
AMUNDI FINANCE

Semestrial Financial Report

June 30th 2023

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Activity report as at June 30th 2023

**MANAGEMENT REPORT OF THE BOARD OF DIRECTORS
OF AMUNDI FINANCE**
On the financial statements as at 30 June 2023

ACTIVITY IN THE PERIOD

Amundi Finance's main activities are as follows:

- Provision of guarantees to funds and to notes,
- Issuance of notes through its subsidiaries or directly,
- Forward financial instruments and collateralisation.

1. The provision of guarantees to funds and to notes

<i>Amount marketed or being marketed (in EUR)</i>	Commitments 31/12/2022	Commitments 30/06/2023	Change in amount	Change as %
Formula Funds	4,708,780,312	4,461,891,126	-246,889,186	-5.2%
Portfolio Insurance Funds	2,032,169,187	1,949,481,829	-82,687,358	-4.1%
Other guaranteed funds (money market UCI)	637,985,919	1,177,550,014	539,564,095	84.6%
Total Guaranteed Fund	<u>7,378,935,419</u>	<u>7,588,922,969</u>	<u>209,987,552</u>	<u>2.8%</u>
Amundi Finance Emissions Notes	4,278,887,596	9,280,516,272	5,001,628,676	116.9%
LCLE Notes	6,350,653,761	11,251,351,678	4,900,697,917	77.2%
Total Notes	<u>10,629,541,357</u>	<u>20,531,867,950</u>	<u>9,902,326,593</u>	<u>93.2%</u>
Total Commitments	18,008,476,775	28,120,790,919	10,112,314,144	56.2%

Commitment exposure

Guarantee commitments given to funds were up by €209,988k vs. 31 December 2022, including:

- The drop in guarantee commitments for Portfolio Insurance Funds (CPPIs) and Formula Funds vs. 31 December 2022 (-€329,577k),

- This was offset by an increase in commitments for other guaranteed funds (+€539,564k).

Guarantee commitments on EMTNs issued by Amundi Finance Emissions and LCL Emissions (hedged by a counter-guarantee given to Crédit Agricole S.A. and LCL which are the respective guarantors) were up very significantly by €9,902,326k as at 30 June 2023 including:

<i>Variation (in EUR)</i>	including new hedging	including repayments	including price and repurchase price variations
Amundi Finance Emissions Notes	5,343,484,588	-429,682,069	87,826,157
LCLE Notes	5,888,209,383	-1,022,537,315	35,025,849
<u>Total Notes</u>	<u>11,231,693,971</u>	<u>-1,364,393,227</u>	<u>35,025,849</u>

Impact on the guarantor's activity in H1 2023

There were €3,060 in guarantee calls during H1 2023 on money market funds for recycling formula funds and issues maturing in funds with capital guarantees over 6 months.

As at 30 June 2023, provisions for guarantee calls were booked for a total amount of €1,686k, including €1,661k for the Testament Obsèques fund and €25k for recycling funds.

Provisions for guarantee calls risk on the deficits of the issuance vehicles were recognised for €3,050k at 30 June 2023.

At 30 June 2023, Amundi Finance booked no provisions for notes issued by its subsidiaries.

Summary of Guarantee Provisions (in Eur)	Provision 31/12/2022	Provision 30/06/2023	Change
Testaments Obsèques	2,778,587	1,661,193	-1,117,394
Guaranteed CPPIs (other pension obj)	0	25,225	+25,225
Recycling Funds	3,061	0	-3,061
TOTAL NBI Provisions	2,781,648	1,686,418	-1,095,230
ECL / Bucket 1 provisions	0	0	0
Guarantee on vehicle deficit	3,219,503	3,049,886	-169,617
TOTAL cost of risk provisions	3,219,503	3,049,886	-169,617
TOTAL Provisions	6,001,151	4,736,304	-1,264,847

2. Issuance of notes

In 2023, 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 marketed notional amount of €2,943 million and €2,014 million respectively.

Outstanding amounts at 30 June 2023 (excluding issues being marketed) were €6,295 million for Amundi Finance Emissions, €7,178 million for LCL Emissions and €30 million for Amundi Finance direct issuances.

3. Forward financial instruments and collateralisation

Amundi Finance's activity in forward financial instruments (interest rate, performance, options and cross-currency swaps) represented a notional amount of €67,912 million at 30 June 2023 (including external counterparties, funds, subsidiaries and companies of the Amundi group) vs. €63,038 million at 31 December 2022.

4. Bank guarantee activity

Amundi Finance granted a banking guarantee for the upcoming September 2023 launch of the AMUNDI DELTA SANTE SCPI fund for €38,668k.

INCOME STATEMENT AT 30 JUNE 2023

(in thousands of euros)	30/06/2023	31/12/2022	30/06/2022
Net banking income	73,553	173,799	95,398
Operating expenses	-4,064	-8,961	-4,250
Gross operating income	69,488	164,838	91,148
Cost of risk	170	-2,960	-9,832
Operating income	69,658	161,878	81,316
Current income before tax	69,658	161,878	81,316
Income taxes	-9,505	-21,897	-10,233
Net income	60,152	139,981	71,083

The **Net Banking Income** at 30 June 2023 totalled €73,553k vs. €95,398k at 30 June 2022.

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

	30/06/2023	31/12/2022	30/06/2022
<i>(in thousands of euros)</i>			
MANAGEMENT NBI	25,429	53,170	23,399
Fee and commissions (income)	41,773	85,990	41,349
<i>of which fixed fees on off-balance sheet commitments</i>	14,114	27,463	13,752
<i>of which variable fees on off-balance sheet commitments</i>	5,448	18,669	10,142
<i>of which provisions for guarantee calls</i>	1,120	10,058	3,758
<i>of which fees on notes</i>	21,091	29,800	13,696
Fees and commissions (expenses)	- 16,344	- 32,820	- 17,950
<i>of which fees on off-balance sheet commitments</i>	- 15	- 32	- 16
<i>of which market-making fees</i>	- 392	- 784	- 375
<i>of which management fees</i>	- 20	- 40	- 20
<i>of which expenses for guarantee calls</i>	- 3	- 6,117	- 3,514
<i>of which fees on notes</i>	- 15,889	- 21,775	- 9,952
<i>of which provisions for guarantee calls</i>	- 25	- 4,072	- 4,072
FINANCIAL NBI	48,814	121,332	71,999
Interest and similar income	21,423	19,047	7,892
Interest and similar expenses	- 39,686	- 28,741	- 9,498
Gains or losses on trading portfolio transactions	32,850	57,720	24,083
Gains or losses on investment portfolio and similar	1,870	- 9,810	- 4,949
Income from variable-income securities	32,357	83,117	54,471
OTHER NBI	- 690	- 703	
Other banking operating income	39		
Other banking operating expenses	- 730	- 703	
NET BANKING INCOME	73,553	173,799	95,398

Management NBI amounted to €25,429k vs. €23,399k at 30 June 2022. This increase in income is primarily due to lower operating expenses and provisions for guarantee calls partly offset by a rise in fees for placing products.

- Fees booked as income come to €41,773k at 30 June 2023 vs. €41,349k at 30 June 2022 mainly consisting of:
 - Income from fees for placing products amounted to €21,091k at 30 June 2023 vs. €13,696k at 30 June 2022, an increase of 54% in 2023 due to the increase in outstanding marketed EMTNs,
 - Fixed guarantee income of €14,114k at 30 June 2023 vs. €13,752k at 30 June 2022, an increase of 3%.
 - Variable guarantee income was down 46% in 2023, from €10,142k at 30 June 2022 to €5,448k at 30 June 2023 due to the reduced income base.
 - Reversals of provisions for guarantee calls on recycling funds and on the Testament Obsèques fund of €1,120k.

