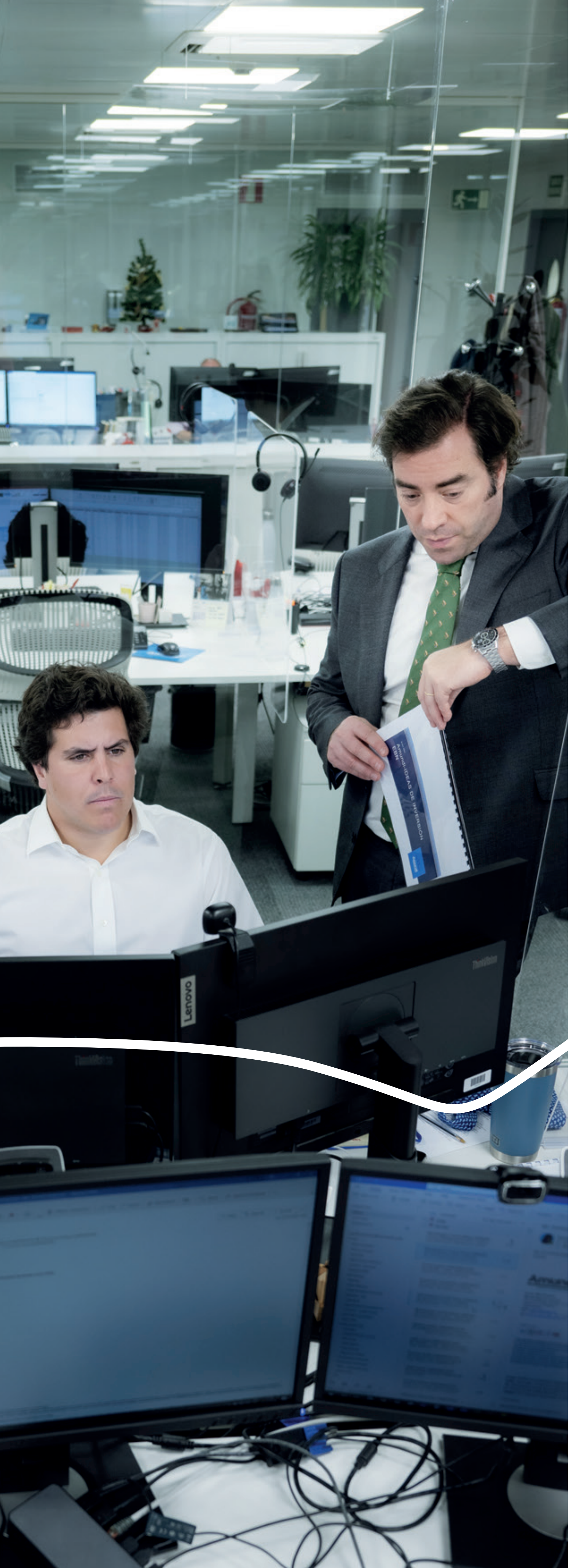

6

CONSOLIDATED FINANCIAL STATEMENTS OF THE AMUNDI GROUP FOR THE YEAR ENDED 31 DECEMBER 2023

The consolidated financial statements consist of the general framework, the consolidated financial statements and the notes to the financial statements.

6.1 GENERAL FRAMEWORK

The Amundi Group ("Amundi") is a group of companies whose primary business is managing assets on behalf of third parties.

Amundi is the consolidating entity of the Amundi Group of companies. It is a Limited Liability Company with a Board of Directors (registered under number 314 222 902 in the Trade and Companies Register of Paris, France) with share capital of €511,619,085.00 comprising 204,647,634 shares with a nominal value of €2.50 each. The Company's registered office is located at 91-93 boulevard Pasteur, 75015 Paris, France.

Amundi shares are traded on Euronext Paris. Amundi is governed by the stock market regulations in effect, notably with respect to its obligation to inform the public.

Amundi is a credit institution with approval from the Autorité de contrôle prudentiel et de résolution (ACPR) under number 19530. Group companies that perform asset management activities have obtained the necessary approvals from the supervisory authorities they report to in France and other countries.

As at 31 December 2023, Amundi was owned 67.24% by Crédit Agricole S.A. and 1.69% by other Crédit Agricole SA Group companies.

Amundi is fully consolidated in the financial statements of Crédit Agricole SA and the Crédit Agricole group.

6.2 CONSOLIDATED FINANCIAL STATEMENTS

6.2.1 Income statement

(In € thousands)	Notes	2023	2022
Revenue from commissions and other income from customer activities (a)		5,618,075	5,872,187
Commissions and other expenses from customer activities (b)		(2,654,429)	(2,754,756)
Net gains or losses on financial instruments at fair value through profit or loss on client activities (c)		116,458	57,792
Interest and similar income (d)		108,530	31,498
Interest and similar expenses (e)		(104,395)	(54,730)
Net gains or losses on financial instruments at fair value through profit or loss (f)		85,852	(17,030)
Net gains or losses on financial assets at fair value through equity (g)		6,272	7,984
Income from other activities (i)		60,066	27,369
Expenses from other activities (j)		(114,220)	(114,787)
Net revenues from commissions and other customer activities (a) + (b) + (c)	**4.1**	**3,080,104**	**3,175,223**
Net financial income (d) + (e) + (f) + (g)	**4.2**	**96,259**	**(32,278)**
Other net income (i) + (j)	**4.3**	**(54,154)**	**(87,418)**
NET REVENUES		**3,122,209**	**3,055,527**
General operating expenses	4.4	(1,705,951)	(1,732,682)
GROSS OPERATING INCOME		**1,416,258**	**1,322,845**
Cost of risk	4.5	(2,622)	(12,115)
Share of net income of equity-accounted entities		101,995	88,153
Net gains or losses on other assets	4.6	(4,932)	4,001
Change in the value of goodwill			
INCOME BEFORE TAX		**1,510,699**	**1,402,883**
Income tax charge	4.7	(350,758)	(328,669)
NET INCOME FOR THE FINANCIAL YEAR		**1,159,942**	**1,074,214**
Non-controlling interests		4,942	(499)
NET INCOME - GROUP SHARE		**1,164,884**	**1,073,716**

Detail of the calculation of earnings per share is presented in note 5.15.3

6.2.2 Net income and gains and losses recognised directly in equity

(In € thousands)	Notes	2023	2022
Net income		**1,159,942**	**1,074,214**
• Actuarial gains and losses on post-employment benefits		(14,961)	39,807
• Gains and losses on financial liabilities attributable to changes in own credit risk			
• Gains and losses on equity instruments recognised in non-recyclable equity	5.5	(21,960)	81,811
• Gains and losses on non-current assets held for sale			
Pre-tax gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities		(36,921)	121,618
Pre-tax gains and losses recognised directly in non-recyclable equity of equity-accounted entities			
Taxes on gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities		4,139	(11,549)
Taxes on gains and losses recognised directly in non-recyclable equity of equity-accounted entities			
Net gains and losses recognised directly in equity and non-recyclable as income at a later date		**(32,782)**	**110,068**
• Gains and losses on currency translation adjustments (a)		(33,680)	26,954
• Gains and losses on debt instruments recognised in recyclable equity (b)	5.5	(2,440)	429
• Gains and losses on hedging derivatives (c)		-	-
Pre-tax gains and losses recognised directly in recyclable equity, excluding entities accounted for by the equity method (a) + (b) + (c)		(36,121)	27,383
Taxes on gains and losses recognised directly in recyclable equity, excluding equity-accounted entities		632	(112)
Pre-tax gains and losses recognised directly in recyclable equity of equity-accounted entities		(24,508)	(16,607)
Taxes on gains and losses recognised directly in recyclable equity of equity-accounted entities			
Net gains and losses recognised directly in equity and recyclable as income at a later date		(59,997)	10,664
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**(92,779)**	**120,732**
TOTAL NET INCOME INCLUDING NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**1,067,163**	**1,194,946**
of which, Group share		1,075,414	1,195,662
of which, non-controlling interests		(8,251)	(715)

