



AMUNDI FINANCE

Semestrial Financial Report

June 30th 2022



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Activity report as at June 30th 2022

HALF-YEAR REPORT OF THE BOARD OF DIRECTORS OF AMUNDI FINANCE On the financial statements as at 30 June 2022

ACTIVITIES IN THE FIRST HALF

Amundi Finance's main activities are as follows:

- Provision of guarantees to funds and to notes,
- Issuance of notes through its subsidiaries or directly,
- Financial futures and collateralisation.

1. The provision of guarantees to funds

Amount marketed or being marketed in euros	Commitments 31/12/2021	Commitments 30/06/2022	change as an amount	change as a %
Formula-based fund	5,277,932,637	4,620,109,680	-657,822,957	-12.5%
Portfolio insurance funds	2,813,166,555	2,559,452,019	-253,714,536	-9.0%
other guaranteed funds (money market UCIs)	1,417,076,209	1,682,979,006	265,902,798	18.8%
<u>Guaranteed fund total</u>	<u>9,508,175,401</u>	<u>8,862,540,705</u>	<u>-645,634,695</u>	<u>-6.8%</u>
Amundi Finance Emissions notes	4,581,685,409	4,282,984,500	-298,700,910	-6.5%
LCLE notes	8,570,125,467 *	6,273,168,754 **	-2,296,956,713	-26.8%
<u>Total Notes</u>	<u>13,151,810,876</u>	<u>10,556,153,254</u>	<u>-2,595,657,622</u>	<u>-19.7%</u>
Total commitments	22,659,986,277	19,418,693,959	-3,241,292,318	-14.3%

*Including 1,620 million Notes being marketed

**Including 900 million Notes being marketed

Commitment exposure

Guarantee commitments given to the funds were down €645,635k vs. 31 December 2021, including:

- The drop in guarantee commitments for Portfolio Insurance Funds (CPPIs) vs. 31 December 2021 (-€253,715k),
- The increase in commitments for other guaranteed funds (+€265,903k) partially offsets the drop in PEA and non-PEA plan commitments (-€657,823k).

Guarantee commitments on EMTNs issued by Amundi Finance Emissions and LCL Emissions (hedged by a counterguarantee given to Crédit Agricole S.A. and LCL, which are the respective guarantors) were down by €2,595,658k at 30 June 2022, including:

- EMTNs issued by Amundi Finance Emissions and guaranteed by Amundi Finance (-€298,701k).
- EMTNs issued by LCLE and guaranteed by Amundi Finance (-€2,296,957k).

Impact on the guarantor activity in H1 2022

There were €3,514k in guarantee calls during H1 2022 primarily composed of money market funds for recycling formula funds and issues maturing in funds with capital guarantee over 6 months.

As at 30 June 2022, provisions for guarantee calls were booked for a total amount of €9,082k, principally composed of €5,053k for the Testaments Obsèques fund, and €4,029k for recycling formula funds, as the low level of interest rates means that the funds' assets cannot back the guarantee.

No provision for formula funds was booked at 30 June 2022; from a credit risk perspective, the situation is stable and the probability of guarantee calls is low.

Provisions for guarantee calls on the deficits of the issuance vehicles were recognised for €9,944k at 30 June 2022.

At 30 June 2022, Amundi Finance booked no provisions for notes issued by its subsidiaries.

2. 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 of €164m and €1,206m respectively.

Outstanding amounts at 30 June 2022 (excluding issues being marketed) were €3,809m for Amundi Finance Emissions, €4,354m for LCL Emissions and €31m for direct issues from Amundi Finance.

3. Financial Futures and Collateralisation

Amundi Finance’s activity in Financial Futures (interest rate, performance, options, and cross-currency swaps) represented a notional amount of €61,716m at 30 June 2022 (including external counterparties, funds, subsidiaries, and companies of the Amundi group) vs. €61,556m at 31 December 2021.

4. Bank guarantee activity

In H1 2022, Amundi Finance granted a bank guarantee for the upcoming launch of the AMUNDI DELTA SANTE SCPI Fund for €38,668k.

INCOME STATEMENT AT 30 JUNE 2022

Net Banking Income totalled €95,398k vs. €101,132k at 30 June 2021.

	30/06/2022	31/12/2021	30/06/2021
<i>(in thousands of euros)</i>			
MANAGEMENT NBI	23,399	56,071	27,434
fees and commissions (income)	41,349	88,570	42,279
<i>of which fixed fees on off-balance sheet commitments</i>	13,752	31,069	15,737
<i>of which variable fees on off-balance sheet commitments</i>	10,142	24,235	9,991
<i>of which provisions for guarantee calls</i>	3,758	3,120	783
<i>of which fees on notes</i>	13,696	30,146	15,768
fees and commissions (expenses)	- 17,950	- 32,499	- 14,845
<i>of which fees on off-balance sheet commitments</i>	- 16	- 138	- 77
<i>of which market-making fees</i>	- 375	- 767	- 432
<i>of which management fees</i>	- 20	- 43	- 21
<i>of which expenses for guarantee calls</i>	- 3,514	- 3,127	- 776
<i>of which fees on notes</i>	- 9,952	- 21,127	- 11,053
<i>of which provisions for guarantee calls</i>	- 4,072	- 7,299	- 2,486
FINANCIAL NBI	71,999	95,010	73,698
Interest and similar income	7,892	17,195	8,089
Interest and similar expenses	- 9,498	- 17,500	- 8,511
Gains (losses) on trading book	24,083	42,549	20,979
Gains (losses) on investment portfolio and similar	- 4,949	- 475	- 103
Income from variable-income securities	54,471	53,241	53,244
OTHER NBI		- 747	
other banking operating income			
other banking operating expenses		- 747	
NET BANKING INCOME	95,398	150,334	101,132

Management NBI amounted to €23,399k vs. €27,434k at 30 June 2021.

It is made up of the following elements:

- variable income on guarantees of €10,142k vs. €9,991k at 30 June 2021,
- fixed income on guarantees of €13,752k vs. €15,737k at 30 June 2021.
- Income on investment fees from the issue of notes amounted to €13,696k vs. €15,768k in June 2021.

- Reversals of provisions stood at €3,758k vs. €783k in June 2021, including:
 - €3,432k on the recycling funds,
 - €263k on the CPPI fund,
 - €64k on the Testaments Obsèques fund.
- Fees and commissions (expenses) amounted to -€17,950k vs. -€14,845k at 30 June 2021, mainly comprised of:
 - retrocessions of fees on the EMTN activity totalling -€9,952k vs. -€11,053k at 30 June 2021,
 - market-making fees of -€375k vs. -€432k at 30 June 2021.
 - -€7,586k on recycling and CPPY funds and the “Testament Obsèques” fund, vs. -€3,262k at 30 June 2021, including:
 - -€3,514k in charges on guarantee calls on recycling funds (maturities),
 - -€4,072k in new allocations to this fund category.