- Fees and commissions (expenses) amounted to €16,344k at 30 June 2023 vs. €17,950k at 30 June 2022 mainly consisting of:
 - Retrocessions of fees on the issuance activity amounting to €15,889k at 30 June 2023 vs. €9,952k at 30 June 2022, an increase of 60%.
 - Market-making fees of €392k at 30 June 2023 vs. €375k at 30 June 2022.
 - Guarantee call expenses of €28k including €25k for provisions on CPPI funds.
At 30 June 2022 charges on guarantee calls were up to €7,586k, i.e. a recorded fall of €7,558k for the first half of 2023.
 - Charges on guarantee fees of €15k and management fees of €20k related to EMTN issued by Amundi Finance and managed by Amundi AM were stable vs. 30 June 2022.

Financial NBI was down sharply in 2023 at €48,814k vs. €71,999k at 30 June 2022, a change of -€23,185k.

The fall observed can be explained by the increased cost of financing EMTNs carried during the marketing period due to rising interest rates and they were made free of payment for the second quarter of 2023.

Financial NBI comprises the following:

- Income from securities worth €32,357k vs. €54,471k at 30 June 2022, including:
 - Dividends received from its subsidiary Amundi Intermédiation worth €16,007k vs. €45,255k at 30 June 2022.
An advance on the dividend paid out for the profits of the 2022 financial year worth €28,649k was paid in December 2022.
 - Dividends received from its subsidiary Amundi Epargne Salariale et Retraite (ESR) worth €13,776k vs. €9,216k at 30 June 2022.
 - Dividends received from its subsidiary LCLE worth €2,574k in 2023.

- Net interest expenses of €18,263k vs. €1,606k at 30 June 2022, notably including:
 - Interest expenses of €500k in respect of the perpetual subordinated debt.
 - Net income from guarantee deposits for collateral and treasury operations worth €3,056k vs. a net charge of €44k at 30 June 2022.
 - Net expenses on financing the securities collateral business of €1,474k vs. a net charge of €763k at 30 June 2022.
 - An interest charge of €19,625k for financing the EMTN and formula funds business.

- Net income from the swaps, notes issuance, collateral and trading portfolio activities of €32,850k vs. a net income of €24,083k at 30 June 2022, including:
 - Income of €31,523k corresponding to commercialisation risk compensation for these forward financial instruments activities for marketing and launch of new formula-based funds and EMTN.
At 30 June 2022 collection risk compensation came to €19,379k.
 - A charge of €695k relating to the value adjustment for counterparty risk on derivatives (CVA – Credit Value Adjustment).
 - An income of €2,021k from forward financial instruments and carry of securities on all structures vs. €1,483k in income at 30 June 2022, primarily including:
 - + €700k on UCO type structures,
 - + €629k on CA OBLIG IMMO structures,
 - + €563k on CA INDICIA and ARMANTIS structures,
 - + €308k on LCL structures.
 - + €108k on BAWAG structures.

- Income from the investment portfolio activity of €1,870k vs. losses of €4,949k at 30 June 2022, including:
 - €8,047k in provisions for impairment of investment securities.
 - €6,132k losses on sales of investment securities.

Other NBI totalled -€690k and mainly included the expense for Amundi Finance's contribution of €730k to the cost of the obligations of Crédit Agricole SA in its capacity as reference shareholder.

General operating expenses are as follows:

(in thousands of euros)	30/06/2023	31/12/2022	30/06/2022
Personnel expenses			
Wages and salaries	-304	-760	-417
Social security contributions	-117	-329	-154
Incentive and profit-sharing plans	-42	-104	-55
Payroll-related tax	-57	-135	-84
Total personnel expenses	-521	-1,328	-710
Rebilling and transfers of personnel expenses			
Net personnel expenses	-521	-1,328	-710
Administrative expenses			
Taxes other than on income or payroll-related (1)	-1,107	-2,649	-1,293
External services and other administrative expenses	-2,437	-4,983	-2,247
Total administrative expenses	-3,544	-7,633	-3,540
Rebilling and transfers of administrative expenses			
Net administrative expenses	-3,544	-7,633	-3,540
GENERAL OPERATING EXPENSES	-4,064	-8,961	-4,250

(1) including €662k for the resolution fund.

- Personnel expenses stood at €521k at 30 June 2023 vs. €710k at 30 June 2022, principally comprised of:
 - Wages and benefits for permanent staff of €463k vs. €626k at 30 June 2022.
 - Payroll-related taxes of €57k including €54k in taxes on salaries.

- Administrative expenses were stable at €3,544k at 30 June 2023 vs. €3,540k at 30 June 2022, principally comprised of the following:
 - External services of €2,437k vs. €2,247k at 30 June 2022, including:
 - Re invoicing of the staff resources provided to Amundi Finance for an amount of €898k as well as external services of €843k,
 - IT and database costs of €308k, mainly relating to the Murex activity,
 - Agoram rent and expenses of €60k,
 - Legal fees of €184k relating to the update of issuer programmes,
 - Statutory auditors' fees of €79k.
 - Taxes of €1,107k vs. €1,293k at 30 June 2022, including:
 - The contribution to the Single Resolution Fund of €662k vs. €697k at 30 June 2022.
 - The territorial economic contribution for €127k vs. €367k at 30 June 2022.

- The company social solidarity contribution for €118k vs. €91k at 30 June 2022.
- The contribution to the Crédit Agricole SA group VAT equalisation fund at €50k.
- The ACPR tax for €49k vs. €41k at 30 June 2022.
- The ECB contribution for €48k vs. €49k at 30 June 2022.
- The territorial authorities support fund contribution at €47k vs. €40k at 30 June 2022.
- The contribution to the single resolution committee for €6k vs. €7k at 30 June 2022.

Gross Operating Income was a profit of €69,488k at 30 June 2023 vs. a profit of €91,148k at 30 June 2022.

The **Cost of risk** was booked as income of €170k at 30 June 2023, corresponding to the reversal of provision for guarantee calls risk on EMTN structures.

The **Operating income** and **Current pre-tax profit** amounted to €69,658k at 30 June 2023 vs. €81,316k at 30 June 2022.

Corporation tax totalled €9,505k at 30 June 2023 vs. a charge of €10,233k at 30 June 2022.

The **Net income** at 30 June 2023 stood at €60,152k vs. €71,083k at 30 June 2022.

BALANCE SHEET AT 30 JUNE 2023

The balance sheet total was €5,269,122k at 30 June 2023 vs. €3,530,443k at 31 December 2022. The main changes were as follows:

Assets (excluding forward financial instruments):

- Treasury bills and similar securities totalled €645,022k concerning securities transactions relating to the EMIR regulations vs. €622,511k at 31 December 2022.
- Loans and receivables due from credit institutions rose from €225,270k at 30 June 2023 vs. €128,205k recorded at 31 December 2022.

These receivables are principally comprised of:

- €25,194k in ordinary accounts receivable,
- €1,000k in term loans,
- €118,511k in overnight lending and accrued interest with the Group's treasury department vs. an overnight borrowing of €109,011k at 31 December 2022,
- €80,564k in overnight lending and its receivables related to the "collateral" activity, vs. €11,714k at 31 December 2022.

- Shares in affiliated companies are the same as those at 30 June 2022 and come to €46,084k at 30 June 2023. They are detailed in the table below:

SUBSIDIARIES AND EQUITY INVESTMENTS	Currency	% Control at 31/12/2022	Provision 2022	Net book value at 31/12/2022	Increase	Decrease	Gross book value at 30/06/2023	Provision at 30/06/2023	Net book value at 30/06/2023
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
DNA SA	EUR	100	408,000	1,823,000			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			424,000	46,084,179	0	0	46,508,179	424,000	46,084,179

- The bonds and other fixed-income securities portfolio totalled €2,571,213k vs. €60,198k at 31 December 2022.

The positions mainly correspond to the carrying of bonds issued by the subsidiaries Amundi Finance Emissions, LCL Emissions and by Crédit Agricole SA and Amundi SA, during the EMTN marketing phase or before repurchase for destruction by these issuing companies. At 30 June 2023, the balance of EMTNs in the marketing phase and carried by Amundi Finance represented €2,429,000k.

- Equities and other variable-income securities fell to €92,249k at 30 June 2023, vs. €290,365k at 31 December 2022.