6.2.3 Assets

(In € thousands)	Notes	31/12/2023	31/12/2022
Cash and central banks	5.1	523,199	502,836
Financial assets at fair value through profit or loss	5.2	22,476,640	14,900,015
Financial assets at fair value through equity	5.5	862,771	839,597
Financial assets at amortised cost	5.6	1,935,236	1,197,226
Current and deferred tax assets	5.9	272,068	346,534
Accruals and sundry assets	5.10	2,042,645	2,862,004
Investments in equity-accounted entities	5.11	497,638	443,020
Property, plant and equipment	5.12	307,743	342,869
Intangible assets	5.12	385,135	451,421
Goodwill	5.13	6,707,713	6,731,226
TOTAL ASSETS		**36,010,789**	**28,616,748**

6.2.4 Liabilities

(In € thousands)	Notes	31/12/2023	31/12/2022
Financial liabilities at fair value through profit or loss	5.3	19,359,232	12,985,633
Financial liabilities at amortised cost	5.7	1,594,591	1,427,268
Current and deferred tax liabilities	5.9	252,982	242,550
Accruals, deferred income and sundry liabilities	5.10	2,974,584	2,484,326
Provisions	5.14	101,693	93,266
Subordinated debt	5.8	304,976	302,677
Total debt		**24,588,058**	**17,535,719**
Equity, Group share		11,369,051	11,025,831
Share capital and reserves	5.15	3,041,607	3,007,151
Consolidated reserves		7,193,301	6,886,236
Gains and losses recognised directly in equity		(30,741)	58,728
Net income for the period		1,164,884	1,073,716
Non-controlling interests		53,680	55,198
Total equity		**11,422,732**	**11,081,029**
TOTAL LIABILITIES		**36,010,789**	**28,616,748**

6.2.5 Statement of changes in shareholders' equity

	Group share							
	Share capital and reserves				Gains and losses recognised directly in equity			
(In € thousands)	Share capital	Consolidated premiums and reserves related to capital	Disposal of treasury holdings	Total capital and consolidated reserves	In non-recyclable equity	In recyclable equity	Net income	Equity Group share
EQUITY AS AT 1 JANUARY 2022	**507,687**	**10,242,894**	**(16,662)**	**10,733,918**	**(80,987)**	**17,833**	**-**	**10,670,764**
Capital increase	1,963	26,406		28,369				28,369
Changes in treasury holdings		(2,073)	(54,324)	(56,397)				(56,397)
Dividends paid in 2022		(831,137)		(831,137)				(831,137)
Effect of acquisitions and sales on non-controlling interests		400		400	(64)			337
Changes related to share-based payments		16,736		16,736				16,736
Changes related to transactions with shareholders	**1,963**	**(789,668)**	**(54,324)**	**(842,029)**	**(64)**	**-**	**-**	**(842,092)**
Change in gains and losses recognised directly in equity		2,014		2,014	110,068	28,485		140,567
Share of capital fluctuations of equity-accounted entities				-		(16,607)		(16,607)
2022 net income				-			1,073,716	1,073,716
Comprehensive net income as at 31 December 2022	**-**				**110,068**	**11,878**	**1,073,716**	**1,195,662**
Other changes		(516)		(516)				(516)
EQUITY AS AT 31 DECEMBER 2022	**509,650**	**9,454,724**	**(70,986)**	**9,893,387**	**29,018**	**29,710**	**1,073,716**	**11,025,831**
Allocation of 2022 net income		1,073,716		1,073,716			(1,073,716)	-
EQUITY AS AT 1 JANUARY 2023	**509,650**	**10,528,439**	**(70,986)**	**10,967,103**	**29,018**	**29,710**	**-**	**11,025,831**
Capital increase	1,969	27,943		29,912				29,912
Changes in treasury holdings		1,202	4,554	5,756				5,756
Dividends paid in 2023		(830,553)		(830,553)				(830,553)
Effect of acquisitions and sales on non-controlling interests		35,266		35,266				35,266
Changes related to share-based payments		26,647		26,647				26,647
Changes related to transactions with shareholders	**1,969**	**(739,495)**	**4,554**	**(732,972)**	**-**	**-**	**-**	**(732,972)**
Change in gains and losses recognised directly in equity				-	(32,782)	(32,180)		(64,962)
Share of capital fluctuations of equity-accounted entities				-		(24,508)		(24,508)
2023 income				-			1,164,884	1,164,884
Comprehensive income as at 31 December 2023	**-**				**(32,782)**	**(56,687)**	**1,164,884**	**1,075,414**
Other changes		778		778				778
EQUITY AS AT 31 DECEMBER 2023	**511,619**	**9,789,722**	**(66,432)**	**10,234,909**	**(3,765)**	**(26,977)**	**1,164,884**	**11,369,051**

	Non-controlling interests				
		Gains and losses recognised directly in equity			
(in € thousands)	Capital consolidated reserves and net income	In non-recyclable equity	In recyclable equity	Non-controlling interests	Consolidated equity
EQUITY AS AT 1 JANUARY 2022	**51,179**	**(64)**	**5,074**	**56,189**	**10,726,953**
Capital increase				-	28,369
Changes in treasury holdings				-	(56,397)
Dividends paid in 2022	61			61	(831,076)
Effect of acquisitions and sales on non-controlling interests	(400)	64		(337)	-
Changes related to share-based payments				-	16,736
Changes related to transactions with shareholders	**(339)**	**64**	**-**	**(275)**	**(842,368)**
Changes in gains and losses recognised directly in equity			(1,214)	(1,214)	139,353
Share of changes in equity of equity-accounted companies				-	(16,607)
2022 net income	499			499	1,074,214
Comprehensive net income as at 31 December 2022	**499**	**-**	**(1,214)**	**(715)**	**1,194,946**
Other changes				-	(516)
EQUITY AS AT 31 DECEMBER 2022	**51,339**	**(0)**	**3,860**	**55,198**	**11,081,029**
Allocation of 2022 net income				-	-
EQUITY AS AT 1 JANUARY 2023	**51,339**	**(0)**	**3,860**	**55,198**	**11,081,029**
Capital increase				-	29,912
Changes in treasury holdings				-	5,756
Dividends paid in 2023				-	(830,553)
Effect of acquisitions and sales on non-controlling interests	6,734			6,734	42,000
Changes related to share-based payments				-	26,647
Changes related to transactions with shareholders	**6,734**	**-**	**-**	**6,734**	**(726,238)**
Changes in gains and losses recognised directly in equity			(3,309)	(3,309)	(68,271)
Share of changes in equity of equity-accounted companies				-	(24,508)
2023 income	(4,942)			(4,942)	1,159,942
Comprehensive income as at 31 December 2023	**(4,942)**	**-**	**(3,309)**	**(8,251)**	**1,067,163**
Other changes				-	778
EQUITY AS AT 31 DECEMBER 2023	**53,130**	**(0)**	**550**	**53,680**	**11,422,732**

6.2.6 Cash flow statement

The Group's cash flow statement is presented below using the indirect method. Cash flows in the financial year are shown by type: operating activities, investment activities and financing activities.