Financial NBI totalled €71,999k, vs. €73,698k at 30 June 2021, mainly comprised of:

- dividends received from its subsidiaries totalling €54,471k (including principally €45,255k from Amundi Intermédiation and €9,216k from Amundi ESR), vs. €53,244k at 30 June 2021 (including €42,708k from Amundi Intermédiation and €10,536k from Amundi ESR),
- Provisions for impairment of securities for -€4,949k, including:
 - -€4,588k on the investment portfolio,
 - -€203k relating to the impairment of the Bonds on the EMTN structures,
 - €158k on Dna participating interest securities.
- Net income on issue of swaps, notes, collateral and transaction portfolio activities of +€24,083k, including:
 - +€19,379k (vs. €18,922k at 30 June 2021) corresponding to Commercialisation Risk Compensation (CRC) for these activities,
 - +€3,221k relating to the value adjustment for counterparty risk on derivatives (CVA),
 - +€1,483k in income from financial futures and carry on securities for all structures.

Other NBI was nil, as it was at 30 June 2021. This item principally includes the contribution by Amundi Finance to the cost of the guarantee granted by Crédit Agricole S.A. in its capacity as reference shareholder.

General operating expenses were slightly down at €4,250k vs. €4,546k at 30 June 2021.

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Personnel expenses			
Wages and salaries	-417	-853	-415
Social security contributions	-154	-337	-155
Incentive and profit-sharing plans	-55	-112	-59
Payroll-related tax	-84	-108	-67
Total personnel expenses	-710	-1,410	-696
Rebilling and transfers of personnel expenses			
Net personnel expenses	-710	-1,410	-696
Administrative expenses			
Taxes other than on income or payroll-related (1)	-1,293	-3,280	-1,625
External services and other administrative expenses	-2,247	-4,130	-2,225
Total administrative expenses	-3,540	-7,410	-3,850
Rebilling and transfers of administrative expenses			
Net administrative expenses	-3,540	-7,410	-3,850
GENERAL OPERATING EXPENSES	-4,250	-8,819	-4,546

(1) including €697k for the resolution fund for 2022.

- Personnel expenses were stable, standing at -€710k at 30 June 2022 vs. -€696k at 30 June 2021, principally comprised of:
 - salaries for permanent staff of -€417k,
 - social security contributions relating to staff for -€154k.

- External services and other administrative expenses were stable at -€2,247k vs. €2,225k at 30 June 2021, principally comprised of:
 - re-invoicing for the pooling of personnel resources provided to Amundi Finance for -€845k,
 - the administrative management agreement for -€697k,
 - IT and database costs of -€238k, mainly relating to the Murex activity,
 - the share of rent and service charges for -€58k,
 - statutory auditors' fees of -€102k.
 - Lawyers' fees of -€242k for the updating of the issuing programs,
 - Tax specialist fees of -€22k for a review of the calculation of financial charges.
- Taxes and duties of -€1,293k include primarily:
 - CVAE (company value-added contribution) for activity in H1 2022 amounting to -€367k,
 - CSSS (company social solidarity contribution) for -€91k,
 - other taxes totalling -€835k, comprised of:
 - the contribution to the Single Resolution Fund for -€697k,
 - the contribution to the Single Resolution Committee for -€7k,
 - the ACPR tax for -€41k,
 - the Territorial Authorities Support Fund tax for -€40k,
 - the ECB contribution for -€49k.

Gross operating income totalled €91,148k vs. €96,586k at 30 June 2021.

The cost of risk was booked as a charge of -€9,832k versus income of €1,102k at 30 June 2021, and mainly includes:

- -€9,944k in provisions for guarantee calls on the deficits of issuance vehicles;
- €111k in reversals of provisions for ECLs on guaranteed funds vs. an allocation of -€113k in June 2021.

Operating income and current pre-tax profit amounted to €81,316k vs. €97,688k at 30 June 2021.

Corporate income tax amounted to -€10,233k vs. -€12,798k at 30 June 2021.

Net income at 30 June 2022 amounted to +€71,083k vs. +€84,891k at 30 June 2021.

BALANCE SHEET AT 30 JUNE 2022

The balance sheet total was €4,288,697k vs. €4,781,831k at 31 December 2021. It consisted of the following:

Assets (excluding financial futures):

- The item Treasury bills and similar securities for €601,049k concerning corporate actions in connection with the EMIR regulation, vs. €527,396k at 31 December 2021.
- The item Loans and receivables due from credit institutions for €7,695k, vs. €490,732k at 31 December 2021, principally comprised of:
 - €1,000k in long-term loans,
 - €6,291 on ordinary accounts receivable,
 - No short-term overnight lending related to the “collateral” activity, compared with €478,481k at 31 December 2021.
- Holdings in affiliated companies of €46,091k vs. €46,249k in 2021:

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 30/06/2022	Provision 2022	Net book value at 30/06/2022
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
AIT S	EUR	NS	3,309	6,851			10,160	3,309	6,851
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	0	46,518,339	427,309	46,091,030

- Bonds and other fixed-income securities totalled €1,033,245k vs. €1,675,922k at 31 December 2021. This position corresponds primarily to the carry on bonds issued by the subsidiaries Amundi Finance Emissions and LCL Emissions, and by Crédit Agricole S.A. before repurchase for destruction by these issuing companies.
- The item Equities and other variable-income securities presented a balance of €295,368k at 30 June 2022 vs. €299,955k at 31 December 2021.
- The item Intangible assets for €227,424k corresponds to business assets.

- The item Other assets (excluding financial futures) amounted to €693,213k vs. €269,383k at 31 December 2021. This includes primarily:
 - Security deposits paid as part of the collateral activity in the amount of €668,828k compared with €218,690k at 31 December 2021,
 - Securities settlement accounts for carry, options and balancing payments for derivatives for €9,502k,
 - Interim payments of corporate income tax for €11,812k vs. €25,356k at 31 December 2021,
 - Trade receivables of €1,457k vs. €2,375k at 31 December 2021.
- The item Accrual accounts (excluding financial futures) amounted to €35,773k vs. €39,229k at 31 December 2021. They are mainly made up of income receivable on off-balance sheet commitments (guarantee funds and EMTNs) in line with the collection of revenues: variable guarantee commissions on PEA funds are collected annually, commission on fixed guarantees for the most part on maturity of the fund, and the same applies to commission 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 financial futures):

- The item Liabilities due to credit institutions for €2,035,028k vs. €1,985,196k at 31 December 2021, including:
 - €885,300k in short-term overnight loans with the group's treasury office versus €1,472,600k at end-2021.
 - €558,872k corresponding to overnight borrowings related to the collateral activity. This amount was in asset loans at 31 December 2021,
 - €591,000k in long-term loans corresponding to the financing of activities relating to the EMIR regulation, applicable since 2017, compared with €511,000k at 31 December 2021.
- The item Debt securities amounted to €31,147k corresponding to the EMTN issuance programmes vs. €32,023k at 31 December 2021.