This fall was due to the sale of UCITS holdings during the first half of 2023. The operation came in the context of a lessening of the constraints imposed previously relating to regulatory liquidity ratios following the crisis of 2020.

- The item Intangible assets for €227,424k corresponds to business assets.
- The item Other assets (excluding forward financial instruments) amounts to €283,325k vs. €842,480k at 31 December 2022. This includes primarily:
 - Security deposits paid as part of the collateral activity for €261,451k vs. €815,413k at 31 December 2022.
 - Interim payments of corporation tax for €10,952k vs. €23,624k at 31 December 2022.
 - Coupons to be received for €5,553k.
 - Trade receivables of €2,784k vs. €780k at 31 December 2022.
 - Other receivables for €2,585k.

- The item Accrual accounts (excluding forward financial instruments) amounted to €34,013k vs. €34,706k at 31 December 2022.

They are mainly made up of a balance of €33,192k in income receivable on off-balance sheet commitments (guaranteed funds and EMTNs) in line with the rate of collection of revenues: variable guarantee commissions on PEA funds are collected annually, fixed guarantee commissions for the most part on maturity of the funds and the same applies to commissions on the variable guarantee on non-PEA funds.

Investment fees, repurchase compensation and guarantee commissions on EMTN issuances are collected on a quarterly basis.

Accrued expenses differed were €820k at 30 June 2023.

Liabilities (excluding forward financial instruments):

- Liabilities due to credit institutions for €659,227k include:
 - €650,356k in term loans and related debts for the financing of activities subject to the EMIR regulations vs. €623,216k in 2022.
 - €5,701k in overnight borrowings and associated accrued interest related to the collateral activity vs. €690,135k in 2022.
 - €3,171k in positive bank account balances.

- Debt securities in the amount of €30,496k corresponding to Amundi Finance's EMTN issuance programmes.

- Other liabilities (excluding forward financial instruments) in the amount of €2,694,783k at June 2023 (€64,477k in 2022) principally record debt awaiting repayment relating to EMTNs carried during the marketing period for €2,429,000k (following the introduction of free payment), the security deposits received in relation to the collateral activity for €228,750k, the provision for corporation tax for €9,505k and a debt on coupons to pay out for €5,399k.

- The item Accrual accounts (excluding forward financial instruments) at €17,203k vs. €12,559k at 31 December 2022 is broken down as follows:
 - €4,390K in deferred income representing the extension of commercialisation risk compensation on marketed structures such as formula funds, Amundi Finance Emissions EMTNs, LCL Emissions EMTNs.
 - €12,813k in accrued expenses, including:
 - €7,929k in retrocessions on investment fees,
 - €1,657k in provision for resource consortium payments,
 - €392k in market-making fees on structures such as CA Oblig Immo.
 - €383k in provisions for banking taxes.

Forward financial instruments: the activity shows a liability balance of €31,078k at 30 June 2023 vs. an asset balance of €3,745k at 31 December 2022, and is principally comprised of:

- €1,281k on the downturn in the value of financial instruments with respect to the counterparty risk on derivatives (CVA) vs. €587k in 2022.
 - A net liability of €40,675k in positions on options vs. a credit balance of €59,943k in 2022.
 - A credit balance of €20,097k relating to the valuation of forward financial instruments (swaps and options) vs. a net liability of €64,175k in 2022.
 - A net liability of €11,782k with respect to hedging positions vs. a net liability of €100k in 2022.
- Provisions for liabilities and charges of €4,810k vs. €6,064k in 2022, including:
 - €3,050k in provisions for risks on funds and issuance vehicles guarantee activity vs. €3,220k in 2022.
 - €1,661k in provisions for the "Testaments obsèques" guaranteed fund vs. €2,779k in 2022.
 - €63k in provisions for retirement accounts.
 - €25k in provisions for the CPPI fund guarantee.
 - €10k in provisions for compensating the group for VAT.
 - The item Subordinated debt was stable at €100,508k. This item 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 2022	40,320	548,162			139,981	728,463
Dividends paid for 2022		-139,964				-139,964
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		139,981			-139,981	
Retained earnings						
Profit for financial year 2022					60,152	60,152
Other changes						
Balance at 30 June 2023	40,320	548,179			60,152	648,651

OFF-BALANCE SHEET COMMITMENTS AT 30 JUNE 2023

At 30 June 2023, forward financial instruments (FFIs) were booked for a notional amount of €67,912 million vs. €63,038 million at 31 December 2022.

FFI overview

Notional in millions of euro	30/06/2023	31/12/2022	Change as %
FUND FFIs	23,936	25,627	-6.6%
EMTN DNA FFIs			0.0%
EMTN CASA FFIs	1,860	1,896	-1.9%
EMTN LCLE FFIs	24,695	23,889	3.4%
EMTN AFE FFIs	15,502	9,916	56.3%
EMTN AMUNDI SA FFIs	1,233	1,059	16.5%
EMTN AMUNDI FINANCE FFIs	30	31	-1.0%
COLLATERAL SECURITIES FFIs	655	621	5.5%
TOTAL	67,912	63,038	7.7%

Guarantee commitments given totalled €28,121 million vs. €18,008 million at 31 December 2022.

Assets given as collateral totalled €575 million at 30 June 2023 vs. €517 million at 31 December 2022, corresponding to the securities collateral given to the market counterparties within the framework of the EMIR regulations.

Assets received as collateral totalled €990 million at 30 June 2023 vs. €1,012 million at 31 December 2022, corresponding to the securities collateral received from funds and market counterparties within the framework of the EMIR regulations.

DEVELOPMENT PROSPECTS FOR 2023

In the context of continually rising rates, EMTN issuance activity is expected to remain active in France.

In Europe, this business should also be sustained with several formula fund projects in Spain and EMTN issuances in Italy and Austria.

CHANGES MADE IN THE METHODS OF PRESENTATION OF THE FINANCIAL STATEMENTS

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

CONTROL OF THE COMPANY

As at 30 June 2023, the company is controlled as follows:

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

FIGURES FOR THE LAST FIVE FINANCIAL YEARS

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

RISK FACTORS RELATING TO AMUNDI FINANCE

1.1 Credit and counterparty risks

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

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

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

Amundi Finance also uses the net proceeds from the issuance of Securities for the purpose of financing its business in general and to hedge its obligations under the Securities. Therefore, Amundi Finance will use all or part of the proceeds from the issuance of securities to acquire assets that may be, but are not limited to, one or more securities, one or more deposit agreements, and/or one or more swap agreements (the Hedging Contracts). The counterparty may be a bank, a financial institution, an industrial or commercial enterprise, a government or

government entity or an investment fund. The ability of Amundi Finance to satisfy its obligations under the Securities will depend on the receipt of the payments due under these Hedging Contracts. The risk also includes the settlement risk inherent to any transaction entailing an exchange of cash or physical goods outside a secure settlement system.

At 30 June 2023, assets weighted for credit and counterparty risks totalled 2.02 billion euros.

1.2 Market and liquidity risks

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

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

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

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

If the value of the derivatives significantly changes, Amundi Finance may be required to provide collateral to its counterparties, exposing Amundi Finance to liquidity risk. In this case, Amundi Finance would need to borrow the amount to be paid to the counterparties from Crédit Agricole SA and this could entail significant financial costs. Amundi Finance complies with the LCR (Liquidity Coverage Ratio) which includes its cashflow requirements in case of collateral stress. Amundi Finance is dependent on its access to financing and other sources of liquidity, which may be limited for reasons beyond its control, and could have a material adverse effect on its results.

1.3 Operational risks and related risks

1.3.1 Operational risks

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

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

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

1.3.2 Non-compliance and legal and regulatory risks

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

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

The cost to defend future actions may be significant. There may also be adverse publicity associated with litigation that could decrease investors' acceptance of Amundi Finance's

services, regardless of whether the allegations are valid or whether Amundi Finance is ultimately found liable or not. The occurrence of such a risk could result in a loss of value or damage to the Amundi Finance's reputation. However, Amundi Finance has never been exposed to any dispute with an investor likely to have an adverse impact on its results and business prospects since its creation.