Operating activities are activities carried out on behalf of third parties which are selected mainly by fee and commission cash flows, and activities on its own behalf (investments and related financing, intermediation of swaps between funds and markets etc.). Tax inflows and outflows are included in full within operating activities.

Investment activities include acquisitions and disposals of investments in consolidated and non-consolidated companies, along with purchases of tangible and intangible fixed assets.

Non-consolidated equity securities included in this section are accounted for as "Financial assets at fair value through profit or loss" or "Financial assets at fair value through non-recyclable equity".

Financing activities cover all transactions relating to equity (issues and buybacks of shares or other equity instruments, dividend payments etc.) and long-term borrowings.

Net cash includes cash, receivables and amounts due with central banks, debit and credit balances in bank current accounts and demand loans with credit institutions, and overnight accounts and loans.

(In € thousands)	Notes	2023	2022
INCOME BEFORE TAX		1,510,699	1,402,883
Net depreciation and amortisation and provisions in relation to tangible and intangible fixed assets	4.4	85,286	88,777
Goodwill impairmen		-	-
Net write-downs and provisions		(5,731)	2,891
Share of net income of equity-accounted companies		(101,995)	(88,153)
Net income from investment activities		4,966	(4,001)
Net income from financing activities		17,649	9,992
Other movements		25,615	31,378
Total non-monetary items included in net income before tax and other adjustments		**25,791**	**40,884**
Flows related to transactions with credit institutions[1]		53,277	(282,986)
Flows relating to other transactions affecting financial assets or liabilities[2]		(1,256,574)	396,295
Flows relating to transactions affecting non-financial assets or liabilities[3]		1,449,213	(1,291,505)
Dividends from equity-accounted companies	5.11	22,869	13,337
Tax paid	4.7	(261,822)	(462,696)
Net decrease (increase) in assets and liabilities from operating activities		**6,962**	**(1,627,555)**
Net flows in cash flow from operating activities (A)		**1,543,452**	**(183,787)**
Changes in participating interests		33,259	568
Changes in tangible and intangible fixed assets		(53,430)	(50,195)
Net cash flows from investing activities (B)		**(20,171)**	**(49,627)**
Cash flow from or intended for shareholders		(794,694)	(859,483)
Other net cash flows from financing activities		(50,726)	(120,737)
Net cash flow from financing transactions (C)[4]		**(845,420)**	**(980,220)**
Impact of exchange rate changes and other changes on cash (d)		(26,988)	1,711
CHANGES IN NET CASH (A + B + C + D)		**650,873**	**(1,211,924)**
Cash at beginning of the period		**1,294,691**	**2,506,615**
Net cash balance and central banks		502,836	947,661
Net demand loans and deposits with credit institutions		791,855	1,558,954
Cash at end of the period		**1,945,565**	**1,294,691**
Net cash balance and central banks		523,199	502,836
Net demand loans and deposits with credit institutions		1,422,366	791,855
CHANGES IN NET CASH		**650,873**	**(1,211,924)**

(1) Changes in interbank items correspond to term loans or borrowings. Transactions contracted as part of Amundi's operational activity, primarily with the Crédit Agricole group.

(2) Operating flows impacting financial assets and liabilities include investments and divestments in the investment portfolio.

(3) The flows of non-financial assets and liabilities includes margin calls on collateralised derivatives. These amounts fluctuate depending on the fair value of the underlying derivatives.

(4) Financing transactions flows include the impact of the payment of dividends to shareholders for financial year 2022. They also incorporate the reduced lease liabilities recognised as part of applying IFRS 16.

6.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Detailed summary of the Notes

Period highlights

The reporting entities and changes as at 31 December 2023 are presented in detail in note 9.3.

We note here the main transactions that were carried out in financial year 2023.

Strategic partnership between Amundi and Caceis

In a press release on 24 April 2023, Amundi and Caceis announced the acquisition by Caceis of 33.32% of Fund Channel, in which Amundi remains the majority shareholder.

With this partnership, Fund Channel can offer one of the best platform solutions for investment managers and distributors, with comprehensive trading and distribution services, capitalising on the strength and expertise of its two shareholders.

Capital increase reserved for Group employees

On 23 June 20023, the Amundi group issued a press release announcing the launch of a capital increase reserved for employees, the principle of which had been authorised by the general meeting of 12 May 2023.

The subscription period for this capital increase reserved for employees ended on 30 June 2023.

Nearly 2,000 employees from 15 countries took part in this capital increase by subscribing for 787,503 new shares (or 0.4% of the capital) for a total amount of €30.3 million.

This capital increase took place on 27 July 2023, bringing the number of shares comprising Amundi's capital to 204,647,634 shares. Group employees held 1.4% of the share capital compared with 1.1% previously.

New tax regulations - Globe

New international tax rules have been established by the OECD, with the aim of imposing additional taxation on large international groups when the Effective Tax Rate (ETR) of the jurisdiction in which they are based is below 15%. These rules are designed to prevent countries from competing with each other through tax rates.

These rules must be implemented by the various Member States.

A European Directive was adopted at the end of 2022 (which is currently being transposed into national law by the Member States) and stipulates that the GloBE rules will apply in the EU from financial year 2024. At this stage, census work is in progress. However, it is not expected to have a significant impact on the Amundi Group.

Note 1 PRINCIPLES AND METHODS

1.1 Applicable standards and comparability

These consolidated financial statements were prepared in accordance with IAS/IFRS standards and the IFRIC interpretations applicable as at 31 December 2023, as adopted by the European Union. This reference is available from the European Commission website at:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

1.1.1 Standards applied as at 31 December 2023

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements as at 31 December 2023 are identical to those used for the preparation of the consolidated statements for the year ended 31 December 2022, with the exception of the following standards, amendments and interpretations newly applicable to the 2023 fiscal period:

Standards, amendments and interpretations	Date of publication by the European Union	Date of first mandatory application for open financial years from
IAS 1 Disclosure of accounting methods	3 March 2022 (EU 2022/357)	1 January 2023
IAS 8 Accounting estimates	3 March 2022 (EU 2022/357)	1 January 2023
IAS 12 Deferred tax relating to assets and liabilities from the same transaction	12 August 2022 (EU 2022/1392)	1 January 2023

1.1.2 Standards not yet adopted by the EU

As at 31 December 2023, the Group has not applied the standards and interpretations published by the IASB and not yet adopted by the European Union. They will not become compulsory until the date set by the European Union and, therefore, the Group has not adopted these as at 31 December 2023.

1.2 Presentation format of the financial statements

Amundi presents its balance sheet in decreasing liquidity order. The assets and liabilities balance sheet is presented in notes 6.2.3. and 6.2.4.

The income statement is presented, by type, in note 6.2.1.

The main income statement aggregates are:

- net income, including net revenues from commissions and other customer activities (note 1.3.6) and net financial income;
- general operating expenses;
- cost of risk (note 1.3.13);
- the share of net income from equity-accounted entities;
- net gains or losses on other assets;
- income tax charges.

1.3 Accounting principles and methods

1.3.1 Use of assumptions and estimates for the preparation of the financial statements

The preparation of the financial statements in accordance with the IFRS accounting standards implies that the Group carries out a number of estimates and retains certain assumptions it deems realistic and reasonable. The estimates relate to the identification of income and expenses and the valuation of assets and liabilities as well as the information in the notes to the financial statements.

The exercise assumes that Management applies its judgement based on the information available at the time the statements are prepared. Due to the uncertainties inherent in any valuation process, the Group revises its estimates based on information updated on a regular basis. It is therefore possible that the future results of the operations in question differ from the estimates.