- The item Other liabilities (excluding financial futures) for €103,181k (€688,113k at 31 December 2021) principally records security deposits received in relation to the collateral activity for €43,080k, the provision for corporate income tax for €10,240k, and accounts payable for €4,345k.
- The item Accrual accounts (excluding financial futures) at €16,015k vs. €14,827k in 2021 is broken down as follows:
 - €7,504k in deferred income representing the extension of Commercialisation Risk Compensation (CRC) on marketed structures such as formula funds, EMTNs by Amundi Finance Emissions, EMTNs by LCL Emissions, and UCO structures.
 - €8,511k in accrued expenses, including:
 - €4,780k in retrocessions on investment fees,
 - €3,337k in operating expenses, including principally €1,316k in re-invoicing for the pooling of resources, €845k in personnel provided for the 2022 financial year, €224k in IFRIC expenses, €210k in IT expenses, as well as accrued expenses for STOXX for €283k relating to the use of indices in the group's EMTN structures,
 - €375k in market-making fees on structures such as CA Oblig Immo.

Financial futures:

- The activity shows an asset balance of €24,847k vs. a liability balance of €36,669k at 31 December 2021, and is principally comprised of:
 - €1,128k on the downturn in the value of financial instruments with respect to the counterparty risk on derivatives (CVA) vs. €4,350k in 2021,
 - €112,425k on the position on options vs. €176,960k at 31 December 2021,
 - -€148,603k relating to the valuation of FFIs versus -€161,613k at 31 December 2021,
 - €10,203k with respect to hedging positions vs. €16,971k at 31 December 2021.
- Provisions for liabilities and charges of €19,261k vs. €9,115k in 2021, including:
 - €5,053k in provisions for the "Testaments Obsèques" guaranteed fund,
 - €4,029k in provisions for recycling funds,
 - €10,092k in provisions for risks on the fund guarantee activity (including ECLs on guaranteed funds) and issuance vehicles,

- The item Subordinated debt was stable at €100,508k; this corresponds to the perpetual subordinated debt and its related debts, intended to increase the company's equity.
- Amundi Finance's shareholders' equity underwent the following changes:

(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					71,083	71,083
Other changes						
Balance at 30 June 2022	40,320	548,162			71,083	659,565

OFF-BALANCE SHEET COMMITMENTS AT 30 June 2022

At 30 June 2022, financial futures (FFIs) were booked for a notional amount of €61,716m vs. €61,556m at 31 December 2021.

FFI overview

Notional in millions of euro	30/06/2022	31/12/2021
FUND FFIs	29,247	29,271
EMTN DNA FFIs	0	0
EMTN CASA FFIs	1,949	2,031
EMTN LCLE FFIs	19,071	19,377
EMTN AFE FFIs	9,950	9,652
EMTN AMUNDI SA FFIs	878	682
EMTN AMUNDI FINANCE FFIs	31	32
COLLATERAL SECURITIES FFIs	591	511
TOTAL	61,716	61,556

The item Guarantee commitments given amounted to €19,457m vs. €22,660m at 31 December 2021.

The item Assets given as collateral amounted to €561m at 30 June 2022 vs. €512m at 31 December 2021, and corresponds to the Securities Collateral given to the market counterparty in the framework of the EMIR regulation.

The item Assets received as collateral amounted to €1,181m at 30 June 2021 vs. €1,447m at 31 December 2021, and corresponds to the Securities Collateral received from funds and market counterparties in the framework of the EMIR regulation.

DEVELOPMENT OUTLOOK

The beginning of 2022 was marked by the armed conflict between Russia and Ukraine, which led to a significant decline in the financial markets. The duration of the conflict remains unknown. The COVID-19 pandemic is still active, and uncertainties about its economic and social impacts remain, but successive vaccination campaigns make it possible to be optimistic about the future. These sources of volatility, inflation and uncertainty for investors are expected to remain for the rest of the year. Although the Amundi Group is adapting its operational set-up with a cautious investment policy, the main impact is the sensitivity of balance sheet assets and liabilities resulting from this decline in the financial markets. The negative impact on Amundi AM's income, results and financial position is impossible to measure at this stage.

RISK FACTORS RELATED TO AMUNDI FINANCE

Credit and counterparty risks

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

Amundi offers a range of guaranteed and formula-based (structured) products. These products include funds that are partially or fully guaranteed or have guaranteed returns. Amundi Finance provides guarantees to these funds and is therefore subject to a number of risks associated with this activity. In particular, should the issuer of any of the assets held by the funds guaranteed by Amundi Finance default or enter into insolvency or similar proceedings, Amundi Finance would incur significant costs to replace these assets and fulfil its obligations as 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 fulfil its obligations as 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 recognised financial institutions. Although transactions on derivatives are secured by collateral, Amundi Finance is nonetheless subject to a number of risks in connection with these transactions. There can be no assurance that Amundi Finance would 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 net income from issuing securities to fund its ordinary operations and hedge its obligations with respect to the securities issued. Accordingly, it uses all or part of the income from issuing securities to acquire assets including but not limited to one or more transferable securities or one or more custody agreements or one or more swaps ("Hedging Contracts"). The counterparty may be a bank, financial institution, industrial or commercial enterprise, government or government entity or fund. Amundi Finance's ability to honour its commitments for the securities issued therefore depends on the receipt of payments owed to it with respect to hedging contracts. This risk also includes the settlement risk inherent in any transaction involving payment in cash or the delivery of assets outside of a secure settlement system.

At 30 June 2022, assets weighted for credit and counterparty risk totalled €1.45bn.

Market and liquidity risk

The fluctuation and volatility of financial markets can have a significant adverse effect on Amundi Finance's business.

With respect to the guarantee provided by Amundi Finance on guaranteed funds, Amundi Finance may enter into derivative transactions before knowing the exact amount of investors' subscription orders, thus exposing Amundi Finance to market risk. If the final amount is lower than expected, Amundi Finance might incur financial costs in unwinding the excess position.

Amundi Finance depends on its access to financing and other sources of liquidity, which may be limited for reasons beyond its control and could have a significant adverse effect on its earnings.

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

Operational risks and related risks

- **Regulatory risk**

Amundi Finance is subject to a regulatory and environmental framework in France and in other countries in which it operates, i.e. currently only in Austria. Changes to the regulatory and environmental framework could have a significant adverse effect on its business and results.

Amundi Finance is a credit institution governed by all applicable legislative and regulatory provisions and its statutes. Amundi Finance did not issue any securities during 2022.

Banking regulations are constantly evolving, and regulatory reforms may reduce the attractiveness of Amundi products for its banking and insurance clients, and change 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 develop its businesses or to carry out certain existing activities may be limited by new regulatory and systemic requirements, including constraints imposed in response to a global financial crisis such as the 2008 financial crisis, or by political and economic uncertainties such as those generated by Brexit.

Amundi Finance's businesses and income may also be affected by the policies or actions of the various regulatory bodies in France or in other countries where it operates. The nature and impact of these changes cannot be foreseen and may be outside Amundi Finance's control. Since its creation, changes to the regulatory and environmental framework to which Amundi Finance is subject have had no adverse impact on its activity or results.

- **Operational risks**

Operational risks arise mainly from the inadequacy or failure of processes, systems or persons responsible for 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 associated with 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, the valuation of Amundi's derivatives may not accurately reflect the conditions under which it would be able to enter into similar transactions in the market. As a result, the amount of collateral provided by counterparties might not be sufficient to cover Amundi's full counterparty risk.