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

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

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

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

Amundi Finance's activities and earnings can also be affected by the policies or actions from various regulatory authorities in France or in other countries where Amundi Finance operates. Since its creation, changes in the regulatory framework to which Amundi Finance is subject have had no adverse effect on its business or results.

At 30 June 2023, assets weighted for operational and related risks totalled 0.21 billion euros.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

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

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

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

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

It is characterised by the objectives assigned to it:

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

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

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

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

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

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

1. Organisational principles of the internal control system

a. Fundamental principles

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

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

It is based on two main pillars:

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

b. Management of the system

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

Amundi's internal control system is based on first-level permanent control, a second-level permanent control carried out by the Risk and Compliance functions and partly by the Security

function with regard to the information system, and the periodic control carried out by the Inspection Unit. It covers the entire Group in France and abroad, with the exception of joint ventures in which Amundi is a minority shareholder.

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

The Committee is responsible for:

- Reviewing the internal control mechanism and the control system implemented;
- Reviewing the main risks of any kind to which Amundi is exposed and changes in risk and performance measurement systems and ensuring that the internal control system is adequate to properly manage these risks;
- Taking any necessary decisions to remedy weaknesses in internal control;
- Monitoring the implementation of commitments made following internal and external audits;
- Deciding on corrective measures on the deficiencies identified by the audit missions as well as the activity and control reports available to the heads of control functions or management within the entity.

c. Role of the decision-making body

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

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

d. Role of the executive body

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

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

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

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

e. Consolidated internal control

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

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

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

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

The Amundi Group has strengthened its KYC system.

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

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

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

- **Periodic control system**

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

- **Internal control over information system security**

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

- **Business Continuity Plan (BCP)**

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

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

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

a. Types of risks

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

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

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

b. Risk control system

Amundi Finance's risk control system is based on:

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

c. Non-compliance risk control system

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

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

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

d. Financial Security System

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

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

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

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

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

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

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

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

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

- Prepares the consolidated financial statements in accordance with international accounting standards (IFRS) and in accordance with the accounting rules and principles communicated and defined by the Crédit Agricole Group;
- Prepares the financial statements of each of its entities in accordance with local accounting standards in force;
- Prepares the various regulatory, prudential and tax *reports*;
- Produces the various management information necessary for the management of the activity;
- Carries out Amundi's financial communication to investors.

f. Permanent control of accounting and financial information

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

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

- Compliance of data with legal and regulatory provisions and Crédit Agricole Group standards;

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

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

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

g. Relations with the statutory auditors

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

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

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

h. Periodic control (General Inspection/Audit)

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

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

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

i. Business Continuity Control System

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

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

This operational system has five key elements:

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

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

The potential loss scenarios covered are:

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

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

* * *

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

02

Statutory auditors' report Financial statements as at June 30th 2023

Amundi Finance

**Statutory auditors' review report on the
half-year financial information**

(Period from January 1 to June 30, 2023)

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

Mazars

61, rue Henri Regnault
92400 Courbevoie
SA au capital de 8 320 000 euros
784 824 153 R.C.S. Nanterre

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

Statutory auditors' review report on the half-yearly financial information**(Period from January 1 to June 30, 2023)**

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.

To the Shareholders
Amundi Finance
91-93 boulevard Pasteur
75015 Paris

In compliance with the mission entrusted to us by your general meetings and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code (*code monétaire et financier*), we hereby report to you on:

- the review of the accompanying interim financial statements of Amundi Finance, for the period January 1 to June 30, 2023;
- the verification of the information contained in the half-yearly management report.

These half-year financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review essentially consists of making inquiries, primarily of persons responsible for accounting and financial matters and applying analytical. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France. As such, there is a moderate assurance that the financial statements, taken as a whole, are free from material misstatement, which is lower than the assurance following an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly financial statements are not prepared, in all material respects, in accordance with IAS 34, the standard of IFRS as adopted by the European Union applicable to interim financial information.

II - Specific verification

We have also verified the information given in the half-yearly management report on the half-yearly financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the half-yearly financial statements.

Neuilly-sur-Seine and Paris La Défense, September 15th, 2023

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Mazars

Laurent Tavernier

Jean Latorzeff

**AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS
AT 30/06/2023**

**Approved by the Board of Directors of *AMUNDI FINANCE*
on 01/09/2023**

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AMUNDI FINANCE
INDIVIDUAL FINANCIAL STATEMENTS AT 30/06/2023

BALANCE SHEET AT 30 JUNE 2023

ASSETS

(in thousands of euros)	Notes	30/06/2023	31/12/2022
Interbank and similar transactions		870,291	750,716
Cash, central banks			
Treasury bills and similar securities	5	645,022	622,511
Loans and receivables due from credit institutions	3	225,270	128,205
Customer transactions	4		
Securities transactions		2,663,463	350,564
Bonds and other fixed-income securities	5	2,571,213	60,198
Equities and other variable-income securities	5	92,249	290,365
Fixed assets		273,508	273,508
Equity investments and other long-term securities holdings	6-7		
Shares in affiliated companies	6-7	46,084	46,084
Intangible assets	7	227,424	227,424
Property, plant and equipment	7		
Unpaid subscribed capital			
Treasury shares	8		
Accruals, prepayments and sundry assets		1,461,860	2,155,655
Other assets	9	1,408,574	2,109,899
Accruals	9	53,286	45,756
TOTAL ASSETS		5,269,122	3,530,443

EQUITY & LIABILITIES

(in thousands of euros)	Notes	30/06/2023	31/12/2022
Interbank and similar transactions		659,227	1,313,351
Due to central banks			
Due to credit institutions	11	659,227	1,313,351
Customer deposits	12		
Debt securities	13	30,496	30,796
Accruals, deferred income and sundry liabilities		3,825,429	1,351,760
Other liabilities	14	3,179,073	1,055,375
Accruals	14	646,356	296,385
Provisions and subordinated debt		105,318	106,072
Provisions	15-16-17	4,810	6,064
Subordinated debt	18	100,508	100,008
Fund for general banking risks (FRBG)			
Shareholders' equity excluding FGBR:	19	648,651	728,463
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		326,252	326,235
Profit (Loss) pending approval / interim dividends			
Income for the period		60,152	139,981
TOTAL EQUITY & LIABILITIES		5,269,122	3,530,443

OFF-BALANCE SHEET AT 30 JUNE 2023

(in thousands of euros)	Notes	30/06/2023	31/12/2022
COMMITMENTS GIVEN			
Financing commitments	25		
Guarantee commitments	25	28,159,459	18,047 145
Securities commitments	25		

(in thousands of euros)		30/06/2023	31/12/2022
COMMITMENTS RECEIVED			
Financing commitments	25		
Guarantee commitments	25		
Securities commitments	25		

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

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

INCOME STATEMENT AT 30 JUNE 2023

(in thousands of euros)	Notes	30/06/2023	31/12/2022	30/06/2022
Interest and similar income	27	21,423	19,047	7,892
Interest and similar expenses	27	-39,686	-28,741	-9,498
Income from variable-income securities	28	32,357	83,117	54,471
Fees and commissions (income)	29	41,773	85,990	41,349
Fees and commissions (expenses)	29	-16,344	-32,820	-17,950
Gains (losses) on trading book	30	32,850	57,720	24,083
Gains (losses) on short-term investment portfolios and similar	31	1,870	-9,810	-4,949
Other banking income	32	39		
Other banking operating expenses	32	-730	-703	
Net banking income		73,553	173,799	95,398
General operating expenses	33	-4,064	-8,961	-4,250
Allocations to depreciation and amortisation of property, plant and equipment, and intangible assets				
Gross operating income		69,488	164,838	91,148
Cost of risk	34	170	-2,960	-9,832
Operating income		69,658	161,878	81,316
Net income on fixed assets	35			
Earnings before taxes and extraordinary items		69,658	161,878	81,316
Net extraordinary items				
Corporate income tax	36	-9,505	-21,897	-10,233
Net allocation / Reversals to FRBG and regulated provisions				
Net income		60,152	139,981	71,083

