FINANCIAL YEAR

Amundi Finance's main activities are as follows:

- Provision of guarantees to funds and to notes,
- Bank guarantee activity,
- Issuance of notes through its subsidiaries or directly,
- Financial forward instruments and collateralisation.

1. Provision of guarantees to funds and to notes

In euros	Commitments 31/12/2021	Commitments 31/12/2022	Annual Change in amount	Annual Change as %
Formula Funds	5,277,932,637	4,708,780,312	-569,152,324	-10.8%
Portfolio Insurance Funds	2,813,166,555	2,032,169,187	-780,997,368	-27.8%
Other guaranteed funds (money market UCI)	1,417,076,209	637,985,919	-779,090,289	-55.0%
<u>Total Guaranteed funds</u>	<u>9,508,175,401</u>	<u>7,378,935,419</u>	<u>-2,129,239,982</u>	-22.4%
Amundi Finance Notes Issues	4,581,685,409	4,278,887,596	-302,797,813	-6.6%
LCLE Notes	8,570,125,467	6,350,653,761	-2,219,471,706	-25.9%
<u>Total Notes</u>	<u>13,151,810,876</u>	<u>10,629,541,357</u>	<u>-2,522,269,519</u>	-19.2%
Total Commitments	22,659,986,277	18,008,476,776	-4,651,509,501	-20.5%

Commitment exposure

Guarantee commitments given to funds decreased significantly over the period, down €2,129 million net from end-December 2021. This decrease is mainly attributable to the decline in the assets of formula-based funds following redemptions at maturity or in advance (autocallable) in 2022, not fully offset by the creation of new guaranteed funds.

- Formula-based funds (structured funds): commitments on formula-based funds were down sharply overall with a net change of -€569 million.
- Portfolio insurance funds: portfolio insurance fund commitments were also down at -€781 million on 31 December 2022.
- Other guaranteed funds: commitments, down sharply at -€779 K at 31 December 2022, include a portion of funds that have matured and are awaiting recycling in new guaranteed products.

Amundi Finance guarantees the notes issued by Amundi Finance Emissions and LCL Emissions, subsidiaries of Amundi Finance, or counter-guarantees them to Crédit Agricole S.A. and LCL, which are their respective guarantors.

Amundi Finance's guarantee commitments for the Amundi Finance Emissions and LCL Emissions issuance vehicles were down sharply by €2,522 million at 31 December 2022.

Impact on the guarantor's activity in 2022

There were €6,117 K in guarantee calls during 2022 primarily on money market funds for recycling formula funds and issues maturing in funds with capital guarantee.

Provisions for guarantee calls recorded at 31 December 2022 for a total amount of €6,001 K were down -€3,027 K and are mainly comprised of:

- €2,779 K on Testaments Obsèques funds,
- €3,220 K on the deficit of its AFE and LCLE subsidiaries,
- €3 K for recycling funds.

From a credit risk viewpoint, the situation is, however, stable and the prospects of guarantee calls are low. Thus, no provisions associated with formula-based funds were booked.

Summary of Guarantee Provisions (in Eur)	Provision 31/12/2021	Provision 31/12/2022	Change
Testaments Obsèques	5,116,306	2,778,587	-2,337,719
Guaranteed CPPIs (other pension obj)	263,018	0	-263,018
Recycling Funds	3,388,563	3,061	-3,385,502
TOTAL NBI Provisions	8,767,887	2,781,648	-5,986,239
ECL / Bucket 1 provisions	259,768	0	-259,768
Guarantee on vehicle deficit	0	3,219,503	3,219,503
TOTAL cost of risk provisions	259,768	3,219,503	2,959,735
TOTAL Provisions	9,027,655	6,001,151	-3,026,504

2. Bank guarantee activities

In 2022, Amundi Finance granted a Banking Guarantee for the marketing of SCPI AMUNDI DELTA CAPITAL SANTE for €38,667,940.

3. Issuance of notes

In 2022, the subsidiaries dedicated to the “Amundi Finance Emissions” and “LCL Emissions” EMTN activity continued their issuance programme with the Crédit Agricole network for the first and the LCL network for the second for a notional amount (excluding issues being marketed) of €351M and €4,160M respectively.

Outstanding amounts at end-2022 were €3,852 M for Amundi Finance Emissions, €6,335 M for LCL Emissions and €31 M for Amundi Finance direct issuances.

4. Financial forward instruments and Collateralisation

Amundi Finance’s activity in financial forward instruments (interest rate and other swaps, options and cross-currency swaps) represented a notional amount of €63,038 M (in euros or equivalent value in euros) at 31 December 2022 (including external counterparties, funds, subsidiaries and companies of the Amundi group) vs. €61,556 M at 31 December 2021.

INCOME STATEMENT AT 31 DECEMBER 2022

Net Banking Income totalled €173,799 K versus €150,334 K at 31 December 2021.

The contribution of the main activities to Net Banking Income was as follows:

	31/12/2022	31/12/2021
<i>(in thousands of euros)</i>		
MANAGEMENT NBI	53,170	56,071
Fees and commissions (income)	85,990	88,570
of which fixed fees on off-balance sheet commitments	27,463	31,069
of which variable fees on off-balance sheet commitments	18,669	24,235
of which provisions for guarantee calls	10,058	3,120
of which fees on notes	29,800	30,146
Fees and commissions (expenses)	- 32,820	- 32,499
of which fees on off-balance sheet commitments	- 32	- 138
of which market-making fees	- 784	- 767
of which management fees	- 40	- 43
of which expenses for guarantee calls	- 6,117	- 3,127
of which fees on notes	- 21,775	- 21,127
of which provisions for guarantee calls	- 4,072	- 7,299
FINANCIAL NBI	121,332	95,010
Interest and similar income	19,047	17,195
Interest and similar expenses	- 28,741	- 17,500
Gains (losses) on trading book	57,720	42,549
Gains (losses) on investment portfolio and similar	- 9,810	- 475
Income from variable-income securities	83,117	53,241
OTHER NBI	- 703	- 747
Other banking income		
Other banking operating expenses	- 703	- 747
NET BANKING INCOME	173,799	150,334

Management NBI amounted to €53,170 K in 2022 versus €56,071 K in 2021. This decline in income is mainly due to the decrease in the remuneration of guaranteed funds due to the decrease in assets under management. It is explained by:

- A decrease in variable guarantee income from €24,235 K in 2021 to €18,669 K in 2022 due to the decrease in the remuneration base.
- Reversals of provisions for guarantee calls on recycling funds, the “Testament Obsèques” fund and CPPI funds for €10,058 K in 2022 compared with €3,120 K in 2021,

- A decrease in fixed guarantee income for €27,463 K at 31 December 2022 (versus €31,069 K at 31 December 2021).
- Stable investment fee income over the period at €29,800 K in 2022 (versus €30,146 K at 31 December 2021),
- Fees booked in expenses amounting to -€32,820 K in 2022 compared with -€32,499 K in 2021 mainly consisting of:
 - An increase in retrocession of investment fees from the Note Issuance activity for -€20,367 K versus -€19,780 K in 2021,
 - Guarantee call expenses of -€10,189 K, including -€4,072 K in allocations to provisions and -€6,117 K in guarantee calls on recycling funds and CPPIs.
 - Market-making fees on CA Oblig Immo of -€784 K in 2022 versus -€767 K in 2021,
 - Guarantee fee expenses of -€32 K versus -€138 K in 2021,
 - Management fees of -€40 K related to EMTN issued by Amundi Finance and managed by Amundi AM.

A strong increase in **Financial NBI**, which amounted to €121,332 K in 2022 versus €95,010 K in 2021 and consisted of the following:

- Income from securities of €83,117 K versus €53,241 K at 31 December 2021, including:
 - Dividends received from its subsidiary Amundi Intermédiation for €73,904 K (including the payment of an interim dividend on 2022 earnings for €28,649 K paid in December 2022) versus €42,708 K received in 2021,
 - Dividends received from its subsidiary Amundi Epargne Salariale Retraite of €9,216K versus €10,536 K in 2021.
- Net interest expenses of -€9,694 K (compared with -€305 K at 31 December 2021), including:
 - Interest expenses of -€1,000 K for perpetual subordinated debt,
 - Net income from guarantee deposits for collateral and treasury operations of +€1,856 K in 2022 compared with +€2,423 K in 2021,
 - Net expenses on financing of the Securities Collateral activity of -€1,856 K in 2022 versus -€1,017 K in 2021.

- An expense of -€8,396 K in interest for financing the EMTN and formula funds activity
- Net income from the swap, note issuance, collateral and trading portfolio activities of +€57,720 K (versus +€42,549 K at 31 December 2021), including:
 - +€55,881 K (versus €37,474 K at 31 December 2021) corresponding to commercialisation risk compensation for these FFI activities for marketing and launch of new formula-based and EMTN funds,
 - +€3,763 K relating to the correction in the value in respect of the counterparty risk on derivatives (CVA – Credit Value Adjustment),
 - An expense of -€1,924 K from financial forward instruments and the carrying of securities on all structures (versus a profit of +€3,226 K at 31 December 2021), mainly consisting of:
 - - €6,794 K on the activity of formula funds mainly linked to hedging reductions.
 - +€1,129 K on UCO structures,
 - +€1,063 K on CA OBLIG IMMO,
 - +€2,573 K on fixed-rate EMTN structures.
- Losses on the investment portfolio activity of -€9,810 K compared with losses of -€475 K at 31 December 2021, including:
 - -€9,590 K in impairment of securities in the short-term investment portfolio versus -€391 K in 2021,
 - -€158 K in new allocations to dnA shares.

Other NBI totalled -€703 K and mainly included the expense for Amundi Finance's contribution to the cost of the obligations of Crédit Agricole SA in its capacity as reference shareholder, compared with -€747 K in 2021.

General operating expenses break down as follows:

(in thousands of euro)	31/12/2022	31/12/2021
Personnel expenses		
Wages and salaries	-760	-853
Social security contributions	-329	-337
Incentive and profit-sharing plans	-104	-112
Payroll-related tax	-135	-108
Total personnel expenses	-1,328	-1,410
Rebilling and transfers of personnel expenses		
Net personnel expenses	-1,328	-1,410
Administrative expenses		
Taxes other than on income or payroll-related (1)	-2,649	-3,280
External services and other administrative expenses	-4,983	-4,130
Total administrative expenses	-7,633	-7,410
Rebilling and transfers of administrative expenses		
Net administrative expenses	-7,633	-7,410
GENERAL OPERATING EXPENSES	-8,961	-8,819

(1) including €1,394 K for the resolution fund.

- Personnel expenses, down slightly, at €1,328 K in 2022 versus €1,410 K in 2021, mainly with:
 - Wages and benefits for permanent staff of €1,113 K versus €1,129 K at 31 December 2021,
 - Taxes on remuneration of €142 K, including €119 K in payroll taxes,
 - A reversal of provisions for end-of-career benefits in the amount of €24 K versus an allocation of €61 K at 31 December 2021.
- Administrative expenses were up at €7,633 K at 31 December 2022, compared with €7,410 K at 31 December 2021. They primarily consist of the following:
 - External services of €4,983 K versus €4,130 K at 31 December 2021, including:
 - Re invoicing of the staff resources provided to Amundi Finance for an amount of €1,796 K as well as external services of €1,745 K,
 - IT and database costs of -€478k, mainly relating to the Murex activity,
 - Agoram rent and expenses of €119 K,

- Legal fees of €527 K relating to the update of issuer programmes, as well as fees for an asset-backed programme of structured products for Issuer notes on dnA,
- Statutory auditors' fees of €203 K.
- Taxes of €2,649 K, with in particular:
 - The CET (territorial economic contribution) / CVAE (company value-added contribution) of €735 K versus €787 K in 2021,
 - The contribution to the Single Resolution Fund of €1,394 K versus €2,065 K in 2021,
 - The contribution to the Single Resolution Committee for €10 K versus €11 K in 2021,
 - The ACPR tax of €93 K versus €68 K in 2021,
 - The BCE tax of €82 K versus €89 K in 2021,
 - The contribution to the Territorial Authorities Support Fund of €90 K compared with €66 K in 2021,
 - The Social Solidarity Contribution of €242 K versus €192 K in 2021.

Gross Operating Income was a profit of €164,838 K in 2022 versus €141,515 K for financial year 2021.

The **Cost of risk** was an expense of -€2,960 K in 2022 versus a profit of +€5,468 K in 2021; it primarily includes:

- -€3,220k in provisions for guarantee calls on EMTN structures,
- +€260 K in reversals of provisions on guaranteed fund ECLs.

Operating income and **Current profit before tax** amounted to €161,878 K in 2022 compared with €146,983 K for financial year 2021.

Corporation tax totalled €21,897 K.

The tax rate is 13.53%.

Net income at 31 December 2022 stood at €139,981 K compared with €121,943 K at 31 December 2021.

BALANCE SHEET AT 31 DECEMBER 2022

The balance sheet total was €3,530,443 K at 31 December 2022 versus €4,781,831 K at 31 December 2021. The main changes were as follows:

Assets (excluding forward financial instruments):

- Treasury bills and similar securities totalled €622,511 K concerning securities transactions relating to the EMIR versus €527,396 K at 31 December 2021,
- Loans and receivables due from credit institutions, decreasing from €490,732 K at 31 December 2021 to €128,205 K at 31 December 2022, consisting of:
 - €6,479 K on ordinary accounts receivable,
 - €1,000 K in term loans,
 - €109,011 K in overnight lending and accrued interest, with the Group's treasury department versus an overnight borrowing of €1,472,600 K at 31 December 2021,
 - €11,711 K in supplemental short-term overnight lending and its accrued interest, related to the "collateral" activity, compared with €478,481 K at 31 December 2021.
- Shares in affiliated companies were stable at €46,084 K in 2022 compared with €46,249 K in 2021 and are detailed in the table below:

SUBSIDIARIES AND EQUITY INVESTMENTS	Currency	% Control at 31/12/2021	Provision 2021	Net book value at 31/12/2021	Increase	Decrease	Gross book value at 31/12/2022	Provision 2022	Net book value at 31/12/2022
AMUNDI ESR	EUR	99.99		34,166,829			34,166,829		34,166,829
AMUNDI INTERMEDIATION	EUR	35.81		5,628,480			5,628,480		5,628,480
AITs	EUR	NS	3,309	6,851		10,160	0	0	0
DNA SA	EUR	100	250,000	1,981,000			2,231,000	408,000	1,823,000
LRP	EUR	100	16,000	15,000			31,000	16,000	15,000
AMUNDI FINANCE EMISSIONS	EUR	99.99		2,225,684			2,225,684		2,225,684
LCL EMISSIONS	EUR	99.99		2,225,186			2,225,186		2,225,186
TOTAL			269,309	46,249,030	0	10,160	46,508,179	424,000	46,084,179

- The bonds and other fixed-income securities portfolio totalled €60,198 K versus €1,675,992 K at 31 December 2021. The positions mainly correspond to the carrying of bonds issued by the subsidiaries Amundi Finance Emissions and LCL Emissions as well as Crédit Agricole SA and Amundi, during the marketing phase or before repurchase for destruction by these issuing companies.
- Equities and other variable-income securities totalled €290,365 K, versus €299,955 K at 31 December 2021.
- The item Intangible assets for €227,424 K corresponds to business assets.
- The item Other assets (excluding forward financial instruments) amounted to €842,480 K vs. €269,383 K at 31 December 2021. This includes primarily:
 - Security deposits paid as part of the collateral activity in the amount of €815,413 K compared with €218,690 K at 31 December 2021,
 - Interim payments of corporation tax in the amount of €23,624 K versus €25,365 K at 31 December 2021,
 - Trade receivables of €780 K vs. €2,375 K at 31 December 2021.
- The item Accrual accounts (excluding forward financial instruments) amounted to €34,706 K vs. €39,229 K at 31 December 2021. They are mainly made up of accrued income on off-balance sheet commitments (guaranteed funds and EMTNs) in line with the collection of revenues: variable guarantee commissions on PEA funds are collected annually, fixed guarantee commissions for the most part on maturity of the funds, and the same applies to commissions on the variable guarantee on non-PEA funds.
Investment fees, repurchase compensation and guarantee commissions on EMTN issuances are collected on a quarterly basis.