Furthermore, Amundi Finance is exposed to the risk of operational malfunctions of its communication and IT systems. Any outage, interruption or security breach affecting these systems could lead to breakdowns or interruptions in its client relationship and service management systems. The Issuer is exposed to cybercrime targeting its customers, suppliers or partners, as well as its own infrastructure and IT data. The interconnection between the different market undertakings and the concentration thereof

increases the risk of an impact on the Issuer in the event of attacks targeting one of the links in this chain, notably taking into account the complexity of the systems that must be coordinated within tight deadlines. Amundi Finance cannot guarantee that such outages or interruptions will not occur or, if they do occur, that they will be adequately addressed. The consequences of an operational malfunction or a human error, even if brief and temporary, could lead to significant disruptions in the business of Amundi Finance. Amundi Finance has not experienced any operational incident that could have a negative impact on its results since its creation.

- **Non-compliance and legal risks**

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

In view of its activity which consists in borrowing and raising capital, Amundi Finance is exposed to the risk of litigation with investors, civil or criminal proceedings, administrative proceedings, regulatory actions or other disputes. Plaintiffs in such actions may seek recovery of substantial or indeterminate amounts or other corrective measures which may affect Amundi Finance's ability to conduct its business, and the extent of the potential losses associated with such actions may remain unknown for a substantial period of time.

The cost of defending future lawsuits can be significant. There may also be negative publicity associated with litigation, which could reduce investors' desire to use the services of Amundi Finance, whether or not the allegations are justified or whether Amundi Finance is ultimately found liable. The occurrence of such a risk could result in impairment losses, or damage to the reputation of Amundi Finance. However, since its creation, Amundi Finance has never been exposed to any litigation with an investor that could have an adverse impact on its results and business prospects.

At 30 June 2022, assets weighted for operational and related risks amounted to €0.25bn.

02

Financial statements as at June 30th 2022

**AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS
AT 30/06/2022**

**Approved by the Board of Directors of *AMUNDI FINANCE*
on 31/08/2022**

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AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS AT 30/06/2022

BALANCE SHEET AT 30 June 2022

ASSETS

(in thousands of euros)	Notes	30/06/2022	31/12/2021
Interbank and similar transactions		608,744	1,018,128
Cash, central banks			
Treasury bills and similar securities	5	601,049	527,396
Loans and receivables due from credit institutions	3	7,695	490,732
Customer transactions	4		
Securities transactions		1,328,613	1,975,947
Bonds and other fixed-income securities	5	1,033,245	1,675,992
Equities and other variable-income securities	5	295,368	299,955
Fixed assets		273,515	273,673
Equity investments and other long-term securities holdings	6-7		
Shares in affiliated companies	6-7	46,091	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		2,077,826	1,514,083
Other assets	9	1,945,805	1,474,491
Accruals	9	132,020	39,592
TOTAL ASSETS		4,288,697	4,781,831

EQUITY & LIABILITIES

(in thousands of euros)	Notes	30/06/2022	31/12/2021
Interbank and similar transactions		2,035,028	1,985,196
Due to central banks			
Due to credit institutions	11	2,035,028	1,985,196
Customer deposits	12		
Debt securities	13	31,147	32,023
Accruals, deferred income and sundry liabilities		1,443,189	1,945,080
Other liabilities	14	1,413,227	1,438,303
Accruals	14	29,962	506,777
Provisions and subordinated debt		119,769	109,123
Provisions	15-16-17	19,261	9,115
Subordinated debt	19	100,508	100,008
Fund for general banking risks (FGBR)	18		
Shareholders' equity excluding FGBR:	20	659,565	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		71,083	121,943
TOTAL EQUITY & LIABILITIES		4,288,697	4,781,831

OFF-BALANCE SHEET

-

(in thousands of euros)	Notes	30/06/2022	31/12/2021
COMMITMENTS GIVEN			
Financing commitments	26		
Guarantee commitments	26	19,457 362	22,659,986
Securities commitments	26		

(in thousands of euros)		30/06/2022	31/12/2021
COMMITMENTS RECEIVED			
Financing commitments	26		
Guarantee commitments	26		
Securities commitments	26		

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

- Transactions on financial futures: note 25
- Assets given and received as collateral: note 26.1

INCOME STATEMENT AT 30 June 2022

(in thousands of euros)	Notes	30/06/2022	31/12/2021	30/06/2021
Interest and similar income	28-29	7,892	17,195	8,089
Interest and similar expenses	28	-9,498	-17,500	-8,511
Income from variable-income securities	29	54,471	53,241	53,244
Fees and commissions (income)	30	41,349	88,570	42,279
Fees and commissions (expenses)	30	-17,950	-32,499	-14,845
Gains (losses) on trading book	31	24,083	42,549	20,979
Gains (losses) on short-term investment portfolios and similar	32	-4,949	-475	-103
Other banking income	33			
Other banking operating expenses	33		-747	
Net banking income		95,398	150,334	101,132
General operating expenses	34	-4,250	-8,819	-4,546
Allocations to depreciation and amortisation of property, plant and equipment, and intangible assets				
Gross operating income		91,148	141,515	96,586
Cost of risk	35	-9,832	5,468	1,102
Operating income		81,316	146,983	97,688
Net income on fixed assets	36			
Earnings before taxes and extraordinary items		81,316	146,983	97,688
Net extraordinary items				
Corporate income tax	37	-10,233	-25,040	-12,798
Net allocation to FGBR and regulated provisions				
Net income		71,083	121,943	84,891

CASH FLOW STATEMENT AT 30 June 2022

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Profit (loss) before taxes	81,316	146,983	97,689
Net depreciation and provisions for property, plant and equipment			
Impairment of goodwill			
Net allocation to impairments	10,146	-3,507	600
Share of earnings of equity-method companies			
Net loss/gain of investment activities			
Income/expenses of financing activities	500	1,198	600
Other movements	4,644	10,392	10,289
Total non-monetary items included in the profit (loss) before tax and other adjustments	15,290	8,083	11,489
Flows related to transactions with credit institutions	79,999	74,917	-58
Flows relating to transactions with customers			
Flows relating to other transactions affecting financial assets or liabilities	518,059	-831,087	280,023
Flows relating to transactions affecting non-financial assets or liabilities	-988,915	22,516	-109,745
Dividends received from equity-method companies			
Taxes paid	-36,849	17,299	5,813
Net decrease/(increase) in assets and liabilities from operating activities	-427,707	-716,355	176,033
TOTAL NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	-331,101	-561,289	285,211
Flows relating to investments	158	2,060	2,060
Flows relating to property, plant and equipment and intangible fixed assets			
TOTAL NET CASH FLOWS FROM INVESTMENT OPERATIONS (B)	158	2,060	2,060
cash flows from or to shareholders	-121,927	-98,909	-98,970
Other net cash flows from financing activities		-1,200	
TOTAL NET CASH FLOWS FROM FINANCING OPERATIONS (C)	-121,927	-100,109	-98,970
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)	-452,870	-659,338	188,302
Cash and cash equivalents at beginning of period	-984,868	-325,530	-325,530
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	-984,868	-325,530	-325,530
Cash and cash equivalents at end of period	-1,437,737	-984,868	-137,228
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	-1,437,737	-984,868	-137,228
CHANGE IN NET CASH AND CASH EQUIVALENTS	-452,870	-659,338	188,302

NOTE 1 LEGAL AND FINANCIAL FRAMEWORK AND SIGNIFICANT EVENTS

1.1 Legal and financial framework

Amundi Finance's share capital totalled €40,320,157 at 30 June 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 30 June 2022. They are expressed in thousands of euros ("€k").