Future results can indeed be impacted by a number of different factors, notably (but not exclusively):

- the economic and political environment in certain business sectors and countries;
- the risks associated with financial markets, including changes in the domestic and international markets as well as fluctuations in interest rates, exchange rates, equities and credit spreads. In line with the sensitivity of managed assets to any variation in financial markets (equity, rates, etc.), this may have an impact on the Amundi Group's asset management revenues;
- changes in regulations and legislation;
- the risk of non-compliance with regulations and legislation.

The significant estimates made by the Group to prepare the financial statements relate primarily to:

- assessment of the recoverable amount of goodwill and other intangible assets (see notes 1.4.6 and 5.13.);

- the fair value measurement of financial instruments, including non-consolidated participating interests (see notes 1.3.2 and 7);
- the valuation of provisions for guarantees granted to funds;
- the valuation of provisions for retirement commitments;
- the valuation of provisions for legal, tax, regulatory and non-compliance risks (please refer to notes 1.3.2.10 and 5.14).

All these assessments are carried out on the basis of the information available on the date of establishing the financial statements.

1.3.2 Financial instruments

1.3.2.1 Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity, i.e. any contract representing contractual rights or obligations to pay or receive liquid assets or other financial assets.

Derivatives are financial assets and liabilities that derive their value from an underlying, which require little or no initial investment and which are settled at a future date.

Financial assets and liabilities are recognised in the financial statements in accordance with the provisions of IFRS 9 as adopted by the European Union.

IFRS 9 sets new principles governing the classification and measurement of financial instruments, impairment of credit risk and hedge accounting, excluding macro-hedging transactions.

Please note, however, that Amundi has opted not to apply the general IFRS 9 hedging accounting model. Consequently, IAS 39 continues to be applied to all hedging relationships whilst awaiting future provisions for macro-hedging.

1.3.2.2 Bases for measuring financial assets and liabilities

Initial measurement

Upon initial recognition, financial assets and liabilities are valued at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, on the primary or most advantageous market.

Subsequent measurement

After initial recognition, financial assets and liabilities are valued based on their classification, either at their amortised cost using the effective interest rate (EIR) method for debt instruments, or at their fair value as specified by IFRS 13. Derivatives are always measured at fair value.

Amortised cost is the amount at which the financial asset or liability is measured upon initial recognition, including the transaction costs directly attributable to their acquisition or issue, less principal repayments, plus or minus accumulated amortisation, calculated using the effective interest rate (EIR) method for any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset at amortised cost or at fair value through recyclable equity, the amount may be adjusted for impairment losses, if necessary.

The EIR discounts expected future cash inflows and outflows over the expected life of the financial instrument or, where applicable, over a shorter period in order to obtain the net book value of the financial asset or liability.

1.3.2.3 Financial assets

Classification and measurement of financial assets

Non-derivative financial assets (debt or equity instruments) are classified in accounting categories in the financial statements that determine their accounting treatment and their subsequent measurement method. These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost (debt instruments only);
- financial assets at fair value through equity (recyclable for debt instruments, non-recyclable for equity instruments).

Debt instruments

The classification and measurement of debt instruments depends on two criteria, the management model and the analysis of contractual characteristics (unless the fair value option is used).

The three management models

The management model is representative of the financial asset management strategy followed by Amundi's management in order to meet its objectives. The management model is specified for an asset portfolio and does not constitute an intention, on a case-by-case basis, for an isolated financial asset.

There are three separate management models:

- the "hold to collect" model which aims to collect contractual cash flows over the life of the assets; this model does not necessarily mean that all assets are held to contractual maturity, but asset sales are strictly controlled;
- the "hold to collect and sell" model which aims to collect cash flows over the life of the asset and to dispose of assets; under this model, the sale of financial assets and the receipt of cash are both essential; and
- the other/sell model whose primary objective is asset disposal.

This model mainly relates to portfolios that aim to collect cash flows *via* disposals, portfolios whose performance is measured on the basis of fair value and portfolios of financial assets held for trading.

When the strategy pursued by the Management for managing financial assets does not match either the "hold-to-collect" model or the "hold-to-collect-and-sell" model, these financial assets are classified in an other/sell portfolio model.

Contractual characteristics ("solely payments of principal & interests" or "SPPI" test)

The "SPPI" test combines a series of criteria, examined on a cumulative basis, that make it possible to establish whether the contractual cash flows have the characteristics of a simple financing arrangement (payments of principal and interest on the principal outstanding).

The test is satisfied when the financing arrangement gives rise solely to payments of principal and where the payment of interest received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a traditional loan agreement as well as a reasonable margin, whether the interest rate is fixed or variable.

Under a simple financing arrangement, the interest represents the cost of time elapsing, the price of credit and liquidity risk over the period and other components related to the asset's carrying cost (e.g. administrative costs etc.).

In some cases, this qualitative analysis is not conclusive and quantitative analysis (or a *Benchmark test*) is carried out. This additional analysis consists of comparing contractual cash flows for the asset under consideration and cash flows for a benchmark asset.

If the difference between the financial asset's cash flows and those of the benchmark asset is deemed to be immaterial, the asset is deemed to be a simple financing arrangement.

In addition, a specific analysis will be conducted if the financial asset was issued by special purpose entities establishing an order of payment priority between financial asset holders by bundling multiple instruments together under contract and creating credit risk concentrations ("tranches").

Each tranche is given a level of subordination which specifies the order of distribution of the cash flows generated by the structured entity.

In this event, the SPPI test requires an analysis of the contractual cash flow characteristics of the asset in question and of underlying assets according to the "look-through" approach and of the credit risk carried by the subscribed tranches compared with the credit risk for the underlying assets.

The debt instrument recognition method arising from qualification of the management model combined with the SPPI test can be presented in the form of the diagram below:

Debt instruments		Management models		
		Hold-to-collect	Hold-to-collect-and-sell	Other/sell
SPPI test	Met	Amortised cost	Fair value through recyclable equity	Fair value through profit or loss
	Not met	Fair value through profit or loss	Fair value through profit or loss	

Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the hold-to-collect model and if they satisfy the SPPI test.

They are recorded on the settlement/delivery date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on loans and receivables and fixed-income securities is recognised in profit or loss using the effective interest rate method.

This financial asset category is subject to impairment under the conditions described in the specific paragraph on "Provisions for credit risks".

Debt instruments at fair value through recyclable equity

Debt instruments are measured at fair value through recyclable equity if they are eligible for the "hold-to-collect-and-sell" model and if they satisfy the SPPI test.

They are recorded on the trading date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate (EIR) method.

These financial assets are subsequently assessed at fair value and changes in fair value are recorded in recyclable equity through outstanding assets (excluding accrued interest recognised in profit or loss using the effective interest rate method).

In the event of sale, these changes are transferred to profit or loss.

This financial instrument category is subject to adjustment for expected credit losses (ECL) under the conditions described in the specific paragraph on "Provisions for credit risks" (without affecting the fair value on the balance sheet).

Debt instruments at fair value through profit or loss

Debt instruments are assessed at fair value through profit or loss under the following circumstances:

- the instruments are classified in portfolios made of financial assets held for trading or whose main objective is disposal.

Financial assets held for trading are assets acquired or generated by the Company primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short-term price fluctuations or an arbitrage margin. Although contractual cash flows are received during the time that Amundi holds the assets, receipt of these contractual cash flows is ancillary rather than essential;

- debt instruments that do not meet the SPPI test criteria. This is particularly true of UCIs;
- financial instruments classified in portfolios for which the entity chooses measurement at fair value to lessen a difference in accounting treatment in the income statement. In this case, classification of fair value through profit or loss is designated as an option.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (taken directly to profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised through profit or loss, in net revenues through outstanding assets.