CASH FLOW STATEMENT AT 30 JUNE 2023

(in thousands of euros)	30/06/2023	31/12/2022	30/06/2022
Profit (loss) before taxes	69,658	161,878	81,316
Net depreciation and provisions for property, plant and equipment			
Impairment of goodwill			
Net allocation to impairment	-1,255	-3,051	10,146
Share of earnings of equity-method companies			
Net loss/gain of investment activities			
Income/expenses of financing activities	500	1,000	500
Other movements	5,337	2,255	4,644
Total non-monetary items included in the profit (loss) before tax and other adjustments	4,582	204	15,290
Flows related to transactions with credit institutions	27,137	112,616	79,999
Flows relating to transactions with customers			
Flows relating to other transactions affecting financial assets or liabilities	-2,351,360	1,503,864	518,059
Flows relating to transactions affecting non-financial assets or liabilities	3,177,534	-1,210,561	-988,915
Dividends received from equity-method companies			
Taxes paid	-9,262	-23,305	-36,849
Net decrease/(increase) in assets and liabilities from operating activities	844,050	382,613	-427,707
TOTAL NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	918,290	544,696	-331,101
Flows related to investments		165	158
Flows relating to property, plant and equipment and intangible fixed assets			
TOTAL NET CASH FLOWS FROM INVESTMENT OPERATIONS (B)		165	158
Cash flows from or to shareholders	-139,964	-121,927	-121,927
Other net cash flows from financing activities		-1,000	
TOTAL NET CASH FLOWS FROM FINANCING OPERATIONS (C)	-139,964	-122,927	-121,927
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)	778,325	421,934	-452,870
Cash and cash equivalents at beginning of period	-562,933	-984,868	-984,868
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	-562,933	-984,868	-984,868
Cash and cash equivalents at end of period	215,392	-562,933	-1,437,737
Net cash accounts and accounts with central banks			
Net demand loans and deposits with credit institutions	215,392	-562,933	-1,437,737
CHANGE IN NET CASH AND CASH EQUIVALENTS	778,325	421,934	-452,870

NOTE 1 THE LEGAL AND FINANCIAL FRAMEWORK - HIGHLIGHTS OF THE FIRST HALF OF 2023

1.1 Legal and financial framework

Amundi Finance's share capital totalled €40,320,157 at 30 June 2023. 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 2023. They are expressed in thousands of euros ("€K").

The balance sheet total before appropriation in these financial statements is €5,269,122 K.

Net Banking Income (NBI) in these financial statements is €73,553 K.

Net income for the financial year is €60,152 K (€60,152,478.29).

1.2 Significant events relating to the first half of 2023

There were no significant events relating to the first half of 2023.

1.3 Events subsequent to the interim situation at 30 June 2023

There have been no events subsequent to the interim situation at 30 June 2023.

NOTE 2 ACCOUNTING POLICIES AND PRINCIPLES

The presentation of the financial statements of Amundi Finance is consistent with the provisions of ANC regulation 2014-07, which brings together all of the accounting standards on the basis of established law applicable to credit institutions.

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

Nevertheless, Amundi Finance and the Amundi Finance Emissions and LCL Emissions issuance vehicles have agreed to a free of payment arrangement for issues currently being marketed. This means that Amundi Finance is recording a liability to the issuance vehicles for the nominal value of the issued EMTNs, and this during the entire marketing period.

2.1 Loans and receivables due from credit institutions and customers - signed commitments

Loans and receivables from credit institutions, Amundi Group entities and customers are governed by ANC Regulation 2014-07.

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

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

The customer section includes transactions with financial customers.

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

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

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

Accrued interest on receivables is recorded in the income statement.

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

The accounting treatment of credit risk is defined below:

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

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

Healthy loans and receivables

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

Provisions for credit risk on healthy debt

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

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

Doubtful loans and receivables

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

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

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

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

The doubtful nature of a loan may result from the combined effect of several events.
A counterparty in default only returns to a healthy situation after an observation period that validates that the debtor is no longer in a doubtful situation.

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

Write-off:

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

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

2.2 Securities portfolio

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

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

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

Trading securities

These are securities that, initially, are:

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

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

The following are also considered trading securities:

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

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

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

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

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

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

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

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

Short-term investment securities

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

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

Bonds and other fixed-income securities

These securities are recognised 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" on the income statement.

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

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

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

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

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

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

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

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

Registration dates

Amundi Finance records the securities on the trade date.

Reclassification of securities

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

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

During the first half of 2023, Amundi Finance did not reclassify any security under ANC regulation 2014-07.

2.3 Fixed assets

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

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

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

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

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

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

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

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

Fixed assets are depreciated over their estimated useful lives.

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

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

2.4 Liabilities due to credit institutions and customers

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

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

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

2.5 Debt securities

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

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

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

2.6 Provisions

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

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

All of these risks are assessed on a quarterly basis.

2.7 Forward Financial Instruments and options

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

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

At 30 June 2023, forward financial commitments totalled €67,911,919 K.

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

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 €32,849,971.66, including €31,523,400 in Commercialization Risk Compensation (CRC) related to the launch of new funds and EMTNs.

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

Trading

Trading includes:

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

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

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

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

For instruments:

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

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

Hedging transactions

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

Counterparty risk on derivatives

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

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

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

The methodology used maximises the use of observable entry data.

It is based on:

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

Complex transactions

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

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

2.8 Transactions in foreign currencies

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

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

In accordance with ANC regulation 2014-07, Amundi Finance has rolled out a multi-currency accounting system so that it can track its currency position and measure its exposure to this risk.

2.9 Off-balance sheet commitments

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

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

Guarantee commitments given

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

At 31 December 2022, these guarantees given as well as guarantees granted directly totalled €28,159,459 K.

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

These items are however detailed in note 25.

2.10 Employee profit-sharing and incentive plans

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

Some group companies have formed an Economic and Social Unit (UES) (Amundi, Amundi AM, Amundi ITS, Amundi Finance, Amundi ESR, Société Générale Gestion, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Amundi Finance

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Funds, BFT IM, 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

Pension plans - defined contribution plans

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.12 Extraordinary expenses and income

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

2.13 Corporate income tax

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

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

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

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

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

(in thousands of euros)	30/06/2023						31/12/2022
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	Total
Credit institutions							
Accounts and loans:							
· demand	224,245				224,245	19	224,263
· term		1,000			1,000	6	1,006
Securities received under repurchase agreements							
Securities bought under repurchase agreements							
Subordinated loans							
Total	224,245		1,000		225,245	26	225,270
Impairment							
NET CARRYING AMOUNT	224,245		1,000		225,245	26	225,270
Current accounts							
Term deposits and advances							
Total							
Impairment							
NET CARRYING AMOUNT							
TOTAL	224,245		1,000		225,245	26	225,270

NOTE 4 CUSTOMER TRANSACTIONS

None

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

in thousands of euros	30/06/2023				31/12/2022
	Transaction	Investment	Portfolio securities	Investment	Total
Treasury bills and similar securities:		642,769			642,769
· o/w residual net premium		12,231			12,231
· o/w residual net discount					
Accrued interest		2,253			2,253
Impairment					
Net carrying amount		645,022			645,022
Bonds and other fixed-income securities:					
Issued by public bodies					
Other issuers	2,541 357	29,780			2,571 137
· o/w residual net premium					
· o/w residual net discount					
Accrued interest		197			197
Impairment		-121			-121
Net carrying amount	2,541 357	29,856			2,571 213
Equities and other variable-income securities		94,183			94,183
Accrued interest					
Impairment		-1,934			-1,934
Net carrying amount		92,249			92,249
Total	2,541 357	767,127			3,308 484
Estimated values	2,541 357	767,127			3,308 484