Liabilities (excluding forward financial instruments):

- Liabilities due to credit institutions totalled €1,313,351 K, including:
 - €690,135 K in overnight borrowing and associated accrued interest related to the “collateral” activity,
 - €623,216 K in term loans and related debts for the financing of activities subject to the EMIR compared with €511,000 K in 2021.
- Debt securities in the amount of €30,796 K corresponding to Amundi Finance’s EMTN issuance programmes.

- Other liabilities (excluding forward financial instruments) in the amount of €64,477 K in 2022 (€688,113 K in 2021) mainly consisted of deposits received in relation to the collateral activity (€37,680 K) and the provision for corporation tax (€21,905 K).
- The item Accrual accounts (excluding forward financial instruments) at €12,559 K vs. €14,827 K in 2021 is broken down as follows:
 - €3,640 K in deferred income representing the extension of commercialisation risk compensation on marketed structures such as formula funds, EMTNs by Amundi Finance Emissions and EMTNs by LCL Emissions.
 - €8,919 K in accrued expenses, including:
 - €6,320 K in retrocessions on investment fees,
 - €1,797 K in current operating expenses,
 - €784 K in market-making fees on structures such as CA Oblig Immo.

Forward financial instruments: the activity shows an asset balance of €3,745 K at 31 December 2022 vs. a liability balance of €36,669 K at 31 December 2021, and is principally comprised of:

- €587 K on the downturn in the value of financial instruments with respect to the counterparty risk on derivatives (CVA) vs. €4,350 K in 2021,
 - €59,943 K in positions on options versus €176,960 K in 2021,
 - -€64,175 K relating to the valuation of FFIs (swap and options) versus -€161,613 K at 31 December 2021,
 - €100 K in respect of hedging positions versus €16,971 K in 2021.
- Provisions for liabilities and charges of €6,064 K vs. €9,115 K in 2021, including:
 - €2,779 K in positions on “Testaments Obsèques” guaranteed fund versus €5,116 K in 2021,
 - €3 K in provisions for recycling funds versus €3,389 K in 2021, mainly due to the increase in rates observed on the market,
 - €3,220 K in provisions for liabilities on the funds guarantee and issuance vehicles activity compared with €263 K in 2021.
 - Subordinated debts were stable at €100,008 K and corresponded to the perpetual subordinated debt that will increase the level of the company’s own funds as well as the related debts.

Unpaid invoices received or issued on the closing date of the financial year, the term of which has expired (Table provided in Article D.441-14)

(in thousands of euros)	Article D.441 I.-1°: Invoices received not paid at the balance sheet date which are past due						Article D.441 I.-2°: Invoices issued not paid at the balance sheet date which are past due					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Overdue payment tranches												
Number of invoices concerned						9						71
Total amount of invoices concerned excluding or including taxes	51	2	1		1	56		46	526		208	780
Total amount of purchases for the financial year	0.16%	0.00%	0.00%	0.00%	0.00%	0.18%						
Percentage of turnover for the financial year							0.00%	0.03%	0.31%	0.00%	0.12%	0.46%
(B) Invoices excluded from A relating to disputed or unrecognised debts and receivables												
Number of invoices excluded						0	0					
Amount of the excluded invoices												
(C) Reference payment deadlines used												
Payment deadlines used to calculate overdue payments	> 30 days						>30 days					

This information does not include banking transactions and related transactions that do not fall within the scope of required information.

The change in shareholders' equity is as follows:

	Share	Premiums, reserves and retained earnings	Interim dividends	Regulated provisions and investment subsidies	Net income	Total shareholders' equity
(in thousands of euros)						
Balance at 31 December 2021	40,320	548,146			121,943	710,409
Dividends paid for 2021		-121,927				-121,927
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		121,943			-121,943	
Retained earnings						
Profit for financial year 2022					139,981	139,981
Other changes						
Balance at 31 December 2022	40,320	548,162			139,981	728,463

OFF-BALANCE SHEET ITEMS AT 31 DECEMBER 2022

At 31 December 2022, forward financial instruments (FFIs) were booked for a notional amount of €63,038 M vs. €61,556 M at 31 December 2021.

FFI overview

Notional in millions of euro	31/12/2022	31/12/2021
FUND FFIs	25,627	29,271
EMTN DNA FFIs	0	0
EMTN CASA FFIs	1,896	2,031
EMTN LCLE FFIs	23,889	19,377
EMTN AFE FFIs	9,916	9,652
EMTN AMUNDI SA FFIs	1,059	682
EMTN AMUNDI FINANCE FFIs	31	32
COLLATERAL SECURITIES FFIs	621	511
TOTAL	63,038	61,556

Guarantee commitments given totalled €18,047 M compared with €22,660 M at 31 December 2021, corresponding to changes in commitments given relating to guaranteed funds and EMTNs,

Assets given as collateral totalled €517 M at 31 December 2022 versus €512 M at 31 December 2021 and corresponded to the Securities Collateral given to the market counterparties within the framework of the EMIR.

Assets received as collateral totalled €1,012 M at 31 December 2022 versus €1,447 K at 31 December 2021 and corresponded to the Securities Collateral received from funds and market counterparties within the framework of the EMIR.

DIVIDEND DISTRIBUTION

Distributable income totalled €466,215,979.12, including the profit for financial year 2022 for €139,98,297.63 and retained earnings for €326,234,681.49.

For the 2022 financial year, a distribution of €139,964,350.68, representing a unit dividend of €52.92, is proposed.

Retained earnings will therefore total €326,251,628.44 after appropriation of income.

In accordance with the law, we wish to remind you that during the three previous years, the company allocated to each share a dividend of:

Financial year	Dividend in €	Distributed revenues eligible for the 40% tax credit (*) in €	Distributed revenues not-eligible for the 40% tax credit (*) in €
2021	46.10	46.10	-
2020	37.42	37.42	-
2019	52.73	52.73	-

(*) Article 158-3-2 of the French tax code (CGI)

DEVELOPMENT PROSPECTS FOR 2023

In a context of rising rates, EMTN issuance activity is expected to grow strongly in France.

In Europe and Asia, the guarantee business is also expected to increase with several formula fund projects in Spain and Italy and portfolio insurance funds in Singapore in particular.

CHANGES IN THE METHODS OF PRESENTATION OF THE FINANCIAL STATEMENTS

No significant change was made to the method of presentation of the financial statements.

CONTROL OF THE COMPANY

As at 31 December 2022, the company is controlled as follows:

- Amundi Asset Management holds 76.13% of the shares,
- Amundi holds 23.87% of the shares,

FIGURES FOR THE LAST FIVE FINANCIAL YEARS

Type of information	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Ending capital (in euros)	40,320,157	40,320,157	40,320,157	40,320,157	40,320,157
Number of shares issued	2,644,829	2,644,829	2,644,829	2,644,829	2,644,829
Operations and earnings for the year (in thousands of euros)					
Net Banking Income	150,651	184,358	133,642	150,334	173,799
Earnings before taxes, depreciation, amortisation, and provisions	140,729	174,407	123,634	141,515	164,838
Income tax	-36,254	-47,129	-24,310	-25,040	-21,897
Earnings after taxes, depreciation, amortisation, and provisions	86,488	139,480	98,973	121,943	139,981
Distributed profits	82,148	139,462	98,970	121,927	139,964
Operating earnings per share (in euros)					
Earnings after taxes but before amortisation, depreciation, and provisions	32.70	52.74	37.42	46.11	52.93
Earnings after taxes, depreciation, amortisation, and provisions	32.70	52.74	37.42	46.11	52.93
Dividend per share	31.06	52.73	37.42	46.10	52.92
Employees					
Average number of employees	9	9	8	9	9
Payroll (in thousands of euros)	821	699	717	792	784
Welfare benefits paid (social security, charity work, etc.) (in thousands of euros)	342	290	302	337	329

RISK FACTORS

Prospective purchasers of the Securities offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, the risk factors set forth below (which each Issuer, in its reasonable opinion, believes represents or may represent the risk factors known to it which may affect such Issuer's ability to fulfil its obligations under the Securities and may be material for the purpose of assessing the market risks associated with Securities) in making an investment decision. Investors may lose the value of their entire investment in certain circumstances.

Each of the Issuers and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Securities issued under the Programme, but the inability of the Issuers or the Guarantor to pay interest (if any), principal or other amounts on or in connection with any Securities may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them or which they may not currently be able to anticipate.

In each sub-category below the Issuers and the Guarantor set out first the most material risks, in their assessment, taking into account the expected magnitude of the negative impact and the probability of occurrence of the risks.

Terms used in this section and not otherwise defined have the meanings given to them in the relevant Conditions.

RISK FACTORS RELATING TO AMUNDI FINANCE

It should be noted that the events taking place in Ukraine constitute an intense crisis of unknown magnitude and duration. This crisis spread to the economic sphere, leading in particular to higher inflation through higher commodity and energy prices, which led to a significant decline in financial markets and increased volatility. Thus, operational risks, as described below, and in particular non-compliance and legal risks, are potentially increased by a situation where European and international decisions, and more particularly the sanctions imposed, follow one another and involve adapting the measures to be taken on a daily basis.

CREDIT AND COUNTERPARTY RISKS

Amundi Finance is exposed to credit and counterparty risks likely to have a significant adverse effect on its business, financial position and results.

Amundi offers a range of funds with a variety of guarantees and structured returns. These products include funds that are partially or fully guaranteed or that have guaranteed performance returns. Amundi Finance provides the guarantees to these funds and is thus subject to a number of risks relating to this activity. In particular, should the issuer on any of the assets held by the funds guaranteed by Amundi Finance default or enter into insolvency or similar proceedings, Amundi Finance would incur substantial costs to replace such assets and meet its obligations as a guarantor. Such guaranteed funds can also enter into various derivatives with large banking counterparties. Such transactions expose Amundi Finance to counterparty risk. Should any counterparty default or enter into insolvency or similar proceedings, Amundi Finance would incur substantial costs to replace the transactions and meet its obligations as a guarantor.

Amundi Finance is also subject to counterparty risk if one or more financial institutions were to default or to enter into insolvency or similar proceedings, Amundi Finance would have to unwind such transactions and look for other counterparties to enter into new transactions. Amundi Finance systematically covers its exposure to market risk with respect to the performance guaranteed to investors in equities and structured notes, by entering into derivative transactions with internationally recognized financial institutions. While the derivative transactions are secured by collateral, Amundi Finance is nonetheless subject to a number of risks in connection with these transactions. Amundi Finance may not be able to enter into replacement hedging transactions exactly at the same price or with the same terms, particularly if the default or insolvency were to result in sharp movements in financial markets.

Amundi Finance also uses the net proceeds from the issuance of Securities for the purpose of financing its business in general and to hedge its obligations under the Securities. Therefore, Amundi Finance will use all or part of the proceeds from the issuance of securities to acquire assets that may be, but are not limited to, one or more securities, one or more deposit agreements, and/or one or more swap agreements (the Hedging Contracts). The counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or government entity or an investment fund. The ability of Amundi Finance to satisfy its obligations under the Securities will depend on the receipt of the payments due under these Hedging Contracts. The risk also includes the settlement risk inherent to any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

As of 31 December 2022, assets weighted for credit and counterparty risk totalled 1.21 billion euros.

MARKET AND LIQUIDITY RISKS

The development and volatility of the financial markets can have a significant adverse effect on the activity of Amundi Finance.

In order to distribute guaranteed funds, Amundi Finance might put in place derivatives transactions before knowing the exact amount of investor subscription orders that will be placed, as such Amundi Finance is exposed to market risk. In case the final amount is lower than expected, Amundi Finance might incur financial costs in unwinding the excess position.

Amundi Finance is dependent on its access to financing and other sources of liquidity, which may be limited for reasons beyond its control, and could have a material adverse effect on its results.

If the value of the derivatives significantly changes, Amundi Finance may be required to provide collateral to its counterparties, exposing Amundi Finance to liquidity risk.

OPERATIONAL RISKS AND RELATED RISKS

Operational risks and related risks

Amundi Finance is subject to a regulatory and environmental framework in France and in the other countries where it operates, that is to say only Austria as of today. Changes to this framework are likely to have a material adverse effect on its business and results.

Amundi Finance is regulated as credit institution and thus is subject to regulation by bank supervisory authorities. Amundi Finance did not issue any securities during 2022.

Banking regulations are constantly evolving and regulatory reforms may reduce the interest of Amundi products for its clients that are banks or insurance companies, and modify the solvency and liquidity treatment of such products on their balance sheet. All banking reforms that modify the regulatory rules applicable to Amundi Finance's transactions and products may have a material adverse effect on Amundi Finance's revenues, results and financial conditions.

Also, Amundi Finance's ability to expand its business or to carry on certain existing activities may be limited by new regulatory and systemic requirements.

Amundi Finance's activities and earnings can also be affected by the policies or actions from various regulatory authorities in France or in other countries where Amundi Finance operates. The nature and impact of such changes are not predictable and are beyond Amundi Finance's control. Since its creation, changes in the regulatory and environmental framework to which Amundi Finance is subject have had no adverse effect on its business or results.

Operational risks

Operational risks result primarily from inadequate or failed processes, systems, or people processing transactions, as well as risks associated with external events. They could have a negative impact on Amundi Finance's results.

Amundi Finance is exposed to operational risks linked to the implementation and management of guaranteed and structured funds. Should the assets or off-balance sheet transactions turn out to be inadequately correlated with the guaranteed performance due to the investors, Amundi Finance as guarantor could suffer significant financial losses.

In addition, Amundi Finance is exposed to the risk of operational malfunctions in its communication and information systems. Any failure, interruption or breach in security of these systems could result in failures or interruptions in its customer relationship management, servicing systems. Amundi Finance is also exposed to cybercrime targeting its customers, suppliers or partners, but also its own IT infrastructures and data. The interconnection between market firms and their concentration increases the risk of an impact on Amundi Finance in the event of attacks targeting one of the links in this chain, taking into account the complexity of the systems to be coordinated in constrained timeframes. Amundi Finance cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The consequences of an operational malfunction or human error, even brief and temporary ones, could lead to significant disruptions in the Amundi Finance's activity. Amundi Finance has not experienced any operational incident likely to have a negative impact on its results since its creation.

Non- compliance and legal risks

The risks of non-compliance arising from non-compliance with the regulatory and legal provisions governing its activities, and the reputational risks that could occur as a result of non-compliance with its regulatory or legal obligations or professional and ethical standards could have an adverse impact on Amundi Finance's results and business opportunities.