No impairments are recognised for this category of financial assets.

Debt instruments measured at fair value through profit or loss as an option are recorded on the trading date.

Debt instruments measured at fair value through profit or loss that do not satisfy the SPPI test are recorded on the settlement/delivery date.

Equity instruments

Equity instruments are, by default, recognised at fair value through profit or loss, apart from an irrevocable option of classification at fair value in non-recyclable equity, provided that such instruments are not held for trading purposes.

Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (taken directly to profit or loss). They are recorded on the settlement/delivery date (except equity instruments held for trading purposes, which are recorded on the trading date).

They are subsequently measured at fair value and changes in fair value are recognised through profit or loss, in net revenues through outstanding assets.

No impairments are recognised for this category of financial assets.

Equity instruments at fair value through non-recyclable equity (irrevocable option)

The irrevocable option of recognising equity instruments at fair value in non-recyclable equity through profit or loss is taken on a transactional level (line by line) and is applied from the date of initial recognition. These securities are recorded on the trading date.

The initial fair value includes transaction costs.

On subsequent measurements, changes in fair value are recognised in non-recyclable equity. In the event of disposal, these changes are not recycled through profit or loss, the gain or loss on the disposal is recognised in equity.

Only dividends are recognised through profit or loss.

Derecognition of financial assets

A financial asset (or group of financial assets) is fully or partially derecognised if:

- the contractual rights to the related cash flows expire;
- or are transferred or deemed to have expired or been transferred because they belong de facto to one or more beneficiaries and if almost all of the risks and benefits of ownership of the financial asset are transferred.

In this case, any rights or obligations created or retained at the time of transfer are recognised separately as assets and liabilities.

If the contractual rights to the cash flows are transferred, but only some of the risks and rewards of ownership as well as control are retained, the entity will continue to recognise the financial asset to the extent of its involvement in the asset.

Financial assets renegotiated for commercial reasons in the absence of financial difficulties by the counterparty and with the aim of building or retaining a business relationship are derecognised on the renegotiation date. New loans to clients are recorded on that date at their fair value on the renegotiation date. Subsequent recognition is dependent on the management model and the SPPI test.

1.3.2.4 Financial liabilities

Classification and measurement of financial liabilities

Balance sheet financial liabilities are classified in these two accounting categories:

- financial liabilities at fair value through profit or loss, either by type or designated as an option;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss by type

Financial instruments issued primarily with a view to short-term buyback, instruments forming part of a portfolio of identified financial instruments which are managed as a unit and which show signs of having a recent short-term profit-taking profile, and derivatives (apart from some hedging derivatives) are measured at fair value by type.

Changes in the fair value of this portfolio are recognised through profit or loss.

Financial liabilities at fair value through profit or loss as an option

Financial liabilities meeting one of the three cases provided by the standard may optionally be valued at fair value through profit or loss: hybrid issues including one or more separable embedded derivatives, lessening or elimination of the distortion of the accounting treatment, or groups of managed financial liabilities whose performance is measured at fair value.

This option is irrevocable and is applied, on a mandatory basis, on the date of the instrument's initial recognition.

On the occasion of subsequent measurements, these financial liabilities are measured at fair value through profit or loss for changes in fair value unrelated to own credit risk and in non-recyclable equity for changes in value linked to own credit risk unless this makes the accounting mismatch worse.

Financial liabilities measured at amortised cost

Any other liabilities meeting the definition of a financial liability (apart from derivatives) are measured at amortised cost.

These liabilities are initially recorded at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

Reclassification of financial liabilities

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is authorised.

Distinction between liabilities and equity

The distinction between debt instruments and equity instruments is based on an analysis of the substance of contractual arrangements.

A financial liability is a debt instrument if it includes a contractual obligation:

- to return cash, other financial assets or a variable number of equity instruments to another entity; or
- to exchange financial assets and liabilities with another entity under potentially unfavourable conditions.

An equity instrument is a non-repayable financial instrument that provides a discretionary return which highlights a residual interest in a company after deduction of all financial liabilities (net assets) and which is not qualified as a debt instrument.

Buyback of treasury shares

The treasury shares purchased by Amundi, including shares held for hedging the performance share allocation plans, do not fall within the definition of a financial asset and are recognised as a deduction from the equity. They do not have any impact on the income statement.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses conclude that it has undergone a substantial change following restructuring.

Substantial modification of an existing financial liability must be recorded as the extinction of the initial financial liability and the recognition of a new financial liability (the novation). Any difference between the carrying amount of the liability that has been extinguished and the new liability will be recorded immediately in the income statement.

If the financial liability has not been derecognised, the original effective interest rate continues. A discount/premium is immediately recognised through profit or loss on the date of the modification and is then apportioned at the original effective interest rate over the remaining life of the instrument.

1.3.2.5 Provisions for credit risk

Scope of application

In accordance with IFRS 9, Amundi recognises impairments under "expected credit losses" (ECL) for outstanding assets on the following:

- financial assets that are debt instruments recognised at amortised cost or at fair value in recyclable equity (loans and receivables, debt securities);
- guarantee commitments covered by IFRS 9 and which are not measured at fair value through profit or loss.

Equity instruments (at fair value through profit or loss or at fair value in non-recyclable OCI) are not affected by impairment provisions.

Counterparty risk is calculated for derivatives and other instruments at fair value through profit or loss which is not pursuant to the ECL model.

Credit risk and provisioning stages

Credit risk is defined as the risk of losses associated with the default of a counterparty leading to its inability to meet its commitments to the Group.

The credit risk provisioning process distinguishes between three different stages (*Buckets* or *Stages*):

- Stage 1 (*Bucket* 1): from the initial recognition of the financial instrument (credit, debt security, guarantee etc.), the entity recognises 12-month expected credit losses;
- Stage 2 (*Bucket* 2): if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises the expected losses to maturity (ECL to maturity);
- Stage 3 (*Bucket* 3): when one or more default events occur in respect of the transaction or the counterparty and have a damaging effect on estimated future cash flows, the entity recognises objective evidence of impairment. Subsequently, if the conditions for classifying financial instruments in *Bucket* 3 are not met, the financial instruments are reclassified in *Bucket* 2, then in *Bucket* 1, depending on the subsequent improvement in credit risk quality.

Definition of default

The definition of default for the requirements of provisioning for ECLs is identical to that used in management and for calculating regulatory ratios. A debtor is thus considered to be in default when at least one of the following two conditions has been met:

- significant payment arrears generally in excess of 90 days unless special circumstances show that the arrears are due to reasons unrelated to the debtor's situation;
- the entity deems it unlikely that the debtor will settle its credit obligations in full without recourse to measures such as the provision of surety.

An outstanding asset in default (*Bucket* 3) is said to be impaired when one or more events have occurred that have a harmful effect on this financial asset's estimated future cash flows. Signs of a financial asset's impairment include observable data on the following events:

- major financial difficulties experienced by the issuer or the borrower;
- a breach of contract, such as failed or late payment;
- the granting of one or more favours by one or more lenders to the borrower for economic or contractual reasons relating to the borrower's financial difficulties that the lender or lenders would not have envisaged under other circumstances;
- the increasing probability of the failure or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or creation of a financial asset with a big discount, which reflects the credit losses suffered.

It is not necessarily possible to single out a particular event since the impairment of the financial asset may be the result of the combined effect of several events.

The concept of expected credit loss (ECL)

ECL is defined as the probability-weighted estimate of discounted credit loss (principal and interest). It is the actual value of the difference between contractual cash flows and expected cash flows (principal and interest).

The ECL approach aims to allow expected credit losses to be recognised as early as possible.