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

in thousands of euros	Net assets 30/06/2023	Net assets 31/12/2022
Governments and central banks (including central governments)		
Credit institutions	159,428	40,425
Financial companies	2,505,893	320,082
Local authorities		
Corporates, insurers and other clients		
Other and non-allocated		
Total principal	2,665,321	360,507
Accrued interest	197	113
Impairment	-2,055	-10,057
Net carrying amount	2,663 463	350,564

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

(in thousands of euros)	30/06/2023				31/12/2022			
	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	2,468,263	642,769		3,111,032	19,910	620,451		640,361
Unlisted securities	102,874		94,183	197,057	40,251		300,346	340,597
Accrued interest	197	2,253		2,450	113	2,060		2,173
Impairment	-121		-1,934	-2,055	-76		-9,981	-10,057
Net carrying amount	2,571,213	645,022	92,249	3,308,484	60,198	622,511	290,365	973,074

The breakdown of all UCITS by type at 30 June 2023 is as follows:

(in thousands of euros)	Inventory value	Net asset value
Money market UCITS		
Bond UCITS		
Equity UCITS		
Other UCITS	92,249	92,249
TOTAL	92,249	92,249

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

in thousands of euros	30/06/2023							31/12/2022
	<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	81	25,218	273,275	2,272,563	2,571,137	197	2,571,334	60,274
Impairment							-121	-76
Net carrying amount	81	25,218	273,275	2,272,563	2,571,137	197	2,571,213	60,198
Treasury bills and similar securities								
Gross value			578,483	64,286	642,769	2,253	645,022	622,511
Impairment								
Net carrying amount			578,483	64,286	642,769	2,253	645,022	622,511

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

in thousands of euros	Net assets 30/06/2023	Net assets 31/12/2022
France (including overseas territories)	3,022,286	608,214
Other EU countries	191,621	72,398
Other European countries		
North America		
Central and South America		
Africa and the Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Total principal	3,213,906	680,612
Accrued interest	2,450	2,173
Impairment	-121	-76
NET CARRYING AMOUNT	3,216,235	682,709

NOTE 6 EQUITY INVESTMENTS AND SUBSIDIARIES

(in thousands of euros)

Company	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
	Current Capital	Shareholders' 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	99.99%	34,167	34,167			62,830	13,792	13,776
4) Other shares in affiliated companies (10% to 50% of share capital)											
AMUNDI INTERMEDIATION (1)	EUR	15,713	54,341	35.81%	5,628	5,628			226,933	124,704	16,007
5) Other shares in affiliated companies (1% to 10% of share capital)											
DNA SA	EUR	2,231	-408	100.00%	2,231	1,823					-44
Amundi Finance Emissions	EUR	2,226	10,907	100.00%	2,226	2,226					3,165
LCL Emissions	EUR	2,225	3,590	100.00%	2,225	2,225					1,783 2,574
Equity investments with a book value lower than 1% of Amundi Finance's share capital											
	EUR				31	15					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					46,508	46,084					

(1) On 28/12/2022, based on its financial position as at 30/09/2022, AMUNDI INTERMEDIATION distributed an interim dividend of €76.37 per share, i.e. €28,648,525.36 paid to AMUNDI FINANCE.

NOTE 7 CHANGE IN FIXED ASSETS

NOTE 7.1 Financial assets

(in thousands of euros)	01/01/2023	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2023
Shares in affiliated companies					
Gross values	46,508				46,508
Advances available for consolidation					
Accrued interest					
Impairment	-424				-424
NET CARRYING AMOUNT	46,084				46,084
Equity investments					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
Other long-term securities holdings					
Gross values					
Advances available for consolidation					
Accrued interest					
Impairment					
NET CARRYING AMOUNT					
TOTAL	46,084				46,084

NOTE 7.2 Property, plant and equipment, and intangible assets

(in thousands of euros)	01/01/2023	Increases (Acquisitions)	Decreases (disposals, maturity)	Other movements	30/06/2023
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)	30/06/2023	31/12/2022
Other assets (1)		
Options purchased	1,125,249	1,267,419
Inventory accounts and other resources used		
Sundry debtors (2)	283,325	842,480
Collective management of LDD securities		
Settlement accounts		
Net carrying amount	1,408,574	2,109,899
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	33,333	35,952
Prepaid expenses	820	
Deferred expenses	19,133	9,804
Other accruals		
Net carrying amount	53,286	45,756
Total	1,461,860	2,155,655

(1) Amounts including accrued interest.

(2) Including €1,849 K contributed to the Single Resolution Fund and paid in the form of a security deposit. This security deposit can be used unconditionally and at any time by the Single Resolution Fund to finance an operation.

OTHER ASSETS are primarily composed of options purchased (€1,125,249 K), deposits paid in connection with the collateral activity (€261,451 K), corporation tax instalments (€10,952 K), trade receivables (€2,784 K), coupons to receive (€5,553 K) and other receivables (€2,585 K).

Other income to be received concerns mainly the guarantee activity.

Other accrued expenses primarily consist of cash adjustments paid on swaps.

NOTE 10 IMPAIRMENT LOSSES DEDUCTED FROM ASSETS

(in thousands of euros)	Balance at 31/12/2022	Allocations	Reversals and uses	Accretion	Other movements	Balance at 30/06/2023
On interbank and similar transactions						
On customer receivables						
On securities transactions	10,481	46	-8,047			2,479
On fixed assets						
On other assets						
Total	10,481	46	-8,047			2,479

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

(in thousands of euros)	30/06/2023					Accrued interest	Total	31/12/2022 Total
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal			
Credit institutions								
Accounts and borrowings:								
· demand	8,871				8,871	1	8,872	690,135
· term	375,000	270,000			645,000	5,356	650,356	623,216
Pledged securities								
Securities sold under repurchase agreements								
CARRYING AMOUNT	383,871	270,000			653,871	5,356	659,227	1,313,351

NOTE 12 CUSTOMER DEPOSITS

None

NOTE 13 DEBT SECURITIES - ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2023					Accrued interest	Total	31/12/2022 Total
	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal			
Short-term borrowing note								
Interbank market securities								
Negotiable debt securities			30,445		30,445	51	30,496	30,796
Bonds								
Other debt securities								
CARRYING AMOUNT			30,445		30,445	51	30,496	30,796

NOTE 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in thousands of euros)	30/06/2023	31/12/2022
Other liabilities (1)		
Counterparty transactions (trading securities)		
Liabilities representing borrowed securities		
Options sold	504,545	994,518
Settlement and trading accounts		
Miscellaneous creditors	2,674,528	60,858
Payments on securities in progress		
Carrying amount	3,179,073	1,055,375
Accruals		
- Collection and transfer accounts		
- Accrual accounts and variance accounts		
- Unrealised gains and gains to be spread out on financial instruments	6,902	9,255
- Deferred income	4,390	3,641
- Accrued expenses on commitments on forward financial instruments	622,112	273,327
- Other accrued expenses	12,952	10,162
- Other accruals		
Carrying amount	646,356	296,385
TOTAL	3,825,429	1,351,760

(1) Amounts including accrued interest.

(2) Change linked to EMTN funding carried during the marketing period.

OTHER LIABILITIES are primarily composed of debt awaiting repayment relating to the EMTN business (€2,429,000 K), options sold (€484,290 K), security deposits received in connection with the collateral activity (€228,750 K), coupons to pay (€5,399 K), corporate income tax charges (€9,505 K) and other liabilities, for the remainder.