Given its activity of borrowing and raising capital, Amundi Finance is subject to the risk of litigation by investors or others through private actions, administrative proceedings, regulatory actions or other litigation. Plaintiffs in these types of actions may seek recovery of large or indeterminate amounts or other remedies that may affect Amundi Finance's ability to conduct business, and the magnitude of the potential loss relating to such actions may remain unknown for substantial period of time.

The cost to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease investors' acceptance of Amundi Finance's services, regardless of whether the allegations are valid or whether Amundi Finance is ultimately found liable or not. The occurrence of such a risk could result in a loss of value or damage to the Amundi Finance's reputation. However, Amundi Finance has never been exposed to any dispute with an investor likely to have an adverse impact on its results and business prospects since its creation.

As of 31 December 2022, assets weighted for operational and related risks totalled 0.21 billion euros.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Amundi Finance's internal control and risk management are part of the Amundi Group system.

The scope of internal control is not limited to procedures that make accounting and financial information more reliable.

The internal control system is defined as all systems aimed at controlling activities and risks of any kind and making transactions regular, secure and effective.

However, this system has limits inherent to technical or human failures.

It is characterised by the objectives assigned to it:

- Application of the instructions and guidelines set by General Management,
- Financial performance through the effective and appropriate use of the Group's assets and resources as well as protection against risks of losses,
- Comprehensive, accurate and regular knowledge of the data necessary for decision-making and risk management, in particular the compliance of all management activities with applicable regulations, contracts and other commitments,
- Compliance with laws and regulations and internal standards,
- Prevention and detection of fraud and errors,
- Accuracy and completeness of accounting records, and timely preparation of reliable accounting and financial information.

Amundi's internal control system complies in particular with the provisions of the French Monetary and Financial Code (Article L. 511-41), the Ministerial Order of 3 November 2014 on the internal control of companies in the banking sector, payment services and investment services subject to the supervision of the Autorité de Contrôle Prudentiel et de Résolution, the AMF General Regulation and corporate governance texts, issued in particular by the European Banking Authority and the Basel Committee.

It is also structured in a consistent manner with the principles laid down by Crédit Agricole S.A. and the Crédit Agricole Group, with the aim of ensuring a consolidated risk approach as part of the control exercised by the majority shareholder Group.

These external standards are supplemented by Amundi's own internal charters, standards and procedures in the areas of risk control, including IT and accounting, compliance control and internal audit.

This internal control system applies consistently to all Amundi Group entities (excluding joint ventures in which Amundi is a minority shareholder) and covers the supervision and control of activities as well as the measurement and monitoring of risks. The system implemented by Amundi is customised and adapted by the various functions and subsidiaries according to their specific characteristics, particularly with regard to their regulatory obligations.

The resources, tools and reports implemented in this regulatory environment make it possible to regularly inform the Board of Directors and General Management about the operation of the internal control systems and their adequacy with regard to the Group's risk profile.

1. Organisational principles of the internal control system

a. Fundamental principles

Amundi's internal control system is based on the following fundamental principles:

- Systematic reporting to the Board of Directors on risk management, monitoring of limits granted, the activities and results of the controls implemented by the various components of the internal control system as well as significant incidents;
- Direct involvement of General Management in the organisation and operation of the internal control system;
- Comprehensive coverage of activities and risks;
- A clear definition of responsibilities and effective separation of engagement and control functions through formal and updated delegations.

It is based on two main pillars:

- Risk measurement, monitoring and management systems: financial risks, operational risks (operational processes, accounting and financial information, information systems), legal risks and non-compliance risks;
- A control system including permanent controls carried out directly by the operational entities or by dedicated employees and periodic controls implemented by the Inspection Unit.

b. Management of the system

The Amundi Group is in charge of Amundi Finance's internal control system.

Amundi's internal control system is based on first-level permanent control, a second-level permanent control carried out by the Risk and Compliance functions and partly by the Security function with regard to the information system, and the periodic control carried out by the Inspection Unit. It covers the entire Group in France and abroad, with the exception of joint ventures in which Amundi is a minority shareholder.

The Internal Control Committee, co-chaired by the Amundi Directors in charge of the GSG (Corporate Governance and General Secretariat) and SFC (Strategy, Finance and Control) Divisions, ensures the consistency, effectiveness and comprehensiveness of the internal control system and coordinates the Periodic Control, Permanent Control, Risk, Compliance and Security activities. It is also made up of the Chief Risk Officer, the Head of Compliance, the Head of Security, the Head of Legal Affairs and the Head of the Inspection Unit at Amundi. It meets eleven times per year.

The Committee is responsible for:

- reviewing the internal control mechanism and the control system implemented;
- reviewing the main risks of any kind to which Amundi is exposed and changes in risk and performance measurement systems and ensuring that the internal control system is adequate to properly manage these risks;
- taking any necessary decisions to remedy weaknesses in internal control;

- monitoring the implementation of commitments made following internal and external audits;
- deciding on corrective measures on the deficiencies identified by the audit missions as well as the activity and control reports available to the heads of control functions or management within the entity.

c. Role of the decision-making body

The decision-making body is informed of the organisation, activity and results of internal control. It is involved in understanding the main risks incurred by the company. It determines and approves the company's risk strategies and limits.

It approves the general organisation of the company as well as that of its internal control system, in particular the risk management procedures.

d. Role of the executive body

The executive body is directly involved in the organisation and operation of the internal control system. It ensures that risk strategies and limits are compatible with the financial situation (levels of equity, results) and the strategies adopted by the decision-making body.

The executive body defines the general organisation of the company and ensures its efficient implementation by competent persons. In particular, it clearly sets out the roles and responsibilities in terms of internal control and ensures that the resources allocated are adequate.

It ensures that risk identification and measurement systems suitable for the company's activities and organisation are adopted. It also ensures that the main information from these systems is regularly reported to it.

It ensures that the internal control system is monitored on an ongoing basis in order to verify its adequacy and effectiveness. It is informed of the main malfunctions that the internal control system identifies and proposed corrective measures.

e. **Consolidated internal control**

In accordance with the principles in force within the Group, the Amundi Group's internal control system applies to a broad scope aimed at the supervision and control of activities and the measurement and monitoring of risks on a consolidated basis.

This principle applied by each Crédit Agricole Group entity to its own subsidiaries makes it possible to apply the internal control system according to a pyramid logic and strengthens consistency between the various Group entities.

As regards Amundi Finance, the Amundi Group therefore identifies and monitors the activities, risks and quality of controls within its subsidiaries, particularly with regard to accounting and financial information.

- **Non-compliance risk prevention and controls system**

The Amundi Group has strengthened its KYC system.

The anti-corruption system deployed throughout the Group has been "ISO 37001" certified.

The conflict of interest management system has been adapted as follows:

- A Trading Ethics Charter has been drafted;
- A policy has been put in place restricting the holding of Amundi securities in portfolios managed on behalf of third parties and for own account;
- The mapping of conflicts of interest has been updated.

- **Periodic control system**

The approach followed by Amundi's Inspection Unit was the subject of a quality assurance and continuous improvement process.

- **Internal control over information system security**

In terms of cyber security, intrusion tests were carried out throughout the year by a specialised external company, both internally and externally. These tests are systematically reviewed, and measures are taken when incidents are identified.

- **Business Continuity Plan (BCP)**

During 2022, tests of Amundi's BCP system were carried out:

- The IT Contingency Plan (ICP) was tested from 08 to 29 October 2022 by simulating the loss of a data center.
- The User Backup Plan (UBP) was tested on 21 June 2022 for the Immediate Backup Rooms, on 21 January and 07 October 2022 for load tests of remote connections.

2. Brief description of the internal control and risk management system to which the company is subject

a. Types of risks

Amundi Finance is exposed to the risks described in the "Risks" chapter above: credit and counterparty risk, regulatory risk, operational risks, and non-compliance and legal risks.

In accordance with the provisions of Article L.225-102-1 of the French Commercial Code, Amundi Finance is required to report information on how the company takes into account the social and environmental consequences of its business, including the consequences of its business and the use of the goods and services it produces on climate change, as well as its societal commitments to sustainable development, the circular economy, the fight against food waste and the fight against discrimination and the promotion of diversity.

The environmental impact and societal impact of Amundi Finance's activities are part of the policies defined by Amundi and presented in its management report.

b. Risk control system

Amundi Finance's risk control system is based on:

- The definition of a risk strategy for the activity, which requires backing of transactions and defines authorised products; the risk strategy also specifies the limits applicable to residual exposures that may be borne by Amundi Finance;
- Validation of this system by the Amundi Group Risk Committee;
- Monitoring of counterparty risks, the proper backing of transactions and compliance with the management rules and limits applicable to residual exposures retained by Amundi Finance.

c. Non-compliance risk control system

The non-compliance risk control system aims to protect against the risks of non-compliance with laws, regulations and internal standards relating in particular to investment services activities, the prevention of money laundering and the fight against the financing of terrorism, and the prevention of and fight against external and internal fraud.

This system is implemented in accordance with the procedures and recommendations issued by French and European regulators.

The non-compliance risk control system, including with respect to anti-money laundering and combating the financing of terrorism and the prevention of fraud and corruption, is reviewed on a monthly basis during the Compliance Committee meeting. During this Committee meeting, the results of the controls carried out are discussed and any corrective measures are decided upon. This body is also responsible for validating the non-compliance risk mapping and the accompanying action plan.

d. Financial Security System

The system for combating money laundering and the financing of terrorism is governed by specific procedures, which provide for, in particular, an adjustment of due diligence procedures for entering into a relationship according to the type of customer and their place of residence.

Amundi Finance is responsible for marketing the notes issued by Amundi, Amundi Finance and its vehicles, solely for the benefit of regulated institutional distributors and direct customers with whom subscription contracts and distribution contracts are entered into, which stipulate that the distributor will comply with KYC obligations.

Customer files are created, listed and validated by Compliance in a dedicated IT system.

The monitoring system also includes the control of politically exposed persons.

e. **Specific internal control system for accounting and financial information;**
Role and responsibilities in the preparation and processing of accounting
and financial information

Amundi Finance publishes individual financial statements, which are consolidated in the financial statements of the Amundi Group and its shareholders.

The Amundi Group Finance Department is responsible for the preparation of Amundi Finance's financial statements.

The Finance Department implements the accounting and financial information systems enabling it to draw up Amundi Finance's data under satisfactory security conditions.

Amundi's Finance Department is responsible for preparing accounting and financial information under the authority of General Management. In particular, the Finance Department:

- Prepares the consolidated financial statements in accordance with international accounting standards (IFRS) and in accordance with the accounting rules and principles communicated and defined by the Crédit Agricole Group;
- Prepares the financial statements of each of its entities in accordance with local accounting standards in force;
- Prepares the various regulatory, prudential and tax reports;

- Produces the various management information necessary for the management of the activity;
- Carries out Amundi's financial communication to investors.

f. **Permanent control of accounting and financial information**

The accounting and financial information control system within the Finance Department is based on the controls carried out by the Accounting, Management Control and Money Market teams and by a dedicated accounting control unit that reports directly to the Chief Financial Officer. This system is supplemented by permanent accounting controls carried out by an independent team reporting to the Risk Department.

The objectives of the permanent accounting control are to ensure that major accounting risks are adequately covered, which may affect the quality of accounting and financial information in terms of:

- Compliance of data with legal and regulatory provisions and Crédit Agricole Group standards;
- Reliability and accuracy of the data, giving a true and fair view of the results and financial position of Amundi and the entities included in its scope of consolidation;
- Security of data development and processing processes limiting operational risks with regard to Amundi's commitment to published information;
- Prevention of the risks of fraud and accounting irregularities.

Permanent control of accounting and financial information is based on the assessment of the risks and controls of the accounting processes managed by the operational departments. In particular, the risks monitored by the Risk Department, and in particular those related to off-balance sheet commitments, are reconciled with the accounting department in order to ensure the information in the financial statements is complete and the valuations are correct.

Amundi's Head of Permanent Accounting Control ensures that any corrective actions are implemented to strengthen the permanent accounting control system.

g. Relations with the Statutory Auditors

In accordance with the professional standards in force, the statutory auditor carries out the due diligence that it deems appropriate on the published accounting and financial information:

- Audit of the individual financial statements of Amundi Finance;
- Limited review of the interim financial statements of Amundi Finance.

As part of its legal assignment, the statutory auditor presents the conclusions of its work to the Board of Directors of Amundi Finance.

h. Periodic control (General Inspection/Audit)

Amundi Group's Inspection Unit is responsible for the periodic control of Amundi Finance, independently of the operational units, pursuant to the Ministerial Order of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sectors.

The audit plan is drawn up on the basis of the multi-year audit programme derived from the Amundi Group's risk mapping.

The objective of the multi-year programme is to cover the audit scope (scaled to the scope of the supervised entities) over a period of up to 5 years and the average frequency used is around 3 years.

i. Business Continuity Control System

Amundi Finance's Business Continuity Plan (BCP) is integrated into Amundi's business continuity plan.

The Business Continuity Plan (BCP) describes the contingency solutions and their implementation procedures according to the operational crisis scenario concerned and is validated by the management level committee: the Amundi Security Committee.

This operational system has five key elements:

- A crisis management system based on an organisation and resources that are available 24 hours a day, 7 days a week, in order to alert, analyse or monitor the situation but also to decide or communicate;
- A User Backup Plan (UBP) that can be activated in 4 hours, which is based, for the Paris entities, on a site located 25 kilometres from Paris with 230 dedicated positions, which can be extended to 700 if needed, and a remote work platform allowing 1,000 simultaneous connections, which can be extended to 2000; in the case of trading, a system allows the activity to resume within 2 hours in case of unavailability of the dedicated premises as part of an immediate backup plan;
- An IT Contingency Plan (ICP) that can be activated in 4 hours, based on 2 data centres managed in active/active mode with redundant platforms;
- Control of the service provider continuity plan;
- A business continuity plan (BCP) steering system based on a cross-business organisation. Amundi carries out business impact assessments (BIA) for each of its business lines, defining for each process a level of criticality and the needs necessary to maintain the activity in question.

This contingency and business continuity plan is regularly updated and tested annually.

The potential loss scenarios covered are:

- Unavailability of the local work environment caused by inaccessibility of the site or by failure of the technical installations (power outage, loss of access to telecom resources, etc.). This scenario includes the unavailability of a building or a set of buildings when they are grouped together;
- Unavailability of staff caused by a public transport strike, epidemic, flood, etc. Solutions to cover this scenario should enable Amundi to maintain the continuity of its activities when 30% of its workforce is available;
- Physical unavailability of information systems caused by the physical destruction of the Datacenter's hardware or network access resources at the Datacenter;
- Logical unavailability of Datacenter information systems caused by malice, error or accident (virus, intrusion, accidental destruction of a data bay or computer bug altering the databases);
- Massive unavailability of workstations caused, for example, by a massive virus affecting workstations.

This contingency and business continuity plan is regularly maintained and tested annually.

* * *

In accordance with the existing systems and procedures within Amundi Finance and the organisational arrangements common to the entities of the Crédit Agricole Group described above, the Board of Directors, General Management and the relevant components of the Company are kept informed in detail of the internal control and the level of risk exposure, as well as the areas of progress recorded in this area and the progress of corrective measures adopted as part of a continuous improvement approach. This information is transcribed in particular in regular activity, risks and control reports.