The balance sheet total before appropriation in these financial statements is €4,288,697k.

Net banking income (NBI) in these financial statements is €95,398k.

Net income for the financial year is €71,083k (€71,082,831.61).

1.2 Significant events in the first half of 2022

Since the end of February, the armed conflict between Russia and Ukraine, the duration of which is still undetermined, has led to losses on the financial markets. Although the Amundi Group is adapting its operational set-up with a cautious investment policy, the main impact for Amundi Finance is asset and liability sensitivity resulting from this decline in the financial markets.

As at 30 June 2022, the negative impact of these events on Amundi Finance's revenues was not significant.

Regarding the COVID-19 pandemic, which is still active, uncertainties about the economic and social impacts remain, although successive vaccination campaigns make it possible to be optimistic that we will emerge from it in the future.

1.3 Events subsequent to the interim situation at 30 June 2022

There were no events subsequent to the interim situation at 30 June 2022.

NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES

The presentation of the financial statements of Amundi Finance is consistent with the provisions of regulation No. 2020-10 of 22 December 2020, amending ANC regulation No. 2014-07 of 26 November 2014, which brings together all of the accounting standards on the basis of established law applicable to credit institutions.

2.1 Loans and receivables and signed commitments

Loans and receivables from credit institutions, Amundi Group entities and customers are governed by Regulation No. 2020-10 of 22 December 2020 amending ANC Regulation No. 2014-07 of 26 November 2014.

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.

Amundi Finance

Notes to the half-year financial statements – 30 June 2022

In accordance with the regulatory provisions, the customer section also contains transactions completed 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).

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

Pursuant to regulation No. 2020-10 of 22 December 2020, amending ANC regulation No. 2014-07 of 26 November 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.

Application of regulation No. 2020-10 of 22 December 2020, amending ANC regulation No. 2014-07 of 26 November 2014, has led the entity to recognise receivables posing a risk of default in accordance with the rules defined in the following paragraphs.

The use of external and/or internal rating systems helps make 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

Furthermore, Amundi Finance also recognises credit losses expected within the next 12 months (healthy receivables) and/or over the lifespan of the financial instrument when the credit quality of the receivable has deteriorated significantly (degraded receivables) as early as the initial recognition of the financial instruments, without having to wait for the debt to become doubtful.

Allocations and reversals of provisions for credit risk on healthy debt are recognised in risk cost.

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

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,
- There are disputes between the establishment and its counterparty.

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 compromised 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 regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014, the Group has decided to recognise the increase in book value related to the reversal of the impairment as a result of the passage of time in risk cost.

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 provided for by the regulations (transaction, placement, investment, portfolio activity, other long-term securities, participation) depending on the initial intention for holding securities identified in the accounting information system as from their acquisition.

Trading securities

These are securities that were acquired at the outset with the intention of selling them or sold with the intention of buying them back in the short term.

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

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, participating interests 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 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. 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.

Reclassification of securities

In accordance with regulation No. 2020-10 of 22 December 2020 amending ANC Regulation No. 2014-07 of 26 November 2014, the following reclassifications of securities 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 regulation No. 2020-10 of 22 December 2020 amending ANC regulation 2014-07 of 26 November 2014.

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 €227,424k. 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 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.

2.7 Financial futures and options

Hedging and market transactions on forward interest rate, exchange or equities instruments are recognised in accordance with the provisions of regulation No. 2020-10 of 22 December 2020 amending ANC Regulation 2014-07 of 26 November 2014.

Off-balance sheet commitments related to these transactions show the notional capital amount of contracts that have not been settled by the reporting date. For options, commitments reflect the nominal capital amount of the underlying instrument.

At 30 June 2022, forward financial commitments totalled €61,716,391k.

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.

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 €24,083,135.30, including €19,378,754.90 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 regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014),
- Specialised management of a trading portfolio (category "D" Article 2522 of regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014);
- instruments that are traded on an organised or similar market, traded over the counter or included in a trading portfolio pursuant to regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014.

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 regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014, 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:

- 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 regulation No. 2020-10 of 22 December 2020 amending ANC regulation No. 2014-07 of 26 November 2014, 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 30 June 2022, these guarantees given as well as guarantees granted directly totalled €19,457,362k.

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

These items are however detailed in notes 26 and 26.1.

2.10 Employee profit-sharing and incentive plans

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.

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.

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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.

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).

At 30 June 2022, the commitments were valued at €245k (as presented in Note 17 to the financial statements) and the provision at €87k (see Note 15 - Provisions).

The sensitivity rates (at 31 December 2021) demonstrate that:

- a 50 bp increase in discount rates would reduce the commitment by 7.27%.
- a 50 bp drop in discount rates would increase the commitment by 7.93%.

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

They represent expense and income item 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 of 3.3% of 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

(in thousands of euros)	30/06/2022						31/12/2021
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Credit institutions							
Accounts and loans:							
demand	6,291				6,291		489,328
term			1,000		1,000	405	1,404
Securities received under repurchase agreements							
Securities bought under repurchase agreements							
Subordinated loans							
Total	6,291		1,000		7,291	405	490,732
Impairment							
NET CARRYING AMOUNT	6,291		1,000		7,291	405	490,732
Ordinary accounts							
Term deposits and advances							
Total							
Impairment							
NET CARRYING AMOUNT							
TOTAL	6,291		1,000		7,291	405	490,732

NOTE 4 CUSTOMER TRANSACTIONS

None

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

(in thousands of euros)	30/06/2022					31/12/2021
	Transaction	Investment	Portfolio securities	Investment	Total	Total
Treasury bills and similar securities:		598,919			598,919	525,687
o/w residual net premium		7,919			7,919	14,687
o/w residual net discount						
Accrued interest		2,130			2,130	1,709
Impairment						
Net carrying amount		601,049			601,049	527,396
Bonds and other fixed income securities:	1,002 379	31,051			1,033 429	1,675 980
Issued by public bodies						
Other issuers	1,002 379	31,051			1,033 429	1,675 980
o/w residual net premium						
o/w residual net discount						
Accrued interest		19			19	12
Impairment		-203			-203	
Net carrying amount	1,002,379	30,867			1,033 245	1,675,992
Equities and other variable-income securities		300,346			300,346	300,346
Accrued interest						
Impairment		-4,979			-4,979	-391
Net carrying amount		295,368				299,955
Total	1,002 379	927,283			1,929 662	2,503 343
Estimated values	1,002 379	927,283			1,929 662	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 30/06/2022	Net assets 31/12/2021
Governments and central banks (including central governments)		
Credit institutions	89,082	44,278
Financial companies	1,244 693	1,932,048
Local authorities		
Corporates, insurers and other clients		
Other and non-allocated		
Total principal	1,333 776	1,976,326
Accrued interest	19	12
Impairment	-5,182	-391
Net carrying amount	1,328 613	1,975,947

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Notes to the half-year financial statements – 30 June 2022

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

(in thousands of euros)	30/06/2022				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	970,871	598,919		1,569,789	1,630,130	525,687		2,155,818
Unlisted securities	62,558		300,346	362,905	45,849		300,346	346,195
Accrued interest	19	2,130		2,149	12	1,709		1,721
Impairment	-203		-4,979	-5,182			-391	-391
Net carrying amount	1,033,245	601,049	295,368	1,929,662	1,675,992	527,396	299,955	2,503,343

At 30 June 2022, the Net Book Value of UCITS by type amounted to €295,368k.