NOTE 15 PROVISIONS

in thousands of euros	Balance at 01/01/2023	Allocations	Reversals used	Reversals not used	Other movements	Balance at 30/06/2023
Provisions						
For pensions and similar obligations	63					63
For other employee commitments						
For financial commitment execution risks	3,220			-170		3,050
For tax disputes						
For other litigation						
For country risk						
For credit risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	2,782	36	-3	-1,117		1,697
CARRYING AMOUNT	6,064	36	-3	-1,287		4,810

NOTE 16 HOME OWNERSHIP SAVINGS

None

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

<u>Change in actuarial liability</u>			<u>Changes in fair value of plan assets</u>		
(in thousands of euros)	30/06/2023	31/12/2022	(in thousands of euros)	30/06/2023	31/12/2022
Actuarial liability at 31/12/N-1	217	245	Fair value of assets/right to reimbursement at 31/12/N-1	153	157
Cost of services rendered during the period		20	Expected return on assets		1
Effect of discounting		2	Actuarial gains (losses)		-5
Employee contributions			Employer contribution		
Benefit plan changes, withdrawals, and settlement			Employee contribution		
Change in scope			Benefit plan changes/withdrawals/settlement		
Early retirement allowances			Change in scope		
Benefits paid			Early retirement allowances		
Actuarial gains (losses)		50	Benefits paid by the fund		
Actuarial liability at 31/12/N	217	217	Fair value of assets / right to reimbursement at 31/12/N	153	153

Breakdown of the net charge recognised in the income statement

(in thousands of euros)	30/06/2023	31/12/2022	<u>Net position</u>		
(in thousands of euros)	30/06/2023	31/12/2022	(in thousands of euros)	30/06/2023	31/12/2022
Cost of services rendered during the period		20	Actuarial liability at 31/12/N	217	217
Financial cost		2	Impact of asset restriction	-1	-1
Expected return on assets during the period		-1	Fair value of assets at year-end	-153	-153
Amortisation of past service cost			Net position (liabilities)/assets at 31/12/N	63	63
Other gains or losses					
Net charge recognised in the income statement		21			

NOTE 18 SUBORDINATED DEBT: ANALYSIS BY REMAINING MATURITY

(in thousands of euros)	30/06/2023						31/12/2022
	<3 months	>3 months <1 year	>1 year <5 years	>5 years	Total principal	Accrued interest	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
Frozen current accounts of local banks							
Mutual security deposits							
CARRYING AMOUNT				100,000	100,000	508	100,508

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

Expenses related to subordinated debt total €508 K at 30 June 2023.

NOTE 19 STATEMENT OF CHANGES TO SHAREHOLDERS' EQUITY

(in thousands of euros)	Capital	Premiums, reserves and retained earnings	Interim dividends	Regulated provisions and investment subsidies	Net income	Total shareholders' equity
Balance at 31 December 2022	40,320	548,162			139,981	728,463
Dividends paid for 2022		-139,964				-139,964
Change in share capital						
Change in share premiums and reserves						
Appropriation of company income		139,981			-139,981	
Retained earnings						
Profit for financial year 2022					60,152	60,152
Other changes						
Balance at 30 June 2023	40,320	548,179			60,152	648,651

NOTE 20 COMPOSITION OF EQUITY

(in thousands of euros)	30/06/2023	31/12/2022
Shareholders' equity	648,651	728,463
Fund for general banking risks		
Subordinated debt and participating securities	100,508	100,008
Mutual security deposits		
TOTAL CAPITAL	749,159	828,471

NOTE 21 TRANSACTIONS WITH AFFILIATED COMPANIES AND EQUITY INVESTMENTS

(in thousands of euros)	Balance at 30 June 2023 Transactions with affiliated companies and equity investments	Balance at 31 December 2022 Transactions with affiliated companies and equity investments
Loans and receivables	2,570 697	184,075
Credit institutions and financial institutions	200,732	123,877
Customers		
Bonds and other fixed-income securities	2,369 965	60,198
Debts	759,736	1,413,359
Credit institutions and financial institutions	659,227	1,313 351
Customers		
Debt securities and subordinated debt	100,508	100,008
Commitments given	20,817 430	10,941,709
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	20,817 430	10,941,709
Securities acquired with purchase or payback option		
Other commitments given		

NOTE 22 TRANSACTIONS IN FOREIGN CURRENCIES

(in thousands of euros)	30/06/2023		31/12/2022	
	Assets	Liabilities	Assets	Liabilities
Euro	5,268,645	5,269,112	3,530 313	3,530 443
Other EU currencies	250	10	28	2
Swiss Franc				
Dollar	103			-3
Yen				
Other currencies	124		102	
Total	5,269,122	5,269,122	3,530 443	3,530 443

NOTE 23 FOREIGN EXCHANGE TRANSACTIONS AND FOREIGN CURRENCY LENDING AND BORROWING

(in thousands of euros)	30/06/2023		31/12/2022	
	receivable	payable	receivable	payable
Foreign exchange spot transactions				
Currencies				
Euros				
Forward exchange transactions	39,402	39,405	38,544	38,543
Currencies	19,784	20,025	18,927	18,959
Euros	19,618	19,381	19,618	19,584
Lending and borrowing in foreign currencies				
TOTAL	39,402	39,405	38,544	38,543

NOTE 24 TRANSACTIONS ON FORWARD FINANCIAL INSTRUMENTS

	30/06/2023			31/12/2022
	Hedging transactions	Other transactions	Total	Total
(in thousands of euros)				
Outright transactions	655,000	47,658,375	48,313,375	40,841,070
Transactions on organised markets (1)				
Interest rate futures				
Currency forwards				
Equity and stock market index forwards				
Other forwards				
Over-the-counter transactions (1)	655,000	47,658,375	48,313,375	40,841,070
Interest rate swaps	655,000	15,935,261	16,590,261	7,374,300
Other interest rate forwards				
Currency forwards		78,807	78,807	77,087
FRAs				
Equity and stock market index forwards		31,644,307	31,644,307	33,389,683
Other forwards				
Conditional transactions		19,598,544	19,598,544	22,196,981
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		19,598,544	19,598,544	22,196,981
Interest rate swap options:				
* Bought				
* Sold				
Other forward interest rate instruments				
* Bought				
* Sold				
Currency forwards				
* Bought				
* Sold				
Equities and stock market index forwards				
* Bought		15,136,777	15,136,777	17,224,384
* Sold		4,461,767	4,461,767	4,972,597
Other forwards				
* Bought				
* Sold				
Credit derivatives				
Credit derivative contracts:				
* Bought				
* Sold				
TOTAL	655,000	67,256,919	67,911,919	63,038,051

(1): Amounts on transactions are cumulative lending and borrowing positions (interest rate swaps and interest rate swap options), or the total of contracts purchased and sold (other contracts)

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

(in thousands of euros)	Total 30/06/2023			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	2,220,677	3,600,591	10,768,993	2,220,677	3,600,591	10,768,993			
Currency swaps									
Caps, Floors, Collars									
Interest rate forwards									
Outright transactions on equities and indices	1,142,552	16,046,967	14,454,787	1,142,552	16,046,967	14,454,787			
Conditional transactions on equities and indices	42,686	7,236,718	12,319,140	42,686	7,236,718	12,319,140			
Equity and equity index derivatives									
Sub-total	3,405,916	26,884,276	37,542,920	3,405,916	26,884,276	37,542,920			
Forward currency transactions		78,807			78,807				
Grand total	3,405,916	26,963,083	37,542,920	3,405,916	26,963,083	37,542,920			

NOTE 24.2 FORWARD FINANCIAL INSTRUMENTS: FAIR VALUE

(in thousands of euros)	30/06/2023		31/12/2022	
	Fair value	Outstanding notional amount	Fair value	Outstanding notional amount
Futures				
Currency options				
Outright currency transactions on organised markets				
FRAs				
Interest rate swaps	1,813	16,590,261	-1,722	7,374 300
Currency swaps				
Caps, Floors, Collars				
Equity, equity index and precious metal derivatives	18,315	51,242,851	5,503	55,586 663
Sub-total	20,128	67,833,112	3,781	62,960 963
Forward exchange transactions	1	78,807	2	77,087
TOTAL	20,129	67,911,919	3,783	63,038,051

NOTE 24.3 BREAKDOWN OF INTEREST RATE SWAPS

(in thousands of euros)

INTEREST RATE AND CURRENCY SWAPS	Isolated open position	Micro-hedging	Macro-hedging	Transaction swaps
Exchange rate contracts		655,000		15,935 261
Similar contracts (1)				

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

NOTE 25 FINANCING AND GUARANTEE COMMITMENTS AND OTHER GUARANTEES

<i>(in thousands of euros)</i>	30/06/2023	31/12/2022
COMMITMENTS GIVEN	28,159,459	18,047,145
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
- Confirmed credit lines		
Letters of credit		
Other confirmed lines of credit		
- Other commitments to customers		
Guarantee commitments	28,159,459	18,047,145
Commitments to credit institutions		
- Confirmed documentary credit lines		
- Other guaranties		
Commitments to customers	28,159,459	18,047,145
- Property guarantees		
- Financial guarantees		
- Other guarantees to customers	28,159,459	18,047,145
Securities commitments		
. Securities acquired with repurchase or buyback option		
. Other commitments to be given		
COMMITMENTS RECEIVED		
Financing commitments		
Commitments received from credit institutions		
Commitments received from customers		
Guarantee commitments		
Commitments received from credit institutions		
Commitments received from customers		
Securities commitments		
Securities sold with repurchase or buyback option		
Other commitments received		

NOTE 25.1 ASSETS GIVEN AND RECEIVED AS COLLATERAL

Pursuant to the European Market and Infrastructure Regulation (EMIR), applicable to all financial (institutions, investment companies, 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 €990,311 K euros,
- securities given to counterparties as guarantees in the amount of €574,784 K euros.