REPORT ON CORPORATE GOVERNANCE (ARTICLE L. 22-10-10 OF THE FRENCH COMMERCIAL CODE)

In accordance with the provisions of Article L. 22-10-10 of the French Commercial Code, and in addition to the management report, we submit to you this corporate governance report based on information relating to the presentation of the corporate governance and the work of the Board of Directors carried out in 2022.

The purpose of this report is to present the highlights of the Company's corporate governance, which is structured around the Company's Board of Directors.

The individual information of the members of the Board of Directors will also be presented, including a list of all their offices and positions held in any company during the financial year.

Role of the Board of Directors

The role of the Board is that of a Board of Directors of a French limited company governed by French law: in accordance with Article L 225-35 of the French Commercial Code, it “determines the strategies of the company's business and ensures their implementation, in accordance with its corporate interest, taking into consideration the social and environmental issues of its activity. [...] Without prejudice to powers expressly assigned to general shareholder meetings and within the limits of the company purpose, it deals with all issues concerning the proper operation of the Company and settles matters concerning it through its deliberations. “

As such, at 31 December 2022, the Board of Directors was composed of four board members, whose composition at the end of the financial year is as follows:

Composition of the Board of Directors at the end of the financial year

Chairman of the Board of Directors

Monsieur Edouard Auché has chaired the Company's Board of Directors since 4 May 2022.

As part of his legal duties, the Chairman of the Board of Directors:

- organises and directs the work of the Board and reports to the General Meeting;

- ensures that the Company's bodies function properly and, in particular, that the board members are able to fulfil their duties;
- decides on the Board's agendas and ensures that the information provided to the board members allows them to make an informed decision;
- encourages and promotes dialogue within the Board;
- ensures the clarity of the decisions taken by the Board.

Chief Executive Officer and Board Member

Pursuant to Article 16 of the Articles of Association, the Company is managed by a Chief Executive Officer whose duties are separate from the Chairman of the Board.

The Chief Executive Officer, Olivier Guilbault, is vested with the most extensive powers to act under any circumstances on behalf of the Company. He exercises these powers within the limits of the company purpose and without prejudice to those powers which the law expressly assigns to General Meetings and the Board of Directors.

Deputy Chief Executive Officer

Pursuant to Article 16 of the Articles of Association, on the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more natural persons responsible for assisting the Chief Executive Officer, and bearing the title of Deputy Chief Executive Officer(s).

With regard to third parties, the Company's Deputy Chief Executive Officer, Ludovic Soudan, has the same powers as the Chief Executive Officer.

In case of termination of office or incapacity of the Chief Executive Officer, the Deputy Chief Executive Officer(s), unless decided otherwise by the Board of Directors, shall retain their duties and powers until the appointment of a new Chief Executive Officer.

Directors

In accordance with its diversity policy, the Board of Directors ensures the balance and plurality of skills comprising it with regard to the Company's challenges. It is attentive to the diversity of experience of its members and to the balanced representation of genders, while ensuring that everyone adheres to the Company's core values.

Each Directors, whose term of office is three years (Article 11 of the Articles of Association), has specific skills within the Board of Directors to enable him or her to carry out his or her duties under the best possible conditions.

Each selected board member thus contributes individually to building the diversified and balanced collegial competence of the Board.

Composition of the Board of Directors at the end of the financial year

Chairman of the Board of Directors

Monsieur Edouard Auché

Name and status	Age	Nationality	Gender	Number of mandates	Start of the 1 st term of office in the company	End of current term of office
Edouard Auché Chairman of the Board of Directors	57	French	Male	3	2022	2022

Chief Executive Officer and Board Member

Monsieur Olivier Guilbault

Name and status	Age	Nationality	Gender	Number of mandates	Start of the 1 st term of office in the company	End of current term of office
Olivier Guilbault Chief Executive Officer	51	French	Male	2	2018	undetermined

Deputy Chief Executive Officer

Monsieur Ludovic Soudan

Name and status	Age	Nationality	Gender	Number of mandates	Start of the 1 st term of office in the company	End of current term of office
Ludovic Soudan Deputy Chief Executive Officer	44	French	Male	1	2020	undetermined

Directors

Monsieur Olivier Guilbault
Madame Sylvie Dehove
Monsieur Domenico Aiello

Name and status	Age	Nationality	Gender	Number of mandates	Start of the 1 st term of office in the company	End of current term of office
Olivier Guilbault Director	51	French	Male	2	2019	2022
Sylvie Dehove Director	49	French	Female	2	2022	2023
Domenico Aiello Director	48	Italian	Male	5	2020	2022

Statutory Auditor

ERNST & YOUNG ET AUTRES,
represented by Madame Claire Rochas

PRICEWATERHOUSECOOPERS AUDIT,
represented by Monsieur Laurent Tavernier

Composition of the Board of Directors at the end of the financial year

Chairman of the Board of Directors

Monsieur Edouard Auché

Chief Executive Officer and Director

Monsieur Olivier Guilbault

Deputy Chief Executive Officer

Monsieur Ludovic Soudan

Directors

Monsieur Domenico Aiello

Madame Sylvie Dehove

Representatives of the Social and Economic Committee

Madame Christine Fage

Madame Florence Huchez

The Statutory Auditors

ERNST & YOUNG ET AUTRES,
represented by Madame Claire Rochas

PRICEWATERHOUSECOOPERS AUDIT,
represented by Monsieur Laurent Tavernier

Presentation of the work of the Board of Directors

During the financial year:

The Board of Directors meets as often as the Company's interests so require.

In 2022, your Board of Directors met three times, including once in the form of written consultation, and in particular, it decided on the following points:

- 1) Board of Directors approving the financial statements ended 31 December 2021 on 23 March 2022
- 2) Board of Directors meeting of 04 May 2022 in the form of written consultation
- 3) Board of Directors, half-yearly financial statements ended 30 June 2022 of 31 August 2022

Board of Directors meeting of 23 March 2022

- Resignation of AMUNDI ASSET MANAGEMENT, represented by Madame Claire Cornil, as Board Member.
- Co-opting of Madame Sylvie Dehove, replacing AMUNDI ASSET MANAGEMENT as Board Member.
- Business report, review and approval of the financial statements for the financial year ended 31 December 2021.
- Report on internal control for the 2021 financial year.
- Internal assessment report on anti-money laundering, combating the financing of terrorism and freezing of funds (RCI AML-CTF) of financial year 2021.
- Renewal of the bond issuance programme.
- Convening of the Ordinary General Meeting.
- Report on gender equality in the workplace.

Board of Directors meeting of 04 May 2022 (written consultation)

- Resignation of the Chairman of the Board of Directors, Monsieur Nicolas Calcoen.
- Co-opting of a Board Member: Monsieur Edouard Auché.
- Appointment of a new Chairman of the Board: Monsieur Edouard Auché.
- Confirmation in the functions of Chief Executive Officer, Monsieur Olivier Guilbault and Deputy Chief Executive Officer, Monsieur Ludovic Soudan.

Board of Directors meeting of 31 August 2022

- Business report, review and approval of the half-yearly financial statements ended 30 June 2022.
- Presentation of the conclusions of Amundi Finance's audit mission carried out in 2022
- Presentation for validation of the Internal Audit Plan to be implemented in 2023

Since the end of the financial year:

Board of Directors meeting of 21 March 2023

- Expiry of the term of office of three Directors :
 - Monsieur Edouard Auché,
 - Monsieur Olivier Guilbault,
 - Monsieur Domenico Aiello.
- Proposal to submit to the Ordinary General Meeting the renewal of the following terms of office of the Board Members listed above.
- Renewal of Monsieur Edouard Auché as Chairman of the Board of Directors.
- Confirmation of Monsieur Olivier Guilbault in his duties as Chief Executive Officer and Monsieur Ludovic Soudan in his duties as Deputy Chief Executive Officer.
- Expiry and non-renewal of the Statutory Auditor's mandate: ERNST & YOUNG ET AUTRES.
- Proposal to appoint a new Statutory Auditor: MAZARS.
- Business report, review and approval of the financial statements for the financial year ended 31 December 2022.
- Report on internal control for the 2022 financial year.
- Internal assessment report on anti-money laundering, combating the financing of terrorism and freezing of funds (RCI AML-CTF) of financial year 2022
- Renewal of the bond issuance programme.
- Convening of the Ordinary General Meeting.
- Report on gender equality in the workplace.

Diversity policy applied to members of the Board of Directors

The diversity policy applicable to the management body, including in its supervisory functions of the Company, is based on the policy established by the Board of Directors of its parent company, Amundi.

In accordance with its diversity policy, the Board of Directors ensures the balance and plurality of skills comprising it with regard to Amundi's challenges. It is attentive to the diversity of experience of its members and to the balanced representation of genders, while ensuring that everyone adheres to the Company's core values.

Risk Committee

The Company's Board of Directors has decided to delegate the tasks necessary to supervise the risks specific to the Company's business line to the umbrella Risk Committee of the Amundi Board of Directors. During 2022, the Risk Committee met six times. In this context, the risks inherent to Amundi Finance are presented in the "Risks" section of the management report.

Other committees

The Board of Directors of Amundi Finance has not set up any Committees.

Nevertheless, in accordance with Article 15 of the Company's Articles of Association, the Board of Directors may decide to establish committees that are responsible for considering the matters that the Board, or its Chairman, submit for consideration and recommendation. It establishes the composition and powers of the committees exercising their activities under its responsibility.

Limitations imposed by the Board of Directors on the powers of the Chief Executive Officer

The powers of the Chief Executive Officer are not limited by the Board of Directors.

General Management

The Board of Directors decided to separate the duties of Chairman of the Board of Directors and Chief Executive Officer. Consequently, the Company's General Management is assumed by a Chief Executive Officer, until otherwise decided.

Corporate governance code

For information purposes, given its specific activity, the Company does not refer to any corporate governance code.

Delegations granted by the Annual General Meeting of Shareholders with respect to capital increases

None.

Special procedures for the participation of shareholders in the General Meeting

The special procedures for the participation of shareholders in the General Meeting are set out in Articles 20 to 27 of the Company's Articles of Association.

Regulated agreements

No agreements as referred to in Article L. 225-38 of the French Commercial Code were entered into during the financial year.

Remuneration of corporate officers

It is noted that the Board Members of the Company are not remunerated for their mandate.

With respect to the remuneration of Directors who are Corporate Officers, the items are mentioned in the "Annual Report on the Remuneration Policy and Practices for CRD V Identified Personnel", which can be found in Amundi's 2021 Universal Registration Document, paragraph 2.4.2.3.

It is also noted that Amundi's General Meeting of 12 May 2016 approved setting the cap on the variable portion on behalf of all "CRD V identified personnel" of Amundi and its subsidiaries, including Amundi Finance.

Pursuant to Article L. 511-73 of the French Monetary and Financial Code, an advisory opinion on the total remuneration of any kind paid in 2021, amounting to €316,500, to those categories of staff whose professional activities have a significant impact on the risk profile of Amundi Finance, within the meaning of Article L. 511-71 of the French Monetary and Financial Code, is submitted to the 2022 General Meeting.

This resolution takes into account the latest changes in regulations in this area. Since the Board Members are not remunerated for their mandate, only the remuneration of the Chief

Executive Officer and that of the Deputy Chief Executive Officer, who are considered CRD V “identified personnel”, are taken into account.

For identified staff subject to CRD V, variable compensation is deferred once it reaches the threshold of €50,000 or is greater than one-third of total compensation: 40% to 60% depending on the level of remuneration, for a period of four to five years depending on the level of responsibility. At least 50% of variable compensation, whether deferred or immediately vested, is awarded in the form of instruments (performance shares and/or cash indexed to changes in the Amundi share price), and subject to a minimum retention period of 6 months, which is increased to 12 months for those with the highest responsibilities.

List of offices and positions held during the financial year by the corporate officers

Edouard Auché

Company	Position	Represents
AMUNDI FINANCE	Chairman of the Board of Directors	
LYXOR FUNDS SOLUTIONS S.A. *	Director	
LYXOR INTERMEDIATION *	Director	
Amundi Ireland Limited (formerly PIML)	Director	
ANATEC	Observer	

(*) Term of office expired during this financial year

Olivier Guilbault

Company	Position	Represents
AMUNDI FINANCE	Chief Executive Officer, Executive Manager and Board Member	
AMUNDI OBLIG MONDE	Director	AMUNDI FINANCE

(*) Term of office expired during this financial year

Ludovic Soudan

Company	Position	Represents
AMUNDI FINANCE	Deputy Chief Executive Officer and Executive Manager	

(*) Term of office expired during this financial year

Sylvie Dehove

Company	Position	Represented
AMUNDI FINANCE	Director	
dnA	Director	

(*) Term of office expired during this financial year

Nicolas Calcoen

Company	Position	Represents
AMUNDI FINANCE *	Chairman of the Board of Directors	
BFT INVESTMENT MANAGERS	Chairman of the Board of Directors	
AMUNDI JAPAN LTD (FORMERLY SGAM JAPAN CO LTD)	Chairman of the Board of Directors	
AMUNDI VENTURES*	Chief Executive Officer	
AMUNDI	Deputy Chief Executive Officer and Executive Manager	
AMUNDI ASSET MANAGEMENT	Deputy Chief Executive Officer	
AMUNDI INTERMEDIATION*	Director	
KBI Global Investors Ltd*	Director	
CPR ASSET MANAGEMENT*	Director	AMUNDI
AMUNDI SGR S.P.A*	Director	

(*) Term of office expired during this financial year

Domenico Aiello

Company	Position	Represents
CPR ASSET MANAGEMENT	Director	
AMUNDI (UK) LIMITED*	Director	
AMUNDI FINANCE	Director	
LYXOR INTERMEDIATION *	Director	
AMUNDI SGR S.P.A	Director	
Amundi Austria GmbH (Austria)	Member of the Supervisory Board	
Amundi Deutschland GmbH	Member of the Supervisory Board	
LYXOR ASSET MANAGEMENT - LAM *	Member of the Supervisory Board	
LYXOR INTERNATIONAL ASSET MANAGEMENT - LIAM *	Member of the Supervisory Board	

(*) Term of office expired during this financial year

Claire Cornil

Company	Position	Represents
SOCIETE GENERALE GESTION - S2G	Deputy Chief Executive Officer Responsible Manager	
AMUNDI FINANCE*	Director	AMUNDI ASSET MANAGEMENT
dnA	Director	
SG MONETAIRE PLUS	Director	

(*) Term of office expired during this financial year

02

Statutory auditor's report on the financial year ended 31 December 2022:

- Report on the financial statements
- Report on related agreements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Amundi Finance

Year ended 31st of December 2022

Statutory auditors' report on the financial statements

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine cedex
S.A.S. au capital de € 2 510 460
672 006 583 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

Amundi Finance

Year ended 31st of December 2022

Statutory auditors' report on the financial statements

To the Annual General Meeting of Amundi Finance,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Amundi Finance for the year ended 31st of December 2022.

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 at 31st o 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 Board of Directors acting as 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 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 for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from 1st of January 2022 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.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) 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.

We determined that there was no key audit matter to communicate in our report.

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 with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

With respect to the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code, we draw your attention to the following matter: as indicated in the management report, this information does not include banking and related transactions as the Company considers that such information is not part of the scope of information to be provided.