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

(in thousands of euros)	30/06/2022							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		19	88,740	944,669	1,033,429	19	1,033,448	1,675,992
Impairment				-203	-203		-203	
Net carrying amount		19	88,740	944,966	1,033,226	19	1,033,245	1,675,992
Treasury bills and similar securities								
Gross value		136,709	443,395	18,814	598,919	2,130	601,049	527,396
Impairment								
Net carrying amount		137,247	442,434	19,238	598,919	2,130	601,049	527,396

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

(in thousands of euros)	Net assets 30/06/2022	Net assets 31/12/2021
France (including overseas departments and territories)	1,559,500	2,128,376
Other EU countries	72,848	73,290
Other European countries		
North America		
Central and South America		
Africa and the Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Total principal	1,632,348	2,201,667
Accrued interest	2,149	1,721
Impairment	-203	
NET CARRYING AMOUNT	1,634,294	2,203,388

NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES

(in thousands of euros)	Financial information				Book value of securities owned		Outstanding loans and advances granted by the company	Guarantees and other commitments given by the company	Revenue excl. tax for the year ended	Net income (profit or loss for the year ended)	Dividends received by the company during the financial year
Companies	Currency	Capital	Equity other than share capital	Percentage 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	100.00%	34,167	34,167			55,270	9,228	9,216
4) Other equity investments (10% to 50% of share capital)											
AMUNDI INTERMEDIATION	EUR	15,713	134,339	35.81% (1)	5,628	5,628			211,944	117,452	45,255
5) Other shares in affiliated companies (1% to 10% of share capital)											
dnA SA	EUR	2,231	-408	100.00%	2,231	1,823				-158	
Amundi Finance Emissions	EUR	2,225	10,907	100.00%	2,226	2,226				-825	
LCL Emissions	EUR	2,225	3,590	100.00%	2,225	2,225				773	
Equity investments with a book value lower than 1% of Amundi Finance's share capital											
	EUR				41	22					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					46,518	46,091					

(1) Lower holding rate following a capital increase by Amundi Intermédiation for the acquisition of Lyxor Intermédiation in which Amundi Finance did not participate.

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Notes to the half-year financial statements – 30 June 2022

NOTE 6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

	30/06/2022		31/12/2021	
(in thousands of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
Shares in affiliated companies				
- Unlisted securities	46,518	46,091	46,518	46,249
- Listed securities				
- Advances available for consolidation				
- Accrued interest				
- Impairment	-427		-269	
Net carrying amount	46,091	46,091	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	46,091	46,091	46,249	46,249

	30/06/2022		31/12/2021	
(in thousands of euros)	Carrying amount	Estimated value	Carrying amount	Estimated value
TOTAL GROSS VALUES				
Unlisted securities	46,091	46,091	46,249	46,249
Listed securities				
TOTAL	46,091	46,091	46,249	46,249

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Notes to the half-year financial statements – 30 June 2022

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	30/06/2022
Shares in affiliated companies					
Gross values	46,518				46,518
Advances available for consolidation					
Accrued interest					
Impairment	-269	-158			-427
NET CARRYING AMOUNT	46,249	-158			46,091
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	-158			46,091

NOTE 7.2 Property, plant and equipment, and intangible assets

(in thousands of euros)	01/01/2022	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2022
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)	30/06/2022	31/12/2021
Other assets (1)		
Options purchased	1,252 592	1,205 108
Inventory accounts and other resources used		
Sundry debtors (2)	693,213	269,383
Collective management of LDD securities		
Settlement accounts		
Net carrying amount	1,945 805	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	35,897	39,560
Prepaid expenses	738	
Deferred expenses	4,055	31
Other accruals	91,331	
Net carrying amount	132,020	39,592
Total	2,077 826	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 (1,252,592k), deposits paid in connection with the collateral activity (€668,828k), corporation tax instalments (€11,812k), trade receivables (€1,457k), and other receivables (€11,116k).

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 30/06/2022
On interbank and similar transactions						
On customer receivables						
On securities transactions	660	4,949				5,609
On fixed assets						
On other assets						
Total	660	4,949				5,609

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

(in thousands of euros)	30/06/2022					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	1,444 028				1,444 028		1,474,196
term	335,000	256,000			591,000		511,000
Pledged securities							
Securities sold under repurchase agreements							
CARRYING AMOUNT	1,779 028	256,000			2,035 028		1,985,196

NOTE 12 CUSTOMER DEPOSITS

None

NOTE 13 DEBT SECURITIES – ANALYSIS BY RESIDUAL MATURITY

(in thousands of euros)	30/06/2022						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			25,132	6,000	31,132	15	32,023
Bonds							
Other debt securities							
CARRYING AMOUNT			25,132	6,000	31,132	15	32,023

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Notes to the half-year financial statements – 30 June 2022

NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	30/06/2022	31/12/2021
Other liabilities		
Counterparty transactions (trading securities)		
Liabilities representing borrowed securities		
Options sold	1,310,046	750,190
Settlement and trading accounts		
Miscellaneous creditors	103,181	688,113
Payments on securities in process		
Carrying amount	1,413,227	1,438,303
Accruals		
- Collection and transfer accounts		
- Accrual accounts and variance accounts		
- Unrealised gains and gains to be spread out on financial instruments	11,974	14,719
- Deferred income	7,504	2,589
- Accrued expenses on commitments on forward financial instruments	1,128	476,905
- Other accrued expenses	9,356	12,565
- Other accruals		
Carrying amount	29,962	506,777
TOTAL	1,443,189	1,945,080

OTHER LIABILITIES are primarily composed of options sold (€1,310,046k), security deposits received in connection with the collateral activity (€43,080k), and corporate income tax charges (€10,240k), and other liabilities for the balance in the amount of €49,861k.