NOTE 26 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVES

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

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

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

Breakdown of counterparty risk on financial futures

	30/06/2023			31/12/2022		
	Market value	Potential credit risk	Total counterparty risk	Market value	Potential credit risk	Total counterparty risk
<i>(in thousands of euros)</i>						
Risk regarding OECD governments and central banks and similar organisations						
Risk regarding OECD financial institutions and similar organisations	1,318,971	1,281	1,317,690	1,263,399	587	1,262,812
Risks on other counterparties						
Total before impact of netting agreements	1,318,971	1,281	1,317,690	1,263,399	587	1,262,812
O/w risk on:						
interest rate, currency and commodities contracts	26,334		26,334	26,712		26,712
Equity and index derivatives	1,292,637		1,292,637	1,236 687		1,236 687
Total before impact of netting agreements	1,318,971		1,318,971	1,263 399		1,263 399
Impact of netting agreements	228,700		228,700	36,530		36,530
Total after impact of netting agreements	1,090,271	1,281	1,088,990	1,226 869	587	1,226 282

NOTE 27 NET INTEREST AND SIMILAR INCOME

(in thousands of euros)	30/06/2023	31/12/2022
On transactions with credit institutions	6,249	5,278
On transactions with customers	743	94
On bonds and other fixed-income securities	1,525	1,042
Net income on macro-hedging transactions	6,672	
Other interest and similar income	24	122
Interest and similar income	15,213	6,538
On transactions with credit institutions	-32,719	-13,366
On transactions with customers	-4	-502
Net expense on macro-hedging transactions		-939
On bonds and other fixed-income securities	-620	-1,153
Interest and similar expenses	-133	-271
Interest and similar expenses	-33,476	-16,232
Total net interest and similar income	-18,263	-9,694

NOTE 28 INCOME FROM SECURITIES

(in thousands of euros)	30/06/2023	31/12/2022
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	32,357	83,117
Short-term investment securities and medium-term portfolio securities		
Other securities transactions		
Income from variable-income securities	32,357	83,117
TOTAL INCOME FROM SECURITIES	32,357	83,117

NOTE 29 NET FEE AND COMMISSION INCOME

(in thousands of euros)	30/06/2023			31/12/2022		
	Income	Expenses	Net	Income	Expenses	Net
On transactions with credit institutions						
On transactions with customers						
On securities transactions	21,091	-15,909	5,182	29,800	-21,816	7,984
On financial forwards and other off-balance sheet transactions	19,562	-410	19,151	46,132	-6,932	39,200
On financial services						
Provision fee and commission risks	1,120	-25	1,095	10,058	-4,072	5,986
TOTAL NET FEE AND COMMISSION INCOME	41,773	-16,344	25,429	85,990	-32,820	53,170

NOTE 30 NET GAINS (LOSSES) ON TRADING BOOK

(in thousands of euros)	30/06/2023	31/12/2022
Net gains (losses) on trading securities	4,594	-11,564
Net gains (losses) on currency transactions and similar financial instruments		
Net gains (losses) on financial futures	28,256	69,284
NET GAINS (LOSSES) ON TRADING BOOK	32,850	57,720

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

(in thousands of euros)	30/06/2023	31/12/2022
Short-term investment securities		
Impairment losses	-46	-9,824
Reversal of impairment losses	8,047	3
Net impairment losses	8,002	-9,820
Gains on disposals		10
Losses on disposals	-6,132	
Net gains (losses) on disposals	-6,132	10
Net gains (losses) short-term investment securities	1,870	-9,810
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	1,870	-9,810

NOTE 32 OTHER BANKING INCOME AND EXPENSES

(in thousands of euros)	30/06/2023	31/12/2022
Miscellaneous income	39	
Share of joint ventures		
Rebilling and transfer of expenses		
Reversal of provisions		
Other banking income	39	
Other expenses		
Share of joint ventures		
Rebilling and transfer of expenses	-730	-703
Provisions		
Other banking operating expenses	-730	-703
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS	-690	-703

NOTE 33 GENERAL OPERATING EXPENSES

(in thousands of euros)	30/06/2023	31/12/2022
Personnel expenses		
Wages and salaries	-304	-760
Social security contributions	-117	-329
Incentive and profit-sharing plans	-42	-104
Payroll-related tax	-57	-135
Total personnel expenses	-521	-1,328
Rebilling and transfers of personnel expenses		
Net personnel expenses	-521	-1,328
Administrative expenses		
Taxes other than on income or payroll-related (1)	-1,107	-2,649
External services and other administrative expenses	-2,437	-4,983
Total administrative expenses	-3,544	-7,633
Rebilling and transfers of administrative expenses		
Net administrative expenses	-3,544	-7,633
GENERAL OPERATING EXPENSES	-4,064	-8,961

(1) including €662 K for the Single Resolution Fund.

NOTE 33.1 HEADCOUNT

(average number of employees)	30/06/2023	31/12/2022
Executives	9	9
Non-executives		
TOTAL	9	9
<i>Of which: France</i>	9	9
<i>Foreign</i>		
<i>Of which: seconded employees</i>		

NOTE 34 COST OF RISK

(in thousands of euros)	30/06/2023	31/12/2022
Allocations to provisions and impairment	170	-3,220
Impairment of doubtful loans and receivables		
Other allocations to provisions and impairment	170	-3,220
Reversals of provisions and impairment		260
Reversals of impairment of doubtful loans and receivables		
Other reversals of provisions and impairment		260
Change in provisions and impairment	170	-2,960
Losses on non-impaired uncollectable receivables		
Losses on impaired uncollectable receivables		
Discounts on restructured loans		
Recoveries on impaired receivables		
Other losses		
Other income		
COST OF RISK	170	-2,960

NOTE 35 NET INCOME ON FIXED ASSETS

None

NOTE 36 CORPORATE INCOME TAX

(in thousands of euros)

Breakdown of corporate income tax	Earnings before taxes	Tax due	Net income after tax
Net recurring income	69,634	-9,505	60,128
Regulated provisions Employee profit-sharing	24		24
Net income	69,658	-9,505	60,152
Tax credits Tax assets Allocation			
Corporate income tax	69,658	-9,505	60,152

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

NOTE 37 OPERATIONS IN NON-COOPERATIVE COUNTRIES AND TERRITORIES

Not applicable

NOTE 38 APPROPRIATION OF INCOME

Not applicable on 30 June 2023.

NOTE 39 DISCLOSURE OF STATUTORY AUDITORS' FEES

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

MISCELLANEOUS COMPENSATION

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

03

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 14th September 2023

Olivier GUILBAULT
Chief Executive Officer

Amundi Finance

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Société Anonyme au capital de 40 320 157 Euros - 421 304 601 RCS Paris - Identification TVA : FR32421304601

Etablissement de crédit régi par le Code Monétaire et Financier

AMUNDI FINANCE

Semestrial Financial Report June 30th 2023

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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