■ Report on Corporate Governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Report on Other Legal and Regulatory Requirements

■ Appointment of the Statutory Auditors

We were appointed as statutory auditors of Amundi Finance by the annual general meeting held on the 26th of March 2003 for PricewaterhouseCoopers Audit and on the 26th of April 2005 for Ernst & Young et Autres.

As at the 31st of December 2022, PricewaterhouseCoopers Audit and Ernst & Young et Autres were in the 20th year and 18th year of total uninterrupted engagement.

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 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 Board of Directors acting as 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 financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

■ 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 made on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), 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 Board of Directors acting as Audit Committee**

We submit to the Board of Directors acting as Audit Committee a report 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 significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Board of Directors acting as 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 Board of Directors acting as 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 as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Board of Directors acting as Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 5th of April 2023

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Ernst & Young et Autres

Laurent Tavernier

Claire Rochas

**AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS
AT 31/12/2022**

**Approved by the Board of Directors of *AMUNDI FINANCE*
on 21/03/2023**

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BALANCE SHEET AT 31 DECEMBER 2022**ASSETS**

(in thousands of euros)	Notes	31/12/2022	31/12/2021
Interbank and similar transactions		750,716	1,018,128
Cash, central banks			
Treasury bills and similar securities	5	622,511	527,396
Loans and receivables due from credit institutions	3	128,205	490,732
Customer transactions	4		
Securities transactions		350,564	1,975,947
Bonds and other fixed-income securities	5	60,198	1,675,992
Equities and other variable-income securities	5	290,365	299,955
Fixed assets		273,508	273,673
Equity investments and other long-term securities holdings	6-7		
Shares in affiliated companies	6-7	46,084	46,249
Intangible assets	7	227,424	227,424
Property, plant and equipment	7		
Unpaid subscribed capital			
Treasury shares	8		
Accruals, prepayments and sundry assets		2,155,655	1,514,083
Other assets	9	2,109,899	1,474,491
Accruals	9	45,756	39,592
TOTAL ASSETS		3,530,443	4,781,831

EQUITY & LIABILITIES

(in thousands of euros)	Notes	31/12/2022	31/12/2021
Interbank and similar transactions		1,313,351	1,985,196
Due to central banks			
Due to credit institutions	11	1,313,351	1,985,196
Customer deposits	12		
Debt securities	13	30,796	32,023
Accruals, deferred income and sundry liabilities		1,351,760	1,945,080
Other liabilities	14	1,055,375	1,438,303
Accruals	14	296,385	506,777
Provisions and subordinated debt		106,072	109,123
Provisions	15-16-17	6,064	9,115
Subordinated debt	18	100,008	100,008
Fund for general banking risks (FGBR)			
Shareholders' equity excluding FGBR:	19	728,463	710,409
Share capital		40,320	40,320
Share premiums		217,511	217,511
Reserves		4,416	4,416
Revaluation adjustment			
Regulated provisions and investment subsidies			
Retained earnings		326,235	326,218
Profit (Loss) pending approval / interim dividends			
Income for the period		139,981	121,943
TOTAL EQUITY & LIABILITIES		3,530,443	4,781,831

OFF-BALANCE SHEET

(in thousands of euros)	Notes	31/12/2022	31/12/2021
COMMITMENTS GIVEN			
Financing commitments	25		
Guarantee commitments	25	18,047 145	22,659,986
Securities commitments	25		

(in thousands of euros)		31/12/2021	31/12/2020
COMMITMENTS RECEIVED			
Financing commitments	25		
Guarantee commitments	25		
Securities commitments	25		

Notes concerning Off-Balance Sheet Items (other information):

- Forward currency transactions: note 23
- Transactions on forward financial instruments: note 24
- Assets given and received as collateral: note 25

INCOME STATEMENT AT 31 DECEMBER 2022

(in thousands of euros)	Notes	31/12/2022	31/12/2021
Interest and similar income	27	19,047	17,195
Interest and similar expenses	27	-28,741	-17,500
Income from variable-income securities	28	83,117	53,241
Fees and commissions (income)	29	85,990	88,570
Fees and commissions (expenses)	29	-32,820	-32,499
Gains (losses) on trading book	30	57,720	42,549
Gains (losses) on short-term investment portfolios and similar	31	-9,810	-475
Other banking income	32		
Other banking operating expenses	32	-703	-747
Net banking income		173,799	150,334
General operating expenses	33	-8,961	-8,819
Allocations to depreciation and amortisation of property, plant and equipment, and intangible assets			
Gross operating income		164,838	141,515
Cost of risk	34	-2,960	5,468
Operating income		161,878	146,983
Net income on fixed assets	35		
Earnings before taxes and extraordinary items		161,878	146,983
Net extraordinary items			
Corporate income tax	36	-21,897	-25,040
Net allocation to FGBR and regulated provisions			
Net income		139,981	121,943

CASH FLOW STATEMENT AT 31 DECEMBER 2022

(in thousands of euros)	31/12/2022	31/12/2021
Profit (loss) before taxes	161,878	146,983
Net depreciation and provisions for property, plant and equipment		
Impairment of goodwill		
Net allocation to impairments	-3,051	-3,507
Share of earnings of equity-method companies		
Net loss/gain of investment activities		
Income/expenses of financing activities	1,000	1,198
Other movements	2,255	10,392
Total non-monetary items included in the profit (loss) before tax and other adjustments	204	8,083
Flows related to transactions with credit institutions	112,616	74,917
Flows relating to transactions with customers		
Flows relating to other transactions affecting financial assets or liabilities	1,503,864	-831,087
Flows relating to transactions affecting non-financial assets or liabilities	-1,210,561	22,516
Dividends received from equity-method companies		
Taxes paid	-23,305	17,299
Net decrease/(increase) in assets and liabilities from operating activities	382,613	-716,355
TOTAL NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	544,696	-561,289
Flows relating to investments	165	2,060
Flows relating to property, plant and equipment and intangible fixed assets		
TOTAL NET CASH FLOWS FROM INVESTMENT OPERATIONS (B)	165	2,060
cash flows from or to shareholders	-121,927	-98,909
Other net cash flows from financing activities	-1,000	-1,200
TOTAL NET CASH FLOWS FROM FINANCING OPERATIONS (C)	-122,927	-100,109
Effect of exchange rate changes and other changes on cash and cash equivalents (D)		
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	421,934	-659,338
Cash and cash equivalents at beginning of period	-984,868	-325,530
Net cash accounts and accounts with central banks		
Net demand loans and deposits with credit institutions	-984,868	-325,530
Cash and cash equivalents at end of period	-562,933	-984,868
Net cash accounts and accounts with central banks		
Net demand loans and deposits with credit institutions	-562,933	-984,868
CHANGE IN NET CASH AND CASH EQUIVALENTS	421,934	-659,338

NOTE 1 THE LEGAL AND FINANCIAL FRAMEWORK-HIGHLIGHTS OF FINANCIAL YEAR 2022

1.1 Legal and financial framework

Amundi Finance's share capital totalled €40,320,157 at 31 December 2022. It is divided into 2,644,829 shares, each with a par value of €15.24.

Since 19 February 2002, Amundi Finance has held an approval issued by the CECEI (now the ACPR). Amundi Finance is authorised as a credit institution to provide capital and/or performance guarantees in the area of asset management, specifically for the clients of the Crédit Agricole group or UCITS managed thereby.

Ownership of the company:

- 76.13 % by Amundi Asset Management,
- 23.87% by Amundi,

These notes are an integral part of Amundi Finance's interim financial statements for the period ended 31 December 2022. They are expressed in thousands of euros ("€k").

The balance sheet total before appropriation in these financial statements is €3,530,443 K.

Net banking income (NBI) in these financial statements is €173,799 K.

Net income for the financial year is €139,981 K (€139,981,297.63).

1.2 Significant events relating to the financial year 2022

There were no significant events relating to the 2022 financial year.

1.3 Events subsequent to financial year 2022

No significant events occurred subsequent to the financial year close, whether or not they are taken into account in the financial statements.

NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES

The presentation of the financial statements of Amundi Finance is consistent with the provisions of regulation ANC regulation No. 2014-07, which brings together all of the accounting standards on the basis of established law applicable to credit institutions.

There were no changes in accounting method or presentation of the accounts in relation to the previous year.

2.1 Loans and receivables due from credit institutions and customers - off-balance sheet commitments

Loans and receivables from credit institutions, Amundi Group entities and customers are governed by ANC Regulation No. 2014-07.

They are broken down according to their initial duration or the nature of the credit facilities:

- Demand loans and term loans for credit institutions;
- Ordinary accounts and term deposits and advances for the internal transactions of the Amundi Group;
- Trade receivables, other loans and ordinary accounts for customers.

The customer section includes transactions with financial customers.

Subordinated loans as well as repo transactions (represented by stocks or securities) are included under the various receivables headings according to the nature of the counterparty (interbank, Crédit Agricole, customers).

Amundi Finance

Receivables are stated on the balance sheet at their nominal value.

Pursuant to ANC Regulation 2014, commissions received and marginal transaction costs incurred are spread out over the effective lifespan of the loan and are therefore incorporated into the outstanding loan in question.

Accrued interest on receivables is recorded in the income statement.

Signed commitments recognised in the off-balance sheet section correspond to irrevocable cash loan commitments and guarantee commitments that have not resulted in movements of funds.

The accounting treatment of credit risk is defined below:

The use of external and/or internal rating systems makes it possible to assess the level of credit risk.

Loans and receivables and signed commitments are broken down into healthy debt and doubtful debt.

Healthy loans and receivables

As long as loans and receivables have not been classified as doubtful, they are considered healthy and remain under the original item.

Provisions for credit risk on healthy debt

In respect of credit exposures, Amundi Finance recognises provisions on the liabilities side of its balance sheet to cover the expected credit risks over the next twelve months (exposures qualified as performing) and/or over the life of the loan if the credit quality of the exposure has deteriorated significantly (exposures classified as downgraded).

These provisions are determined as part of a special monitoring process and are based on estimates that reflect changes in the expected credit risk level.

Doubtful loans and receivables

These are receivables of all kinds, even when backed by guarantees, with a demonstrated credit risk corresponding to one of the following situations:

- There are one or more unpaid instalments within the past year, at least,
- The counterparty's situation suggests the existence of a demonstrated risk, independent of the existence of any arrears,
- a significant past due payment generally in excess of ninety days unless specific circumstances show that the past due payment is attributable to causes not related to the debtor's situation,
- the entity considers it unlikely that the debtor will fully meet its credit obligations without the use of any measures such as the enforcement of a security right.

A loan is considered doubtful when one or more events have occurred that have an adverse effect on its estimated future cash flows. The following events are observable data that are indicative of a non-performing loan:

- significant financial difficulties of the issuer or borrower;
- a breach of a contract, such as a default or past due payment;
- the granting by the lender(s) to the borrower, for economic or contractual reasons related to the borrower's financial difficulties, of one or more favours that the lender(s) would not have considered in other circumstances;
- the increasing probability of bankruptcy or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or creation of a financial asset at a significant discount, which reflects the credit losses incurred.

The doubtful nature of a loan may result from the combined effect of several events.

A counterparty in default only returns to a healthy situation after an observation period that validates that the debtor is no longer in a doubtful situation.

Amundi Finance

Among doubtful debts, Amundi Finance distinguishes between comprised doubtful debts and uncompromised doubtful debts.

Uncompromised doubtful loans and receivables:

Uncompromised doubtful loans and receivables are doubtful loans and receivables that do not meet the definition of comprised doubtful loans and receivables.

Compromised doubtful loans and receivables:

These are doubtful loans and receivables whose probability of recovery is significantly degraded and for which a future write-off is considered.

For doubtful loans and receivables, interest continues to be recognised as long as the receivable is considered an uncompromised doubtful debt. It stops when the debt becomes compromised.

The classification of doubtful debts may be abandoned when the demonstrated credit risk has definitively disappeared and regular payments have resumed for amounts corresponding to the original contractual instalments. In this case, the outstanding is again listed as a healthy outstanding.

Impairment for credit risk on doubtful debt:

When a debt is considered doubtful, Amundi Finance takes into account the probable loss by an impairment deducted from the assets of the balance sheet. These write-downs correspond to the difference between the book value of the receivable and the estimated future cash flows, discounted at the contractual rate, taking into account the financial situation of the counterparty, its economic outlook, as well as any guarantees, less their realisation costs.

Probable losses associated with off-balance sheet commitments are taken into account through provisions recognised in the liabilities section of the balance sheet.

Accounting treatment of impairment:

Impairment allocations and reversals for risk of non-recovery on doubtful loans and receivables are recognised in cost of risk.

In accordance with ANC Regulation 2014-07, the Group has elected to recognise the effects of the unwinding of impairments in cost of risk.

Write-off:

The assessment of the period until write-off is based on the judgement of experts. Amundi Finance makes this decision with its Risk Division based on its knowledge of its activity.

Receivables that have become non-recoverable are recognised as losses, and the corresponding impairment is reversed.

2.2 Securities portfolio

The rules relating to the accounting of securities transactions are defined by Articles 2311-1 to 2391-1 and Articles 2211-1 to 2251-13 of ANC Regulation 2014-07.

Securities are presented in the financial statements depending on their nature: Treasury bills and similar securities, bonds, and other fixed-income securities (negotiable debt securities and securities of the interbank market), equities, and other variable-income securities.

They are classified in the portfolios required by the regulations (transaction, placement, investment, portfolio activity, fixed assets, other long-term securities, equity interests, shares in affiliated companies) depending on the entity's management intention and the characteristics of the instrument at the time the product is subscribed.

Trading securities

These are securities that, initially, are:

- Either acquired at the outset with the intention of selling them or sold with the intention of buying them back in the short term;
- Either held by the institution as a result of its market-making activity; this classification as trading securities is subject to the condition that the stock of securities is effectively rotated and there is a significant volume of transactions, taking into account market opportunities.

These securities must be traded on an active market and the market prices thus accessible must be representative of actual transactions regularly occurring on the market under normal conditions of competition.

The following are also considered trading securities:

- Securities acquired or sold as part of specialised trading portfolio management, including forward financial instruments, securities or other financial instruments that are managed together, and showing indications of a recent short-term profit-taking profile,
- Securities subject to a sale commitment as part of an arbitrage transaction carried out on an organised or equivalent market in financial instruments,
- Borrowed securities (including, where applicable, borrowed securities subject to a loan reclassified as “trading securities on loan”) as part of lending/borrowing transactions classified as trading securities and offset against debts representing borrowed securities recorded on the liabilities side of the balance sheet.

Except in the cases provided for in ANC Regulation 2014-07, securities recorded as trading securities may not be reclassified in another accounting category and continue to follow the rules for posting and valuing trading securities until they are derecognised due to disposal, full redemption or write-off.

Trading securities are recognised at the date of acquisition and at their acquisition price excluding costs but including accrued interest, where applicable.

Debt representing short sold securities is recorded in the liabilities of the transferring institution for the selling price of the securities, excluding costs.

At each reporting date, the securities are valued at the most recent market price of the day. The total balance of differences resulting from changes in exchange rates is recognised in the income statement and recorded in the item “Net gains (losses) on trading book”.

Trading securities are recorded on the balance sheet at their acquisition price, excluding transaction fees.

At each reporting date, the securities are valued at the most recent market price of the day.

The total balance of differences resulting from changes in exchange rates is recognised in the income statement and recorded in the item “Net gains (losses) on trading book”.