NOTE 15 PROVISIONS

(in thousands of euros)	Balance at 01/01/2022	Allocations	Reversals used	Reversals not used	Other movements	Balance at 30/06/2022
Provisions						
For pensions and similar obligations	87					87
For other employee commitments						
For financial commitment execution risks	7,946	9,944		-111		10,092
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	-3,432	-327		9,082
CARRYING AMOUNT	9,115	14,016	-3,432	-438		19,261

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)	30/06/2022	31/12/2021	(in thousands of euros)	30/06/2022	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		15	Expected return on assets		1
Effect of discounting		2	Actuarial gains (losses)		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)		53	Benefits paid by the fund		
Actuarial liability at 31/12/N	245	245	Fair value of assets / right to reimbursement at 31/12/N	157	157

<u>Breakdown of the net charge recognised in the income statement</u>			<u>Net position</u>		
(in thousands of euros)	30/06/2022	31/12/2021	(in thousands of euros)	30/06/2022	31/12/2021
Cost of services rendered during the period		15	Actuarial liability at 31/12/N	245	245
Financial cost		2	Impact of asset restriction		
Expected return on assets during the period		-2	Fair value of assets at year-end	-157	-157
Amortisation of past service cost			Net position (liabilities)/assets at 31/12/N	-88	-88
Other gains or losses					
Net charge recognised in the income statement		15			

NOTE 18 FUND FOR GENERAL BANKING RISKS

None

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Notes to the half-year financial statements – 30 June 2022

NOTE 19 SUBORDINATED DEBT: ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2022							31/12/2021
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total	Total
Forward subordinated debt								
Euro								
Dollar								
Shares and subordinated loans								
Other forward subordinated loans								
Perpetual subordinated debt (1)				100,000	100,000	508	100,508	100,008
Frozen current accounts of local banks								
Mutual security deposits								
CARRYING AMOUNT				100,000	100,000	508	100,508	100,008

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

Expenses related to subordinated debt totalled €508k at 30 June 2022.

NOTE 20 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					71,083	71,083
Other changes						
Balance at 30 June 2022	40,320	548,162			71,083	659,565

NOTE 21 COMPOSITION OF EQUITY

(in thousands of euros)	30/06/2022	31/12/2021
Shareholders' equity	659,565	710,409
Fund for general banking risks		
Subordinated debt and participating securities	100,508	100,008
Mutual security deposits		
TOTAL CAPITAL	760,073	810,417

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Notes to the half-year financial statements – 30 June 2022

NOTE 22 TRANSACTIONS WITH AFFILIATED COMPANIES AND EQUITY INVESTMENTS

(in thousands of euros)	Balance at 30 June 2022 Transactions with affiliated companies and equity investments	Balance at 31 December 2021 Transactions with affiliated companies and equity investments
Loans and receivables	1,035 903	2,156,550
Credit institutions and financial institutions	4,435	480,559
Customers		
Bonds and other fixed-income securities	1,031 468	1,675 992
Debts	2,135 536	2,085,204
Credit institutions and financial institutions	2,035 536	1,985,196
Customers		
Debt securities and subordinated debt	100,508	100,008
Commitments given	10,932 214	13,621,198
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	10,932 214	13,621,198
Securities acquired with purchase or buyback option		
Other commitments given		

NOTE 23 TRANSACTIONS IN FOREIGN CURRENCIES

(in thousands of euros)	30/06/2022		31/12/2021	
	Assets	Liabilities	Assets	Liabilities
Euro	4,287,752	4,287,899	4,781,160	4,781,841
Other EU currencies	317	167	214	-12
Swiss franc				
Dollar	447	450	267	2
Yen			71	
Other currencies	181	181	119	
Total	4,288,697	4,288,697	4,781,831	4,781,831

NOTE 24 FOREIGN EXCHANGE TRANSACTIONS AND FOREIGN CURRENCY LENDING AND BORROWING

(in thousands of euros)	30/06/2022		31/12/2021	
	receivable	payable	receivable	payable
Foreign exchange spot transactions				
Currencies				
Euros				
Forward currency transactions	38,645	39,328	39,285	39,746
Currencies	18,962	19,297	19,487	19,715
Euros	19,682	20,031	19,798	20,031
Lending and borrowing in foreign currencies				
TOTAL	38,645	39,328	39,285	39,746

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Notes to the half-year financial statements – 30 June 2022

NOTE 25 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

	30/06/2022			31/12/2021
(in thousands of euros)	Hedging transactions	Other transactions	Total	Total
Outright transactions	591,000	38,712,054	39,303,054	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)	591,000	38,712,054	39,303,054	39,749,897
Interest rate swaps	591,000	2,038,567	2,629,567	2,666,008
Other interest rate forwards				
Currency forwards		77,972	77,972	79,031
FRAs				
Equity and stock market index forwards		36,595,515	36,595,515	37,004,858
Other forwards				
Options		22,413,338	22,413,338	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		22,413,338	22,413,338	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		17,771,072	17,771,072	17,196,101
* Sold		4,642,265	4,642,265	4,609,919
Other forwards				
* Bought				
* Sold				
Credit derivatives				
Credit derivative contracts:				
* Bought				
* Sold				
TOTAL	591,000	61,125,391	61,716,391	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 25.1 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS NOTIONAL ASSETS BY REMAINING MATURITY

(in thousands of euros)	Total 30/06/2022			o/w over-the-counter			o/w transactions on organised markets and similar		
	<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									
FRAs									
Interest rate swaps	179,510	2,200,026	250,031	179,510	2,200,026	250,031			
Currency swaps									
Caps, Floors, Collars									
Interest rate forwards									
Outright transactions on equities and indices	3,243,725	12,094,557	21,257,232	3,243,725	12,094,557	21,257,232			
Conditional transactions on equities and indices		5,629,180	16,784,157		5,629,180	16,784,157			
Equity and equity index derivatives									
Sub-total	3,423,235	19,923,763	38,291,420	3,423,235	19,923,763	38,291,420			
Forward currency transactions		77,972			77,972				
Grand total	3,423,235	20,001,736	38,291,420	3,423,235	20,001,736	38,291,420			

NOTE 25.2 FORWARD FINANCIAL INSTRUMENTS: FAIR VALUE

(in thousands of euros)	30/06/2022		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	-3,258	2,629,567	-1,465	2,666,008
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metal derivatives	37,135	59,008,852	-16,171	58,810,878
Sub-total	33,877	61,638,419	-17,637	61,476,886
Forward currency transactions	16	77,972	5	79,031
TOTAL	33,893	61,716,391	-17,632	61,555,917

NOTE 25.3 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		591,000		2,038 567
Similar contracts (1)				

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

NOTE 26 FINANCING AND GUARANTEE COMMITMENTS AND OTHER GUARANTEES

(in thousands of euros)	30/06/2022	31/12/2021
COMMITMENTS GIVEN	19,457,362	22,659,986
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
- Other commitments to customers		
Guarantee commitments	19,457,362	22,659,986
Commitments to credit institutions		
- Confirmed documentary credit lines		
- Other guarantees		
Commitments to customers	19,457,362	22,659,986
- Property guarantees		
- Financial guarantees		
- Other guarantees to customers	19,457,362	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 26.1 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 €1,181,202k,
- securities given to counterparties as guarantees in the amount of €561,051k.