Governance and measurement of ECLs

Governance of the system used to measure IFRS 9 parameters is based on the organisation put in place under the Basel framework. The Group's Risk Management Department is responsible for defining the methodological framework and oversight of the system of asset provisioning.

The Group prioritises the internal rating system and current Basel processes when generating the IFRS 9 parameters needed to calculate ECLs. Assessment of the change in credit risk is based on an expected loss model and extrapolation based on reasonable scenarios. All available, relevant, reasonable and supportable information must be used, including forward-looking information.

The calculation formula incorporates the parameters of probability of default, loss in the event of default and exposure at the time of default.

These calculations are based on internal models applied within a regulatory framework where this exists, but with restatements to determine an economic ECL. IFRS 9 recommends a *point-in-time* analysis while taking account of historic loss data and *forward-looking* macroeconomic data, whilst the prudential viewpoint is analysed *through the cycle* for the probability of default and at the lowest point of the cycle *(downturn)* for losses in the event of default.

This accounting approach also results in the recalculation of certain Basel parameters to neutralise internal recovery costs or the floors imposed by the regulator in the regulatory calculation of loss given default (LGD).

ECL calculation methods must be assessed according to product type: financial instruments and off-balance sheet instruments.

12-month expected credit losses are a portion of the lifetime expected credit losses and represent the cash flow shortfalls caused by default within 12 months of the reporting date (or a shorter period if the financial instrument's lifetime is expected to be less than 12 months), weighted by the probability of default within the 12 months.

Expected credit losses are discounted using the EIR determined at the financial instrument's initial recognition.

ECL measurement methods take into account the assets assigned as collateral and other credit enhancements that are part of the contractual terms and that the entity does not recognise separately. The estimated cash flow shortfalls expected from a secured financial instrument reflects the amount and the timing for recovering the collateral. In accordance with IFRS 9, the recognition of guarantees and collateral does not affect the assessment of the significant deterioration in credit risk: this is based on changes in credit risk on the debtor without taking into account guarantees.

The models and parameters used are back-tested at least once a year.

Significant deterioration in credit risk

On each closing date, all Group entities must assess the deterioration of the credit risk for each financial instrument since its initial recognition. This assessment of the change in credit risk leads entities to categorise their transactions by risk rating (*Buckets*).

To assess significant deterioration, the Group operates a process based on two levels of analysis:

- an initial level depending on Group rules and relative and absolute criteria imposed on Group entities;
- a second level relating to the assessment, certified by an expert for local *Forward Looking* data, of the risk carried by each entity on its portfolios that may lead the Group to adjust its criteria for downgrading to *Bucket* 2 (portfolio or sub-portfolio switching to ECL at maturity).

All financial instruments, save for some exceptions, are monitored for significant deterioration. No contagion is required to switch financial instruments from the same outstanding from *Bucket* 1 to *Bucket* 2. Monitoring significant deterioration must take account of changes to the main debtor's credit risk, without taking account of the warranty.

For outstanding assets comprising small loans and receivables with similar characteristics, the counterparty-by-counterparty review may be replaced by a statistical estimate of expected losses.

To measure significant deterioration in credit risk since initial recognition, it is necessary to recover the initial internal rating and PD (probability of default).

The date of origination is understood to be the trading date, when the entity becomes party to the contractual provisions of the financial instrument. For financing and guarantee commitments, the date of origination is understood to be the irrevocable commitment date.

For outstanding assets (other than securities) for which internal rating systems have been constructed (in particular, exposures monitored using authorised methods), the Amundi Group considers that all the information incorporated in such rating systems allows for a more relevant assessment than the sole criterion of payments more than 30 days past due.

If the deterioration since the date of origination ceases to be recorded, the impairment may return to 12-month expected credit losses (*Bucket* 1).

To compensate for the fact that some factors or signs of significant deterioration cannot be identified at the level of an individual financial instrument, the standard authorises the assessment of significant deterioration for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The construction of portfolios to assess deterioration on a collective basis may result in common characteristics such as:

- the type of instrument;
- the credit risk rating (including the internal Basel II rating for entities with an internal rating system);
- the type of collateral;
- the initial recognition date;
- the remaining term to maturity;
- the value of collateral relative to the financial asset, if it has an impact on the probability of a default occurring (for example, non-recourse loans in some jurisdictions or loan-to-value ratios).

Groupings of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

For securities, Amundi uses an approach that consists of applying an absolute level of credit risk in accordance with IFRS 9, beyond which exposures are classified in *Bucket* 2 and provisioned on the basis of ECL at maturity.

The following rules will apply for monitoring the significant deterioration of securities:

- securities ranked as "Investment Grade" securities on the closing date, will be classified in *Bucket* 1 and provisioned on the basis of a 12-month ECL;
- securities ranked as "Non-Investment Grade" (NIG) securities, on the closing date, must be monitored for significant deterioration, since the date of origination, and be classified in *Bucket* 2 (ECL at maturity) in the event of a significant deterioration in credit risk.

Relative deterioration must be assessed upstream of the occurrence of a proven default (*Bucket* 3)..

Non-recoverability

When a receivable is deemed to be irrecoverable, i.e. there is no hope of recovering all, or part, of the receivable, the amount deemed to be irrecoverable must be derecognised and written off.

Assessment of the time taken to write the receivable off is based on expert judgement. Each entity must set the write-off time with the Risk Management Department, depending on how much information it has on its business. Prior to any write-offs, Bucket 3 provisioning must be made (apart from financial assets at fair value through profit or loss).

For loans at amortised cost or at fair value in recyclable equity, the amount written off is recorded under cost of risk for the principal and under net financial income for the interest.

1.3.2.6 Financial derivatives

Classification and measurement

Derivatives are financial assets or liabilities classified, by default, as derivative instruments held for trading, unless they can be classified as derivative hedging instruments.

They are recorded in the balance sheet at their initial fair value on the trading date.

They are subsequently measured at fair value.

On every reporting date, any change in the fair value of derivatives on the balance sheet is recorded:

- in profit or loss for derivatives held-for-trading or as fair value hedges;
- in equity if these are derivatives used to hedge cash flows or a net investment in a foreign operation, for the effective portion of the hedge.

Hedge accounting

General framework

In accordance with the Group's decision, Amundi does not apply the "Hedge accounting" section of IFRS 9 in line with the option given by the standard. All hedging relationships will continue to be documented in accordance with IAS 39 rules until, at the latest, the macro-hedging text is adopted by the European Union. The eligibility of financial instruments for hedge accounting under IAS 39 takes into consideration IFRS 9 principles governing the classification and measurement of financial instruments.

Under IFRS 9, and in consideration of IAS 39 hedging principles, debt instruments at amortised cost and at fair value in recyclable equity are eligible for fair value hedging and cash flow hedging.

Documentation

Hedging relationships must comply with the following principles:

- The aim of fair value hedges is to protect against exposure to changes in the fair value of a recognised asset or a liability or an unrecognised firm commitment, due to the risk(s) hedged and which may affect the net income (for example, hedging of all or some changes in fair value due to interest rate risk on a fixed-rate debt).
- Cash flow hedging is intended to provide protection from exposure to future changes in cash flows from a recognised asset or liability or a transaction that is considered to be highly likely, attributable to the risk(s) hedged and which could (in the case of a forecast transaction that has not yet been performed) affect the net income (for example, hedging of changes in all or some future interest payments on a floating-rate debt).
- Hedging of a net investment in a foreign operation is intended to provide protection from the risk of an adverse movement in fair value arising from the foreign exchange risks associated with a foreign investment in a currency other than the euro which is Amundi's reporting currency.