Short-term investment securities

This category covers securities that are not included in the other categories.

These securities are recognised at purchase price, including transaction fees.

Bonds and other fixed-income securities

These securities are recorded at purchase price, including the coupon accrued at purchase. The difference between the purchase price and the redemption value is staggered over the remaining life of the security.

Revenues are recognised on the income statement under “Interest and similar income on bonds and other fixed-income securities”.

Equities and other variable-income securities

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Equities are recorded on the balance sheet at their purchase price, including acquisition expenses. Income from dividends associated with equities are recognised in the “Income from variable-income securities” section of the income statement.

Income from SICAVs and mutual funds are recognised at the time of collection in the same section.

At year-end, short-term investment securities are valued at the lower of their purchase price and their market value. Accordingly, when the inventory value of a line is lower than the book value, the unrealised loss is written down as an impairment loss, without set-off with capital gains earned on other categories of securities. Hedging gains under the ANC regulation 2014-7 in the form of purchases or sales of forward financial instruments are taken into account when calculating impairments. Potential capital gains are not recorded.

Sales of securities are considered to relate to securities of the same nature subscribed on the earliest date.

Impairment allocations and reversals as well as gains or losses from disposal of short-term investment securities are recognised in “balance of short-term investment portfolios and similar transactions” of the income statement.

Shares in affiliated companies, investments and other long-term securities holdings

- Shares in affiliated undertakings are shares in exclusively controlled undertakings that are, or may be, fully consolidated in the same group.
- Participating interests are investments (other than investments in an affiliated company), of which the long-term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long-term securities holdings are investments made with the intention of promoting long-term business relations by creating a special relationship with the issuer, but with no influence on the issuer’s management due to the small percentage of voting rights held.

These securities are recognised at purchase price, including transaction fees.

At the reporting date, the value of these securities is measured individually, based on value in use, and they are recorded on the balance sheet at the lower historical cost or value in use.

The value in use represents what the institution would agree to pay out in order to acquire them, given its holding objectives.

Value in use may be estimated on the basis of various factors such as the issuer’s profitability and prospective profitability, its shareholders’ equity, the economic environment, the average share price in the preceding months or the economic value of the security.

When value in use is lower than historical cost, impairment losses are booked for these unrealised losses and are not offset against any unrealised gains.

Impairment allocations and reversals as well as gains or losses from disposal relating to these securities are recognised in “balance of short-term investment portfolios and similar transactions” of the income statement.

Market price

The market price at which, if applicable, the different categories of shares are valued, is determined as follows:

- securities traded in an active market are valued at their most recent price,
- if the market on which the security is traded is not or is no longer considered to be active, or if the share is not listed, Amundi Finance determines the probable trading value of the security in question by using valuation techniques. Firstly, these techniques refer to recent transactions carried out in normal competitive conditions.

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If applicable, Amundi Finance uses standard valuation techniques used by market players to value these securities when it has been determined that these techniques produce reliable estimations of prices achieved in transactions on the real market.

Registration dates

Amundi Finance records the securities on the trade date.

Reclassification of securities

In accordance with ANC Regulation 2014-07, the following reclassifications are authorised:

- reclassification of trading portfolios as investment portfolios or short-term investment portfolios in case of exceptional market situations or for fixed-income securities when they can no longer be traded on an active market and if the establishment intends and is able to hold them for the foreseeable future or until maturity.
- reclassification of short-term investment portfolios as investment portfolios in the case of exceptional market situations or for fixed-income securities when they can no longer be traded on an active market.

In 2022, AMUNDI FINANCE did not reclassify any security under ANC regulation 2014-07.

2.3 Fixed assets

Amundi Finance applies ANC Regulation 2014-03 relating to the depreciation, amortisation and impairment of assets. It applies component accounting for all of its property, plant and equipment. In accordance with the provisions of this regulation, the depreciable amount takes account of the potential residual value of property, plant and equipment.

ANC regulation no. 2015-06 modifies the recognition in the balance sheet of technical losses on merger as well as their reporting in the financial statements. The loss should no longer be globally and systematically recognised under “Goodwill”; it should be recognised in the balance sheet according to the asset items to which it is allocated, in “other property, plant and equipment, intangible assets, financial assets, etc.”. The loss is amortised, written down or removed from the balance sheet in the same manner as the underlying asset.

When Amundi Asset Management contributed to its guarantee activity in 2004, Amundi Finance booked business capital valued at €227,424 K. This business capital was not subject to depreciation.

The acquisition cost of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or “into inventory”.

Buildings and equipment are measured at cost less accumulated depreciation and impairment losses since they were commissioned.

Software acquired is measured at cost less depreciation and impairment losses since the date of purchase.

Proprietary software is measured at cost less accumulated depreciation and impairment losses since completion.

With the exception of software, patents, and licenses, intangible assets are not amortised.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods were applied by Amundi Finance following the application of the component method of fixed asset accounting. It should be remembered that these depreciation periods should be adapted to the nature of the construction and its location:

Component	Period of depreciation
Technical installations and fixtures	5 years
IT equipment	3 years

2.4 Liabilities due to credit institutions and customers

Liabilities due to credit institutions and customers are presented in the financial statements according to their initial durations or their nature:

- Demand or term liabilities for credit institutions,
- Other liabilities for customers (including, in particular, financial customers).

Accrued interest on these liabilities is recognised under accrued interest and taken to the income statement.

2.5 Debt securities

Debt securities are presented according to the type of vehicle: savings certificates, interbank market instruments, negotiable debt securities and bonds, excluding subordinated securities included in liabilities under "Subordinated debt".

Accrued interest not yet due is recognised under accrued interest and posted to the income statement.

Share premiums and redemption premiums of bond issues are amortised over the lifespan of the bonds in question, and the corresponding expense is recognised in the section "Interest and similar expenses on bonds and other fixed-income securities".

2.6 Provisions

Amundi Finance applies ANC Regulation 2014-03 for the recognition and measurement of provisions.

In particular, these provisions include provisions relating to financing commitments, retirement and early retirement liabilities, litigation and various risks.

All of these risks are assessed on a quarterly basis.

2.8 Financial futures and options

Hedging and market transactions on forward interest rate, exchange or equities instruments are recognised in accordance with the provisions of ANC Regulation 2014-07.

Commitments related to these transactions are recorded off-balance sheet at the nominal value of the contracts: this amount represents the volume of transactions in progress

At 31 December 2022, forward financial commitments totalled €63,038,051 K.

Instruments traded on an organised or similar market, or over the counter or included in a trading portfolio, are assessed with respect to their market value at the reporting date.

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All (realised or unrealised) gains and losses were recorded on the income statement under “Net gains (losses) on trading book” for a net amount representing income of €57,719,851.76, including €55,880,677 in Commercialization Risk Compensation (CRC) related to the launch of new funds and EMTNs.

The profit (losses) associated with these transactions are recognised according to the nature of the instrument and the strategy followed:

Trading

Trading includes:

- Isolated open positions (Category “A”, Article 2522-1 of ANC Regulation 2014-07),
- Specialised management of a trading portfolio (Category “D”, Article 2522 of ANC Regulation 2014-07),
- instruments that are traded on an organised or similar market, traded over the counter, or included in a trading portfolio – under the terms of ANC Regulation 2014-07.

These are evaluated by reference to their market value on the closing date.

If the instruments are measured at market value, this value is determined:

- using available prices if there is an active market,
- using internal valuation methods and models if there is no active market.

For instruments:

- in isolated open position traded on organised markets or similar markets, all gains and losses (whether realised or unrealised) are recognised;
- in isolated open position traded on over-the-counter markets, only unrealised losses are recognised by funding a provision. Realised capital gains and losses are recognised in the income statement at the time of settlement,

When part of a trading portfolio, all gains and losses (whether realised or unrealised) are recognised.

Hedging transactions

Gains or losses on affected hedging transactions (Category “B”, Article 2522-1 of ANC Regulation 2014-07) are reported as income alongside the booking of income and expenses for the hedged item and in the same accounting item.

Counterparty risk on derivatives

Pursuant to ANC Regulation 2014-07, Amundi Finance includes the counterparty risk assessment on asset derivatives (Credit Valuation Adjustment or CVA) in the market value of derivatives. As such, only derivatives booked in isolated open positions or in trading portfolios (derivatives classified according to categories “A” and “D” of Article 2522-1 of the aforementioned regulation) are calculated on a CVA basis.

The CVA determines the losses expected on the counterparty from Amundi Finance's viewpoint.

The calculation of CVA relies on estimating the expected losses based on the probability of default and the loss given default.

The methodology used maximises the use of observable entry data.

It is based on:

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- Firstly, market parameters, such as CDS Single Name or CDS proxy.
- In the absence of CDS Single Name on the counterparty, an approximation based on a basket of CDS Single Name counterparties with the same rating, operating in the same sector and located in the same region.

Complex transactions

A complex transaction is defined as a synthetic combination of instruments (of identical or different types, natures and valuation methods) recognised in a single lot or as a transaction that does not fall under an explicit accounting regulation and involves a choice of principle on the part of the establishment.

The income and expenses relating to instruments traded as part of complex transactions, including structured bond issues, are recognised on the income statement symmetrically with the accounting of the income and expenses on the hedged item. Thus, changes in the value of hedging instruments are not recognised on the balance sheet.

2.8 Transactions in foreign currencies

Assets and liabilities in foreign currencies are converted at the end-of-period exchange rate. Gains and losses resulting from these conversions, as well as realised exchange rate differences on the transactions of the period, are recognised in the income statement.

Monetary receivables and payables, as well as forward currency contracts recognised in the off-balance sheet commitments section and denominated in foreign currencies, are converted at the market price in force as at the closing date or at the market price noted at the nearest available date.

In accordance with ANC regulation No. 2014-07, Amundi Finance has rolled out a multi-currency accounting system so that it can track its currency position and measure its exposure to this risk.

2.9 Off-balance sheet commitments

Off-balance sheet items track, in particular, the unused portion of financing commitments and guarantee commitments given and received.

As applicable, provisions are allocated for commitments given when there is a probability of a loss for Amundi Finance.

Guarantee commitments given

Within the scope of its activity, Amundi Finance provides its guarantee as part of issuing capital guarantees or performance guarantees for Amundi customers (based on the calculation methods listed below).

At 31 December 2022, these guarantees given as well as guarantees granted directly totalled €18,047,145 K.

Off-balance sheet commitments for publication do not include commitments on forward financial instruments or foreign exchange transactions.

These items are however detailed in note 25.

2.10 Employee profit-sharing and incentive plans

Employee profit sharing and incentive bonuses are recognised on the income statement of the financial year for which the right of the employees arose.

Some group companies have formed an Economic and Social Unit (UES) (Amundi, Amundi AM, Amundi ITS, Amundi Finance, Amundi ESR, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Funds, Etoile Gestion, BFT IM, Société Générale Gestion, CPR AM, and Amundi Transition Energétique). Agreements on employee profit sharing and incentive plans have been signed within this framework.

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Profit sharing and incentive plans are recognised under personnel expenses.

Employees assigned ("seconded") by Crédit Agricole S.A. operate under agreements signed as part of that entity's UES. The estimated accrued expense for profit sharing and incentive plans allocated within this framework has been recognised in the financial statements.

2.11 Post-employment benefits - pension plans - defined-contribution plans

Retirement plans - defined contribution plans

Employers contribute to a variety of compulsory pension schemes. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Consequently, Amundi Finance has no liabilities in this respect, other than contributions to be paid for the most recent financial year.

The amount contributed for these pension schemes is recorded in "Employee expenses".

Retirement, early retirement and end-of-career allowance commitments – defined-benefit plans

Amundi Finance has applied Recommendation 2013-02 of the French Accounting Standards Authority relating to the rules for booking and assessing pension obligations and similar benefits, recommendation repealed and included in ANC Regulation 2014-03.

This recommendation was amended by the ANC on 5 November 2021. For defined benefit plans which make the granting of benefits subject to performance as well as seniority, for a maximum capped amount and provided that the employee is employed by the entity when he/she reaches retirement age, it makes it possible to determine the distribution of benefits on a straight-line basis based on:

- Either the employee's start date
- Or the date from which each year of service is retained for the acquisition of benefits

In accordance with this regulation, Amundi Finance sets aside provisions to cover its retirement and similar benefit obligations falling within the category of defined-benefit plans.

As of 2021, Amundi Finance applies the determination of the distribution of benefits on a straight-line basis from the date on which each service year is used for the acquisition of benefits (i.e. convergence with the April 2021 IFRS IC decision on IAS 19).

The impact on the level of actuarial liabilities was €217 K (as presented in Note 17 to the financial statements).

The sensitivity rates (at 31 December 2022) demonstrate that:

- a 50 basis point increase in discount rates would reduce the commitment by 6.65 %.
- a 50 basis point decrease in discount rates would increase the commitment by 7.21%.

Within Amundi Group, Amundi Finance has entered into an insurance contract with PREDICA to cover end-of-career allowances (IFC) and has signed mandates with UES subsidiaries (including Amundi Finance). This outsourcing of end-of-career allowances is reflected by transferring some of the existing liability provision from the books to the PREDICA contract.

The non-outsourced balance is still recognised as a liability provision.

2.12 Extraordinary expenses and income

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This item represents expenses and income arising on an extraordinary basis that relate to transactions that are not a part of Amundi Finance's day-to-day activities.

2.13 Corporate income tax

In general, only the current tax liability is recognised in the individual financial statements.

The tax charge appearing in the income statement is the corporation tax due for the reporting period. It includes the consequences of the company's contribution on profits.

When tax credits on income from securities portfolios and amounts receivable are effectively used to pay income tax due for the year, they are recognised under the same heading as the income with which they are associated. The corresponding tax charge continues to be recognised under "Corporate income tax" in the income statement.

Amundi Finance has signed a tax consolidation agreement with Amundi. Under this agreement, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of the mechanism.