NOTE 27 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

	30/06/2022			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	1,357,679	1,128	1,356,551	1,631,343	4,350	1,626,993
Risks on other counterparties						
Total before impact of netting agreements	1,357,679	1,128	1,356,551	1,631,343	4,350	1,626,993
O/w risk on:						
interest rate, currency and commodities contracts	19,120		19,120	42,929		42,929
Equity and index derivatives	1,338,558		1,338,558	1,588,414		1,588,414
Total before impact of netting agreements	1,357,679		1,357,679	1,631,343		1,631,343
Impact of netting agreements	37,080		37,080	660,551		660,551
Total after impact of netting agreements	1,320,599	1,128	1,319,471	970,792	4,350	966,442

NOTE 28 NET INTEREST AND SIMILAR INCOME

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
On transactions with credit institutions	2,272	6,217	2,831
On transactions with customers	24	368	6
On bonds and other fixed-income securities	452	830	413
Net income on macro-hedging transactions			
Other interest and similar income	45	48	23
Interest and similar income	2,793	7,464	3,272
On transactions with credit institutions	-1,441	-2,552	-1,193
On transactions with customers	-414	-649	-246
Net expense on macro-hedging transactions	-1,851	-3,062	-1,484
On bonds and other fixed-income securities	-576	-1,317	-677
Other interest and similar expenses	-118	-190	-94
Interest and similar expenses	-4,400	-7,769	-3,694
Total net interest and similar income	-1,607	-305	-422

NOTE 29 INCOME FROM SECURITIES

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
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	54,471	53,241	53,244
Short-term investment securities and medium-term portfolio securities			
Other securities transactions			
Income from variable-income securities	54,471	53,241	53,244
TOTAL INCOME FROM SECURITIES	54,471	53,241	53,244

NOTE 30 NET FEE AND COMMISSION INCOME

	30/06/2022			31/12/2021			30/06/2021		
(in thousands of euros)	Income	Expenses	Net	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions									
On transactions with customers									
On securities transactions	13,696	-9,973	3,723	30,146	-21,169	8,977	15,768	-11,075	4,693
On financial forwards and other off-balance sheet transactions	23,894	-3,905	19,989	55,304	-4,031	51,273	25,729	-1,285	24,444
On financial services									
Provision for fee and commission risks	3,758	-4,072	-314	3,120	-7,299	-4,179	783	-2,486	-1,702
TOTAL NET FEE AND COMMISSION INCOME	41,349	-17,950	23,399	88,570	-32,499	56,071	42,279	-14,845	27,434

NOTE 31 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Net gains (losses) on trading securities	-7,783	4,683	4,126
Net gains (losses) on currency transactions and similar financial instruments			
Net gains (losses) on financial futures	31,866	37,866	16,853
NET GAINS (LOSSES) ON TRADING BOOK	24,083	42,549	20,979

NOTE 32 NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Short-term investment securities			
Impairment losses	-4,949	-106	-103
Reversal of impairment losses		-388	
Net impairment losses	-4,949	-494	-103
Gains on disposals		19	
Losses on disposals			
Net gains (losses) on disposals		19	
Net gains (losses) on short-term investment securities	-4,949	-475	-103
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	-4,949	-475	-103

Amundi Finance

Notes to the half-year financial statements – 30 June 2022

NOTE 33 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
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		-747	
Provisions			
Other banking operating expenses		-747	
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS		-747	

NOTE 34 GENERAL OPERATING EXPENSES

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Personnel expenses			
Wages and salaries	-417	-853	-415
Social security contributions	-154	-337	-155
Incentive and profit-sharing plans	-55	-112	-59
Payroll-related tax	-84	-108	-67
Total personnel expenses	-710	-1,410	-696
Rebilling and transfers of personnel expenses			
Net personnel expenses	-710	-1,410	-696
Administrative expenses			
Taxes other than on income or payroll-related (1)	-1,293	-3,280	-1,625
External services and other administrative expenses	-2,247	-4,130	-2,225
Total administrative expenses	-3,540	-7,410	-3,850
Rebilling and transfers of administrative expenses			
Net administrative expenses	-3,540	-7,410	-3,850
GENERAL OPERATING EXPENSES	-4,250	-8,819	-4,546

(1) including €697k for the resolution fund.

NOTE 34.1 HEADCOUNT

(average number of employees)	30/06/2022	31/12/2021
Executives	9	9
Non-executives		
TOTAL	9	9
<i>Of which: France</i>	9	9
<i>Of which: seconded employees</i>		

NOTE 35 COST OF RISK

(in thousands of euros)	30/06/2022	31/12/2021	30/06/2021
Allocations to provisions and impairment	-9,944		-113
Impairment of doubtful loans and receivables			
Other allocations to provisions and impairment	-9,944		-113
Reversals of provisions and impairment	111	7,686	1,215
Reversals of impairment of doubtful loans and receivables			
Other reversals of provisions and impairment	111	7,686	1,215
Change in provisions and impairment	-9,832	7,686	1,102
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	-9,832	5,468	1,102

NOTE 36 NET INCOME ON FIXED ASSETS

None

NOTE 37 CORPORATE INCOME TAX

(in thousands of euros)			
Breakdown of corporate income tax	Earnings before taxes	Tax due	Net income after tax
Net recurring income	81,268	10,229	71,039
Regulated provisions			
Employee profit-sharing	48	4	44
Net income	81,316	10,233	71,083
Tax credits			
Tax assets			
Allocation			
Corporation taxes	81,316	10,233	71,083

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

Amundi Finance

Notes to the half-year financial statements – 30 June 2022

NOTE 38 OPERATIONS IN NON-COOPERATIVE COUNTRIES AND TERRITORIES

None

NOTE 39 APPROPRIATION OF INCOME

Not applicable at 30 June 2022.

NOTE 40 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.

03

Statutory auditors' report

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Amundi Finance

Period from January 1 to June 30, 2022

Statutory auditors' review report on the half-yearly financial information

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine cedex
S.A.S. au capital de € 2 510 460
672 006 483 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

Period from January 1 to June 30, 2022

Statutory auditors' review report on the half-yearly financial information

To the Chief Executive,

In our capacity as statutory auditors of Amundi Finance and in accordance with your request in connection with Amundi's multi-issuer program, we have performed a review of the accompanying interim financial statements of Amundi Finance for the period from January 1 to June 30, 2022.

These half-yearly financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the entity as at June 30, 2022 and of the results of its operations for the period then ended.

This report is governed by French law. The French courts have exclusive jurisdiction to hear any dispute, or claim that may arise from our engagement letter or from this report, or from any question relating thereto. Each party irrevocably waives its rights to oppose an action brought before these courts, to claim that the action was brought before a court without jurisdiction, or that these courts do not have jurisdiction.

Neuilly-sur-Seine and Paris-La Défense, September 6, 2022

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Ernst & Young et Autres

Laurent Tavernier

Claire Rochas

04

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 the best of my knowledge, the complete financial statements for the past six months have been prepared in accordance with the applicable accounting standards and provide a true and fair view of the assets, liabilities, financial position and results of the company and the undertakings included in the consolidation taken as a whole, and the attached half-yearly management report provide a true and fair description of the material events that occurred during the first six months of the financial year and their impact on the financial statements, and of the major related-party transactions, as well as a description of the main risks and uncertainties facing it during the remaining six months of the financial year.

Paris, on 6th September 2022

Olivier GUILBAULT
Chief Executive Officer

LEGAL NOTICE

Amundi Finance

Public Limited Company (Société Anonyme) with share capital of € 40,320,157

Certified Credit Institution by ACPR

Registered office : 91-93, boulevard Pasteur - 75015 Paris - France.

Siren : 421 304 601 RCS Paris - Siret : 421 304 601 000 30 - Code APE : 6419 Z - N° Identification TVA : FR32421304601