Hedges must also meet the following criteria in order to be eligible for hedge accounting:

- the eligibility of the hedging instrument and the hedged instrument;
- there must be formal documentation from inception, including the individual identification and characteristics of the hedged item and of the hedging instrument, the nature of the hedging relationship and the type of risk hedged;
- the effectiveness of the hedge must be demonstrated at inception and, retrospectively, by testing at each reporting date.

For interest rate hedges for financial asset or liability portfolios, the Amundi Group favours documentation of fair value hedging as permitted under IAS 39 adopted by the European Union (*carve out* version). In particular:

- the Group documents these hedging relationships on the basis of the gross position of derivatives and hedged items;
- the effectiveness of these hedging relationships is evidenced by means of timelines.

Measurement

The change in value of the derivative at its fair value is recognised as follows:

- fair value hedge: the change in value of the derivative is recognised in profit or loss symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge is recognised in profit or loss;
- cash flow hedge: the change in value of the derivative, excluding accrued and due interest, is recognised in the balance sheet through a specific account in gains and losses recognised directly in recyclable equity for the effective portion, and any ineffective portion of the hedge is recognised in profit or loss. Any profits or losses on the derivative accrued through equity are then recycled in profit or loss when the hedged cash flows occur;
- hedges of a net investment in a foreign operation: the change in value of the derivative is recognised in the balance sheet through the currency translation adjustments in recyclable equity and any ineffective portion of the hedge is recognised in profit or loss.

When the conditions for benefiting from hedge accounting are no longer met, the following accounting treatment must be applied prospectively:

- fair value hedge: only the hedging instrument continues to be revalued through profit or loss. The hedged item is wholly recognised according to its classification. For debt instruments at fair value in equity recyclable through profit or loss, changes in fair value subsequent to the end of the hedging relationship are recorded, in full, in equity. For hedged items valued at amortised cost which were interest rate hedges, the revaluation surplus is amortised over the remaining life of those hedged items;
- cash flow hedge: the hedging instrument is valued at fair value through profit or loss. The amounts accumulated in equity under the effective portion of the hedge remain in equity until the hedged element affects net income. For interest rate hedged items, net income is allocated through the payment of interest. The revaluation surplus is therefore amortised over the remaining life of those hedged items;
- hedging of a net investment in a foreign operation: the amounts accumulated in equity in respect of the effective portion of the hedging remain in equity while the net investment is held. The net income is recorded once the net investment in the foreign operation exits the reporting entities.

1.3.2.7 Determining the fair value of financial instruments

The fair value of financial instruments is determined by maximising the use of observable input data. It is presented using the hierarchy defined by IFRS 13.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, on the primary market or on the most advantageous market.

Fair value applies individually to each financial asset and financial liability. It can, exceptionally, be estimated by portfolio if the management and risk monitoring strategy allow and if appropriately documented. Accordingly, certain fair value parameters are calculated on a net basis when a group of financial assets and financial liabilities is managed on the basis of its net exposure to market or credit risks. This is particularly the case for the calculation of CVA / DVA (*Credit Valuation* Adjustment) and DVA (*Debit Valuation Adjustment*).

Amundi believes that quoted prices published in an active market are the best evidence of fair value.

When such quoted prices are not available, fair value is established by using valuation techniques that maximise the use of relevant observable data and minimise the use of unobservable data.

Fair value of structured issues

In accordance with IFRS 13, Amundi values its structured issues by integrating the issue spread of the guarantor.

Counterparty risk on derivative instruments

In application of IFRS 13, Amundi incorporates into fair value the assessment of counterparty risk for derivative assets (CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (DVA or own credit risk).

CVA makes it possible to determine expected counterparty losses from Amundi's perspective. DVA makes it possible to determine expected losses on Amundi from the counterparty's perspective.

For derivatives carried out with market counterparties, the CVA/DVA calculation is based on an estimate of expected losses given the probability of default and loss in the event of default. The methodology used maximises the use of observable market data. It is primarily based on market parameters such as registered and listed CDS (*Credit Default Swap*) or *CDS Single Name* or Index CDS in the absence of named counterparty CDS. Under certain circumstances, historical default parameters may also be used.

No CVA/DVA is calculated either for derivatives contracted by Amundi or for funds, taking into account that there is no historical default data and the guarantee provided by Amundi to the funds.

Fair value hierarchy

The standard classifies fair value into three levels based on the observability of inputs used in valuation techniques.

Level 1: fair value corresponding to quoted prices (unadjusted) in active markets

Level 1 is composed of financial instruments that are directly quoted in active markets for identical assets and liabilities that the entity can access at the measurement date. These are stocks and bonds listed on active markets, shares in investment funds listed on active markets and derivatives traded on organised markets, in particular futures.

A market is deemed to be active if quoted prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency, and the prices represent actual and regularly occurring market transactions under normal competitive conditions.

For financial assets and liabilities with offsetting market risks, Amundi uses mid-prices as the basis for establishing the fair value of the positions. The current bid price is applied to assets held or liabilities to be issued (open long position) and the current asking price to assets to be acquired or liabilities held (open short position).

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

This data is directly observable (i.e. prices) or indirectly observable (data derived from prices) and generally meets the following criteria: this is data not specific to the entity, which is publicly available/accessible and based on a market consensus.

Level 2 consists of:

- stocks and bonds listed on an inactive market or unlisted on an active market, but for which fair value is established using a valuation methodology habitually used by market participants (such as the method of discounting future cash flows or the Black & Scholes method) and based on observable market data;
- instruments traded over the counter, the fair value of which is measured with models using observable market data, i.e. which can be obtained from several sources independent of internal sources on a regular basis. For example, the fair value of interest rate swaps is generally derived from the yield curves of interest rates based on market interest rates observed on the closing date.

When the models used are consistent with standard models and on observable market parameters (such as yield curves or implied volatility ranges), the initial margin generated on the instruments valued in this way is recognised in profit or loss from inception.

Level 3: fair value for which a significant number of the parameters used for determination are not based on observable criteria

In the case of some complex instruments which are not traded in an active market, fair value measurement is based on valuation techniques that use assumptions not supported by data observable on the market for an identical instrument. These instruments are presented in Level 3.

These are mainly complex rate products, equity derivatives and structured credit products whose valuation requires, for example, correlation or volatility parameters that cannot be directly compared to market data.

The initial transaction price is deemed to reflect the market value and recognition of the initial margin is deferred.

The margin generated on these structured financial instruments is generally recognised in profit or loss spread over the period during which the parameters are deemed to be unobservable. When the market data becomes observable, the margin remaining to be spread is immediately recognised in profit or loss.

The valuation methodologies and models used to value the financial instruments presented in Levels 2 and 3 incorporate all of the factors that market players use to calculate prices. They must first be validated by an independent audit. Determination of the fair value of these instruments takes into account both the liquidity risk and the counterparty risk.

1.3.2.8 Offsetting of financial assets and liabilities

In accordance with IAS 32, Amundi offsets a financial asset and a financial liability and reports the net balance if, and only if it has a legally enforceable right to offset the amounts reported and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The effect of this offsetting is presented in table 5.4. concerning the amendment to IFRS 7 on disclosures regarding the offsetting of financial assets and financial liabilities.

1.3.2.9 Net gains or losses on financial instruments

Net gains or losses on financial instruments at fair value through profit or loss

For financial instruments at fair value through profit or loss, this heading includes the following income statement items:

- dividends and other revenue from equities and other variable-income securities classified under financial assets at fair value through profit or loss;
- changes in fair value of financial assets or liabilities at fair value through profit or loss;
- gains and losses on disposal of financial assets at fair value through profit or loss;
- changes in fair value and gains and losses on disposal or termination of derivatives not included in a fair value hedging relationship or cash flow hedge.