NOTE 3 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS - ANALYSIS BY REMAINING MATURITY

	31/12/2022						31/12/2021
(in thousands of euros)	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Credit institutions							
Accounts and loans:							
· demand	127,189				127,189	13	127,202
· term			1,000		1,000	4	1,004
Securities received under repurchase agreements							
Securities bought under repurchase agreements							
Subordinated loans							
Total	127,189		1,000		128,189	17	128,205
Impairment							
NET CARRYING AMOUNT	127,189		1,000		128,189	17	128,205
Ordinary accounts							
Term deposits and advances							
Total							
Impairment							
NET CARRYING AMOUNT							
TOTAL	127,189		1,000		128,189	17	128,205

NOTE 4 CUSTOMER TRANSACTIONS

None

NOTE 5 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES

In thousands of euros	31/12/2022					31/12/2021
	Transaction	Investment	Portfolio securities	Investment	Total	Total
Treasury bills and similar securities:		620,451			620,451	525,687
· o/w residual net premium		-549			-549	14,687
· o/w residual net discount						
Accrued interest		2,060			2,060	1,709
Impairment						
Net carrying amount		622,511			622,511	527,396
Bonds and other fixed income securities:	30,381	29,780			60,161	1,675,980
Issued by public bodies						
Other issuers	30,381	29,780			60,161	1,675,980
· o/w residual net premium						
· o/w residual net discount						
Accrued interest		113			113	12
Impairment		-76			-76	
Net carrying amount	30,381	29,818			60,198	1,675,992
Equities and other variable-income securities		300,346			300,346	300,346
Accrued interest						
Impairment		-9,981			-9,981	-391
Net carrying amount		290,365			290,365	299,955
Total	30,381	942,694			973,074	2,503,343
Estimated values	30,381	942,694			973,074	2,503,343

NOTE 5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND PORTFOLIO SECURITIES (including treasury bills): BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY

In thousands of euros	Net assets 31/12/2022	Net assets 31/12/2021
Governments and central banks (including central governments)		
Credit institutions	40,425	44,278
Financial companies	320,082	1,932,048
Local authorities		
Corporates, insurers and other clients		
Other and non-allocated		
Total principal	360,507	1,976,326
Accrued interest	113	12
Impairment	-10,057	-391
Net carrying amount	350,564	1,975,947

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5.2 BREAKDOWN OF LISTED AND UNLISTED SECURITIES BETWEEN FIXED AND VARIABLE INCOME SECURITIES

(in thousands of euros)	31/12/2022				31/12/2021			
	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total
Listed securities	19,910	620,451		640,361	1,630,130	525,687		2,155,818
Unlisted securities	40,251		300,346	340,597	45,849		300,346	346,195
Accrued interest	113	2,060		2,173	12	1,709		1,721
Impairment	-76		-9,981	-10,057			-391	-391
Net carrying amount	60,198	622,511	290,365	973,074	1,675,992	527,396	299,955	2,503,343

The breakdown of all UCITS by type at 31 December 2022 is as follows:

(in thousands of euros)	Inventory value	Net asset value
Money market UCITS		
Bond UCITS		
Equity UCITS		
Other UCITS	290,365	290,365
TOTAL	290,365	290,365

NOTE 5.3 TREASURY BILLS, BONDS AND OTHER FIXED INCOME SECURITIES: ANALYSIS BY REMAINING MATURITY

In thousands of euros	31/12/2022							31/12/2021
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total	Total
Bonds and other fixed-income securities								
Gross value		936	48,444	10,781	60,161	113	60,274	1,675,992
Impairment							-76	
Net carrying amount		936	48,444	10,781	60,161	113	60,198	1,675,992
Treasury bills and similar securities								
Gross value		96,192	441,512	82,746	620,451	2,060	622,511	527,396
Impairment								
Net carrying amount		96,192	441,512	82,746	620,451	2,060	622,511	527,396

NOTE 5.4 TREASURY BILLS, BONDS AND OTHER FIXED INCOME SECURITIES: ANALYSIS BY REGION

	Net assets 31/12/2022	Net assets 31/12/2021
In thousands of euros		
France (including overseas departments and territories)	608,214	2,128,376
Other EU countries	72,398	73,290
Other European countries		
North America		
Central and South America		
Africa and the Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Total principal	680,612	2,201,667
Accrued interest	2,173	1,721
Impairment	-76	
NET CARRYING AMOUNT	682,709	2,203,388

NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES

(in thousands of euros)

Company	Financial information				Book value of securities owned		Outstandi ng loans and advances granted by the company	Guarant ees and other commit ments given by the compan y	Revenu e excl. tax for the year ended	Net income (profit or loss for the year ended)	Dividends received by the company during the financial year
	Curren cy	Capital	Sharehol ders' equity other than share capital	Percenta ge of capital owned	Gross value	Net value					
Equity investments with a book value higher than 1% of the company's share capital											
1) Shares in affiliated companies held in credit institutions (more than 50% of share capital)											
2) Shares in affiliated companies held in credit institutions (10% to 50% of share capital)											
3) Other shares in affiliated companies (more than 50% of share capital)											
AMUNDI ESR	EUR	24,000	3,193	99.99%	34,167	34,167			62,830	13,792	9,216
4) Other shares in affiliated companies (10% to 50% of share capital)											
AMUNDI INTERMEDIATION (1) (2)	EUR	15,713	54,341	35.81%	5,628	5,628			226,933	124,704	73,904
5) Other shares in affiliated companies (1% to 10% of share capital)											
DNA SA (3)	EUR	2,231	-408	100.00%	2,231	1,823				-158	
Amundi Finance Emissions	EUR	2,226	10,907	100.00%	2,226	2,226				2,009	
LCL Emissions	EUR	2,225	3,590	100.00%	2,225	2,225				1,783	
Equity investments with a book value lower than 1% of Amundi Finance's share capital											
	EUR				31	15					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					46,508	46,084					

- (1) The subsidiary AMUNDI INTERMEDIATION merged with the entity LYXOR INTERMEDIATION on 01/07/2022.
- (2) On 28/12/2022, based on its financial position as at 30/09/2022, AMUNDI INTERMEDIATION distributed an interim dividend of €76.37 per share, i.e. €28,648,525.36 paid to AMUNDI FINANCE.
- (3) For the subsidiary DNA SA, shareholders' equity other than share capital and results for the last financial year ended are those as of 31/12/2021. The information as of 31/12/2022 has not been communicated at this stage.

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NOTE 6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

	31/12/2022		31/12/2021	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<i>(in thousands of euros)</i>				
Shares in affiliated companies				
- Unlisted securities	46,508	46,084	46,518	46,249
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment	-424		-269	
Net carrying amount	46,084	46,084	46,249	46,249
Equity investments and other long-term securities				
Equity investments				
- Unlisted securities				
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment				
Sub-total of equity investments				
Other long-term securities holdings				
- Unlisted securities				
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment				
Sub-total of other long-term securities holdings				
Net carrying amount				
Total equity investments	46,084	46,084	46,249	46,249

	31/12/2022		31/12/2021	
	Carrying amount	Estimated value	Carrying amount	Estimated value
<i>(in thousands of euros)</i>				
TOTAL GROSS VALUES				
Unlisted securities	46,084	46,084	46,249	46,249
Listed securities				
TOTAL	46,084	46,084	46,249	46,249

NOTE 7 CHANGE IN FIXED ASSETS

NOTE 7.1 Financial assets

(in thousands of euros)	01/01/2022	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	31/12/2022
Shares in affiliated companies					
Gross values	46,518		-10		46,508
Advances available for consolidation					
Accrued interest					
Impairment	-269	-155			-424
NET CARRYING AMOUNT	46,249	-155	-10		46,084
Equity investments					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
Other long-term securities holdings					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
NET CARRYING AMOUNT					
TOTAL	46,249	-155	-10		46,084

NOTE 7.2 Property, plant and equipment, and intangible assets

(in thousands of euros)	01/01/2022	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	31/12/2022
Property, plant and equipment					
Gross values					
Amortisation and impairment					
NET CARRYING AMOUNT					
Intangible assets					
Gross values	227,424				227,424
Amortisation and impairment					
NET CARRYING AMOUNT	227,424				227,424
TOTAL	227,424				227,424

NOTE 8 TREASURY SHARES

None

NOTE 9 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in thousands of euros)	31/12/2022	31/12/2021
Other assets (1)		
Options purchased	1,267,419	1,205,108
Inventory accounts and other resources used		
Sundry debtors (2)	842,480	269,383
Collective management of LDD securities		
Settlement accounts		
Net carrying amount	2,109,899	1,474,491
Accruals		
Collection and transfer accounts		
Adjustment accounts and variance accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on forward financial instruments		
Other accrued income	35,952	39,560
Prepaid expenses		
Deferred expenses	9,804	31
Other accruals		
Net carrying amount	45,756	39,592
Total	2,155,655	1,514,083

(1) Amounts including accrued interest.

(2) including €1,576k contributed to the Resolution Fund and paid in the form of a security deposit. This security deposit can be used unconditionally and at any time by the Resolution Fund to finance an operation.

OTHER ASSETS are primarily composed of options purchased (€1,267,419 K), deposits paid in connection with the collateral activity (€815,413 K), corporation tax instalments (€23,624 K), trade receivables (€780 K), and other receivables (€2,663 K).

Other income to be received concerns mainly the guarantee activity.

NOTE 10 IMPAIRMENT LOSSES DEDUCTED FROM ASSETS

(in thousands of euros)	Balance at 31/12/2021	Allocations	Reversals and uses	Accretion	Other movements	Balance at 31/12/2022
On interbank and similar transactions						
On customer receivables						
On securities transactions	660	9,824	-3			10,481
On fixed assets						
On other assets						
Total	660	9,824	-3			10,481

NOTE 11 LOANS AND PAYABLES DUE TO CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	31/12/2022						31/12/2021
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total
Credit institutions							
Accounts and borrowings:							
· demand	690,063				690,063	72	1,474,196
· term	375,000	246,000			621,000	2,216	511,000
Pledged securities							
Securities sold under repurchase agreements							
CARRYING AMOUNT	1,065,063	246,000			1,311,063	2,288	1,985,196

NOTE 12 CUSTOMER DEPOSITS

None

NOTE 13 DEBT SECURITIES

Note 13.1 Debt securities – Analysis by remaining maturity

(in thousands of euros)	31/12/2022						31/12/2021
	≤3 months	>3 months ≤1 year	> 1 year ≤ 5 years	>5 years	Total principal	Accrued interest	Total
Short-term borrowing note							
Interbank market securities							
Negotiable debt securities			30,762		30,762	34	32,023
Bonds							
Other debt securities							
CARRYING AMOUNT			30,762		30,762	34	32,023

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NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	31/12/2022	31/12/2021
Other liabilities (1)		
Counterparty transactions (trading securities)		
Liabilities representing borrowed securities		
Options sold	994,518	750,190
Settlement and trading accounts		
Miscellaneous creditors	60,858	688,113
Payments on securities in process		
Carrying amount	1,055 375	1,438 303
Accruals		
- Collection and transfer accounts		
- Accrual accounts and variance accounts		
- Unrealised gains and gains to be spread out on financial instruments	9,255	14,719
- Deferred income	3,641	2,589
- Accrued expenses on commitments on forward financial instruments	273,327	476,905
- Other accrued expenses	10,162	12,565
- Other accruals		
Carrying amount	296,385	506,777
TOTAL	1,351 760	1,945 080

(1) Amounts including accrued interest.

OTHER LIABILITIES are primarily composed of options sold (€990,898 K), security deposits received in connection with the collateral activity (€37,680 K), corporate income tax charges (€21,904 K) and other liabilities, for the remainder.

NOTE 15 PROVISIONS

In thousands of euros	Balance at 01/01/2022	Allocations	Reversals used	Reversals not used	Other movements	Balance at 31/12/2022
Provisions						
For pensions and similar obligations	87			-24		63
For other employee commitments						
For financial commitment execution risks	260	3,220		-260		3,220
For tax disputes						
For other litigation						
For country risk						
For credit risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	8,768	4,072	-6,087	-3,972		2,782
CARRYING AMOUNT	9,115	7,292	-6,087	-4,256		6,064

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NOTE 16 HOME OWNERSHIP SAVINGS

None

NOTE 17 Liabilities to employees – Post-employment benefits, defined-benefit plans

<u>Change in actuarial liability</u>			<u>Change in fair value of plan assets</u>		
(in thousands of euros)	31/12/2022	31/12/2021	(in thousands of euros)	31/12/2022	31/12/2021
Actuarial liability at 31/12/N-1	245	236	Fair value of assets/right to reimbursement at 31/12/N-1	157	148
Cost of services rendered during the period	20	15	Expected return on assets	1	1
Effect of discounting	2	2	Actuarial gains (losses)	-5	8
Employee contributions			Employer contribution		
Benefit plan changes, withdrawals, and settlement			Employee contribution		
Change in scope		-61	Benefit plan changes/withdrawals/settlement		
Early retirement allowances			Change in scope		
Benefits paid			Early retirement allowances		
Actuarial gains (losses)	50	53	Benefits paid by the fund		
Actuarial liability at 31/12/N	217	245	Fair value of assets / right to reimbursement at 31/12/N	153	157

<u>Breakdown of the net charge recognised in the income statement</u>			<u>Net position</u>		
(in thousands of euros)	31/12/2022	31/12/2021	(in thousands of euros)	31/12/2022	31/12/2021
Cost of services rendered during the period	20	15	Actuarial liability at 31/12/N	217	245
Financial cost	2	2	Impact of asset restriction	-1	
Expected return on assets during the period	-1	-2	Fair value of assets at year-end	-153	-157
Amortisation of past service cost			Net position (liabilities)/assets at 31/12/N	63	-88
Other gains or losses					
Net charge recognised in the income statement	21	15			

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NOTE 18 SUBORDINATED DEBT: ANALYSIS BY REMAINING MATURITY

	31/12/2022						31/12/2021
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
(in thousands of euros)							
Forward subordinated debt							
Euro							
Dollar							
Shares and subordinated loans							
Other forward subordinated loans							
Perpetual subordinated debt (1)				100,000	100,000	8	100,008
Frozen current accounts of local banks							
Mutual security deposits							
CARRYING AMOUNT				100,000	100,000	8	100,008

(1) remaining maturity of perpetual subordinated debt classified by default in > 5 years

Expenses related to subordinated debt total €8 million at 31 December 2022.

NOTE 19 STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

(in thousands of euros)	Capital	Premiums, reserves and retained earnings	Interim dividends	Regulated provisions and investment subsidies	Net income	Total shareholders' equity
Balance at 31 December 2021	40,320	548,146			121,943	710,409
Dividends paid for 2021		-121,927				-121,927
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		121,943			-121,943	
Retained earnings						
Profit for financial year 2022					139,981	139,981
Other changes						
Balance at 31 December 2022	40,320	548,162			139,981	728,463

NOTE 20 COMPOSITION OF EQUITY

(in thousands of euros)	31/12/2022	31/12/2021
Shareholders' equity	728,463	710,409
Fund for general banking risks		
Subordinated debt and participating securities	100,008	100,008
Mutual security deposits		
TOTAL CAPITAL	828,472	810,417

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NOTE 21 TRANSACTIONS WITH AFFILIATED COMPANIES AND EQUITY INVESTMENTS

(in thousands of euros)	Balance at 31 December 2022 Transactions with affiliated companies and equity investments	Balance at 31 December 2021 Transactions with affiliated companies and equity investments
Loans and receivables	184,075	2,156 550
Credit institutions and financial institutions	123,877	480,559
Customers		
Bonds and other fixed-income securities	60,198	1,675 992
Debts	1,413,359	2,085 204
Credit institutions and financial institutions	1,313 351	1,985 196
Customers		
Debt securities and subordinated debt	100,008	100,008
Commitments given	10,941,709	13,621 198
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	10,941,709	13,621,198
Securities acquired with purchase or buyback option		
Other commitments given		

NOTE 22 TRANSACTIONS IN FOREIGN CURRENCIES

(in thousands of euros)	31/12/2022		31/12/2021	
	Assets	Liabilities	Assets	Liabilities
Euro	3,530 313	3,530 443	4,781,160	4,781,841
Other EU currencies	28	2	214	-12
Swiss franc				
Dollar		-3	267	2
Yen			71	
Other currencies	102		119	
Total	3,530 443	3,530 443	4,781,831	4,781,831

NOTE 23 FOREIGN EXCHANGE TRANSACTIONS AND FOREIGN CURRENCY LENDING AND BORROWING

(in thousands of euros)	31/12/2022		31/12/2021	
	receivable	payable	receivable	payable
Foreign exchange spot transactions				
Currencies				
Euros				
Forward exchange transactions	38,544	38,543	39,285	39,746
Currencies	18,927	18,959	19,487	19,715
Euros	19,618	19,584	19,798	20,031
Lending and borrowing in foreign currencies				
TOTAL	38,544	38,543	39,285	39,746

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NOTE 24 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

	31/12/2022			31/12/2021
(in thousands of euros)	Hedging transactions	Other transactions	Total	Total
Outright transactions	621,000	40,220,070	40,841,070	39,749,897
Transactions on organised markets (1)				
Interest rate futures				
Currency forwards				
Equity and stock market index forwards				
Other forwards				
Over-the-counter transactions (1)	621,000	40,220,070	40,841,070	39,749,897
Interest rate swaps	621,000	6,753,300	7,374,300	2,666,008
Other interest rate forwards				
Currency forwards		77,087	77,087	79,031
FRAs				
Equity and stock market index forwards		33,389,683	33,389,683	37,004,858
Other forwards				
Conditional transactions		22,196,981	22,196,981	21,806,019
Transactions on organised markets				
Interest rate futures				
* Bought				
* Sold				
Equity and stock market index forwards				
* Bought				
* Sold				
Currency futures				
* Bought				
* Sold				
Over-the-counter transactions		22,196,981	22,196,981	21,806,019
Interest rate swaptions:				
* Bought				
* Sold				
Other forward Interest rate instruments				
* Bought				
* Sold				
Currency forwards:				
* Bought				
* Sold				
Equities and stock market index forwards				
* Bought		17,224,384	17,224,384	17,196,101
* Sold		4,972,597	4,972,597	4,609,919
Other forwards				
* Bought				
* Sold				
Credit derivatives				
Credit derivative contracts:				
* Bought				
* Sold				
TOTAL	621,000	62,417,051	63,038,051	61,555,917

(1): The amounts indicated for outright transactions must match the total of lending and borrowing positions (interest rate swaps and interest rate swap options), or the total of contracts purchased and sold (other contracts)

NOTE 24.1 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS: NOTIONAL ASSETS BY REMAINING MATURITY

	Total 31/12/2022			o/w over-the-counter			o/w transactions on organised markets and similar		
(in thousands of euros)	<1 year	> 1 year < 5 years	> 5 years	<1 year	> 1 year < 5 years	> 5 years	<1 year	> 1 year < 5 years	> 5 years
Futures									
Currency options									
Interest rate options									
Outright currency transactions on organised markets									
FRA's									
Interest rate swaps	900,547	2,385,632	4,088,121	900,547	2,385,632	4,088,121			
Currency swaps									
Caps, Floors, Collars									
Interest rate forwards									
Outright transactions on equities and indices	241,294	13,537,380	19,611,008	241,294	13,537,380	19,611,008			
Conditional transactions on equities and indices	42,828	5,851,429	16,302,724	42,828	5,851,429	16,302,724			
Equity and equity index derivatives									
Sub-total	1,184,669	21,774,441	40,001,854	1,184,669	21,774,441	40,001,854			
Forward currency transactions		77,087			77,087				
Grand total	1,184,669	21,851,528	40,001,854	1,184,669	21,851,528	40,001,854			

NOTE 24.2 FORWARD FINANCIAL INSTRUMENTS: FAIR VALUE

(in thousands of euros)	31/12/2022		31/12/2021	
	Fair value	Outstanding notional amount	Fair value	Outstanding notional amount
Futures				
Currency options				
Outright currency transactions on organised markets				
FRAs				
Interest rate swaps	-1,722	7,374 300	-1,465	2,666 008
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metal derivatives	5,503	55,586 663	-16,171	58,810 878
Sub-total	3,781	62,960 963	-17,637	61,476 886
Forward exchange transactions	2	77,087	5	79,031
TOTAL	3,783	63,038 051	-17,632	61,555 917

NOTE 24.3 BREAKDOWN OF INTEREST RATE SWAPS

(in thousands of euros)

INTEREST RATE AND CURRENCY SWAPS	Isolated open position	Micro-hedging	Macro-hedging	Transaction swaps
Exchange rate contracts		621,000		6,753 300
Similar contracts (1)				

(1) These are similar contracts as defined by article 1 of CRBF Regulation 90.15.

NOTE 25 FINANCING AND GUARANTEE COMMITMENTS AND OTHER GUARANTEES

<i>(in thousands of euros)</i>	31/12/2022	31/12/2021
COMMITMENTS GIVEN	18,047,145	22,659,986
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
- Other commitments to customers		
Guarantee commitments	18,047,145	22,659,986
Commitments to credit institutions		
- Confirmed documentary credit lines		
- Other guarantees		
Commitments to customers	18,047,145	22,659,986
- Property guarantees		
- Financial guarantees		
- Other guarantees to customers	18,047,145	22,659,986
Securities commitments		
. Securities acquired with repurchase or buyback option		
. Other commitments to be given		
COMMITMENTS RECEIVED		
Financing commitments		
Commitments received from credit institutions		
Commitments received from customers		
Guarantee commitments		
Commitments received from credit institutions		
Commitments received from customers		
Securities commitments		
Securities sold with repurchase or buyback option		
Other commitments received		

NOTE 25.1 ASSETS GIVEN AND RECEIVED AS COLLATERAL

Pursuant to the European Market and Infrastructure Regulation (EMIR), applicable to all financial credit institutions, insurance companies, asset management companies, etc.) and non-financial counterparties that perform OTC derivative transactions, Amundi Finance records the following amounts related to its activity:

- securities received from counterparties as guarantees in the amount of €1,011,528 K,
- securities given to counterparties as guarantees in the amount of €516,978 K.

NOTE 26 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVES

The management of counterparty risk (companies, banks, institutions) is based on:

- the organisation into specialised units and business lines that report to General Management.
- internal procedures that establish the rules for taking and monitoring risk, applying to the various stakeholders in the entity. This principle of setting a limit on commitments is applied to all kinds of counterparties: companies, banks, financial institutions and government-related or state entities. Similarly, the assumption of risk in controlled counterparties or those resident in a non-OECD country is capped on a country-by-country basis, all transactions and operations combined. These “country limits” are periodically revised.
- risk measurement methods. As a result, each counterparty has a maximum commitment limit that includes all transactions.

An entity's exposure to counterparty risk on forward instruments and options on interest rates, foreign exchange, commodities and precious metals may be measured at the market value of these instruments and by the potential credit risk arising from the application of regulatory add-ons, depending on the remaining maturity and the type of contract.

Breakdown of counterparty risk on financial futures

	31/12/2022			31/12/2021		
	Market value	Potential credit risk	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
(in thousands of euros)						
Risk regarding OECD governments and central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	1,263,399	587	1,262,812	1,631,343	4,350	1,626,993
Risks on other counterparties						
Total before impact of netting agreements	1,263,399	587	1,262,812	1,631,343	4,350	1,626,993
O/w risk on:						
interest rate, currency and commodities contracts	26,712		26,712	42,929		42,929
Equity and index derivatives	1,236 687		1,236 687	1,588,414		1,588,414
Total before impact of netting agreements	1,263 399		1,263 399	1,631,343		1,631,343
Impact of netting agreements	36,530		36,530	660,551		660,551
Total after impact of netting agreements	1,226 869	587	1,226 282	970,792	4,350	966,442

NOTE 27 NET INTEREST AND SIMILAR INCOME

(in thousands of euros)	31/12/2022	31/12/2021
On transactions with credit institutions	5,278	6,217
On transactions with customers	94	368
On bonds and other fixed-income securities	1,042	830
Net income on macro-hedging transactions		
Other interest and similar income	122	48
Interest and similar income	6,538	7,464
On transactions with credit institutions	-13,366	-2,552
On transactions with customers	-502	-649
Net expense on macro-hedging transactions	-939	-3,062
On bonds and other fixed-income securities	-1,153	-1,317
Other interest and similar expenses	-271	-190
Interest and similar expenses	-16,232	-7,769
Total net interest and similar income	-9,694	-305

NOTE 28 INCOME FROM SECURITIES

(in thousands of euros)	31/12/2022	31/12/2021
Short-term investment securities		
Sustainable development passbook account (LDD)		
Long-term investment securities		
Other securities transactions		
Income from fixed-income securities		
Investments in affiliated companies, participating interests, and other long-term securities holdings	83,117	53,241
Short-term investment securities and medium-term portfolio securities		
Other securities transactions		
Income from variable-income securities	83,117	53,241
TOTAL INCOME FROM SECURITIES	83,117	53,241

NOTE 29 NET FEE AND COMMISSION INCOME

(in thousands of euros)	31/12/2022			31/12/2021		
	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions						
On transactions with customers						
On securities transactions	29,800	-21,816	7,984	30,146	-21,169	8,977
On financial forwards and other off-balance sheet transactions	46,132	-6,932	39,200	55,304	-4,031	51,273
On financial services						
Provision for fee and commission risks	10,058	-4,072	5,986	3,120	-7,299	-4,179
TOTAL NET FEE AND COMMISSION INCOME	85,990	-32,820	53,170	88,570	-32,499	56,071

NOTE 30 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	31/12/2022	31/12/2021
Net gains (losses) on trading securities	-11,564	4,683
Net gains (losses) on currency transactions and similar financial instruments		
Net gains (losses) on financial futures	69,284	37,866
NET GAINS (LOSSES) ON TRADING BOOK	57,720	42,549

NOTE 31 NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

(in thousands of euros)	31/12/2022	31/12/2021
Short-term investment securities		
Impairment losses	-9,824	-497
Reversal of impairment losses	3	3
Net impairment losses	-9,820	-494
Gains on disposals	10	19
Losses on disposals		
Net gains (losses) on disposals	10	19
Net gains (losses) on short-term investment securities	-9,810	-475
Medium-term portfolio securities		
Impairment losses		
Reversal of impairment losses		
Net impairment losses		
Gains on disposals		
Losses on disposals		
Net gains (losses) on disposals		
Net gains (losses) on medium-term portfolio securities		
NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR	-9,810	-475

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NOTE 32 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	31/12/2022	31/12/2021
Miscellaneous income		
Share of joint ventures		
Rebilling and transfer of expenses		
Provision reversals		
Other banking income		
Other expenses		
Share of joint ventures		
Rebilling and transfer of expenses	-703	-747
Provisions		
Other banking operating expenses	-703	-747
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS	-703	-747

NOTE 33 GENERAL OPERATING EXPENSES

(in thousands of euro)	31/12/2022	31/12/2021
Personnel expenses		
Wages and salaries	-760	-853
Social security contributions	-329	-337
Incentive and profit-sharing plans	-104	-112
Payroll-related tax	-135	-108
Total personnel expenses	-1,328	-1,410
Rebilling and transfers of personnel expenses		
Net personnel expenses	-1,328	-1,410
Administrative expenses		
Taxes other than on income or payroll-related (1)	-2,649	-3,280
External services and other administrative expenses	-4,983	-4,130
Total administrative expenses	-7,633	-7,410
Rebilling and transfers of administrative expenses		
Net administrative expenses	-7,633	-7,410
GENERAL OPERATING EXPENSES	-8,961	-8,819

(1) including €1,394 K for the resolution fund.

NOTE 33.1 HEADCOUNT

(average number of employees)	31/12/2022	31/12/2021
Executives	9	9
Non-executives		
TOTAL	9	9
<i>Of which: France</i>	9	9
<i>Foreign</i>		
<i>Of which: seconded employees</i>		

NOTE 34 COST OF RISK

(in thousands of euros)	31/12/2022	31/12/2021
Allocations to provisions and impairment	-3,220	
Impairment of doubtful loans and receivables		
Other allocations to provisions and impairment	-3,220	
Reversals of provisions and impairment	260	7,686
Reversals of impairment of doubtful loans and receivables		
Other reversals of provisions and impairment	260	7,686
Change in provisions and impairment	-2,960	7,686
Losses on non-impaired uncollectable receivables		
Losses on impaired uncollectable receivables		-2,218
Discounts on restructured loans		
Recoveries on impaired receivables		
Other losses		
Other income		
COST OF RISK	-2,960	5,468

NOTE 35 NET INCOME ON FIXED ASSETS

None

NOTE 36 CORPORATE INCOME TAX

(in thousands of euros)

Breakdown of corporate income tax	Earnings before taxes	Tax due	Net income after tax
Net recurring income	161,830	-21,895	139,936
Regulated provisions			
Employee profit-sharing	48	-2	46
Net income	161,878	-21,897	139,981
Tax credits			
Tax assets			
Allocation			
Corporation taxes	161,878	-21,897	139,981

Amundi Finance has been part of Amundi's tax consolidation group since 1 January 2010.

NOTE 37 OPERATIONS IN NON-COOPERATIVE COUNTRIES AND TERRITORIES

None

NOTE 38 APPROPRIATION OF INCOME

Distributable income totalled €466,215,979.12, including the profit for financial year 2022 for €139,981,297.63 and retained earnings for €326,234,681.49.

For the 2022 financial year, a distribution of €139,964,350.68, representing a unit dividend of €52.92, is proposed.

Retained earnings will therefore total €326,251,628.44 after appropriation of income.

NOTE 39 DISCLOSURE OF STATUTORY AUDITORS' FEES

The company is fully consolidated in Amundi's financial statements. As a result, information relating to statutory auditors' fees is indicated in the notes to the consolidated financial statements of the Amundi Group.

MISCELLANEOUS COMPENSATION

This information is not given in these notes, as it would indirectly disclose individual compensation packages. The arrangements for executive compensation are known to the shareholders.

Amundi Finance

*This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.
This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

Amundi Finance

Annual General Meeting held to approve the financial statements for the year ended December 31, 2022

Statutory auditors' report on related party agreements

PricewaterhouseCoopers Audit

63, rue de Villiers
92208 Neuilly-sur-Seine cedex
S.A.S. au capital de € 2 510 460
672 006 583 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

ERNST & YOUNG et Autres

Tour First
TSA 14444
92037 Paris-La Défense cedex
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

Amundi Finance

Annual General Meeting held to approve the financial statements for the year ended December 31, 2022.

Statutory auditors' report on related party agreements

To the Annual General Meeting of Amundi Finance

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

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R.225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended December 31, 2022, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized during the year ended December 31, 2022, to be submitted to the Annual General Meeting for approval in accordance with Article R.225-38 of the French Commercial Code (*Code de commerce*).

Agreements previously approved by the Annual General Meeting

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended December 31, 2022.

Neuilly-sur-Seine and Paris-La Défense, April 5, 2023

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Ernst & Young & Autres

Laurent Tavernier

Claire Rochas

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Declaration by the Chief Executive Officer

AMUNDI FINANCE
“Société Anonyme” (Public Limited Company)
with share capital of € 40,320,157
Registered office: 91-93, boulevard Pasteur, 75015 Paris
421 304 601 RCS PARIS

Declaration by the Chief Executive Officer

I declare that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and provide a true and fair view of the financial position and results of the Company, and that the management report provides a true and fair view of the business trends, results and financial position of the Company, as well as a description of the main risks and uncertainties that it faces.

Paris, on 5th April 2023

Olivier GUILBAULT
Chief Executive Officer

LEGAL MENTIONS

AMUNDI FINANCE

French joint stock company (Société Anonyme) with a capital stock of €40,320,157

Financial company – Credit institution governed by the French Monetary and Financial Code

Head office: 91-93 boulevard Pasteur, 75015 Paris Cedex 15 - France

Siren no. 421 304 601 RCS Paris

APE code: 6419Z

VAT identification no. FR32 421 304 601