This heading also includes the ineffective portion of hedging transactions.

Net gains or losses on financial instruments at fair value through equity

For financial assets at fair value through equity, this heading includes the following income statement items:

- dividends from equity instruments classified as financial assets at fair value in non-recyclable equity through profit or loss;
- gains and losses on disposals as well as net income associated with the termination of the hedging relationship on debt instruments classified as financial assets at fair value in recyclable equity;
- net income on disposals or termination of fair value hedging instruments for financial assets at fair value through equity where the item being hedged is sold.

1.3.2.10 Financial guarantees given

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due under the original or amended terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value, then subsequently at the higher of:

- the amount of impairment losses determined under the provisions of IFRS 9, section on “Impairment”; or
- the amount initially recognised less, where appropriate, cumulative revenue recognised in accordance with the principles of IFRS 15 “Revenue from contracts with customers”.

For Amundi, the financial guarantees given are funds where capital or performance is guaranteed.

1.3.3 Provisions

Amundi identifies all (legal or constructive) obligations resulting from a past event for which it is probable that an outflow of resources will be required to settle the obligations, and for which the due date or amount of the settlement are uncertain, but can be reliably estimated. If required, the estimates are discounted when the effect is significant.

This obligation can be legal, regulatory or contractual. It can also result from the Group's practices or from commitments that created a legitimate expectation on the part of third parties involved that the Group will assume certain liabilities.

If no reliable evaluation of the amount can be made, no provisions are recognised, but information is provided in the appendix, where appropriate.

The Group creates provisions for these obligations which cover:

- risks related to guarantees granted to funds;
- operational risks;
- employee benefits, including retirement commitments;
- disputes;
- legal, tax (excluding income tax), regulatory and non-compliance risks.

1.3.4 Employee benefits

These are grouped into four categories in accordance with IAS 19 "Employee benefits":

- short-term benefits such as salaries, social security contributions, annual holidays, incentives, profit sharing and bonuses are those which are expected to be paid within 12 months following the financial year during which the services were rendered;
- long-term benefits (long-service awards, bonuses and compensation payable 12 months or more after the close of the financial year);
- severance pay;
- post-employment benefits, falling into one of two categories described below: defined-benefit plans and defined-contribution plans.

1.3.4.1 Retirement plans – defined contribution plans

There are several compulsory retirement plans to which "employer" companies contribute. 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 the employees during the financial year and during prior years. Consequently, Amundi Group entities have no liabilities in this respect other than their contributions to be paid for the year ended.

1.3.4.2 Defined-benefits plans

In accordance with IAS 19, the commitments are assessed based on a set of actuarial, financial and demographic assumptions and using the Projected Unit Credit method. This method consists of allocating an expense corresponding to the rights vested over the period for each financial year of employment. The expense is calculated based on the future, discounted benefit.

The calculations for expenses for future social benefits are made on the basis of assumptions for discount rates, employee turnover and changes in wages and social security contributions developed by Management.

The discount rates are determined based on the average period of commitment, that is, the weighted average of the payment dates of future benefits. The underlying index used is the iBoxx AA Index.

In accordance with IAS 19, Amundi allocates all actuarial differences recorded in gains and losses recognised directly in non-recyclable equity. Actuarial differences consist of adjustments related to experience (difference between estimated and actual experience) and the effect of changes made to the actuarial assumptions.

The expected yield of plan assets is determined on the basis of the discount rates used to evaluate the defined benefits obligation. The difference between the expected yield and the actual yield of plan assets is recorded in gains and losses recognised directly in non-recyclable equity.

The provision amount is equal to:

- the current value of the commitment for the defined benefits on the closing date, calculated using the actuarial method recommended by IAS 19;
- less, if appropriate, the fair value of assets allocated to hedging the commitments. They can be represented by an eligible insurance policy. In the event that the obligation is fully hedged by a policy which exactly covers, in both amount and time, all or part of the benefits payable by virtue of the plan, the fair value of the latter is considered to be that of the corresponding obligation (i.e. the amount of the corresponding actuarial debt).

Amundi has taken out an "IFC" insurance policy (end-of-career allowance) with an insurance company in the Crédit Agricole group.

A provision to cover the retirement benefits is included in balance sheet liabilities in the "Provisions" item for commitments which are not covered.

1.3.4.3 Long-term benefits

Long-term benefits are benefits which are paid to employees other than post-employment benefits, severance payments and equity-based compensation, but which are not due in full during the 12 months following the end of the financial year in which the corresponding services were rendered. They include, among other things, bonuses and other deferred compensation paid 12 months or more after the end of the financial year in which they were earned, but which are not indexed to shares.

The valuation method is similar to that used by the Group for post-employment benefits in the defined-benefits category.

The long-term benefits which can be granted by Amundi consist primarily of the allocation of bonuses whose payment will be deferred to future financial years subject to meeting certain performance conditions set in advance and continued employment at the time of payment to the employees to whom they were granted.

1.3.5 Non-compliance risk

Amundi conducts a regulated activity. As such, its business is subject to regular monitoring and investigation by various regulators. These inspections may reveal certain irregularities and may, in some instances, result in fines or other penalties.

The impact of this risk is recorded in the "Cost of Risk" section of the income statement.

1.3.6 Revenue from contracts with customers (IFRS 15)

Most of the Group's revenue comes from third-party asset management in collective or individual portfolios (dedicated funds or mandates). It is essentially based on the assets under management in managed funds.

The net fees comprise net management fees which are equal to the gross management fees received after deduction of fees paid:

- the gross management fees compensate the portfolio management services. They are primarily calculated by reference to a percentage of the outstanding amounts managed;
- the fees paid are composed of:
  i) contractual retrocessions paid to distributors. These generally correspond to a percentage of the management fees,
  ii) custodian and valuation agent fees, where these are paid by the asset management company, as well as a limited number of associated administrative costs such as the ETF listing fees.

Net fees are also composed of:

- fees paid to Amundi for the guarantee given to guaranteed funds or structured EMTNs. Various costs connected to the formation and the life of structured products are added to these fees;
- transfer fees paid by the fund in respect of the execution of sales and purchases of securities on behalf of funds by the Amundi trading desk;
- other fees for lower amounts, such as: entry fees, compensation for consulting services, borrowing and lending securities fees, account maintenance fees for Employee Savings Plans.

Performance fees are paid to the asset management company as provided by contract. They are calculated on the basis of a percentage of the positive difference between the observed performance of the fund and the benchmark index mentioned in the contract.

Income and expenses for fees are recorded in profit or loss according to the nature of the services they represent. Their recognition on the income statement must reflect the rate at which control of the goods or services sold is transferred to the customer:

Net income from a transaction associated with a service provision is recognised under Fees upon transfer of control of the service provided to the customer, if this can be reliably estimated. Said transfer may be made as the service is rendered (ongoing service) or on a given date (one-off service).

i) Fees remunerating ongoing services (management fees, for example) are recorded in profit or loss according to the stage of completion of the service provided.

ii) Fees received or paid for one-off services are recorded, in full, in profit or loss when the service is provided.

The fees payable or receivable contingent upon meeting a performance target are recognised only if all of the following conditions are met:

i) the amount of fees and commissions can be estimated reliably;

ii) it is probable that the future economic benefits resulting from the services rendered will flow to the Company;

iii) the stage of completion of the service can be reliably estimated, and the costs incurred for the service and the costs to complete it can be reliably estimated.

These performance fees are, therefore, recognised in the majority of cases in profit or loss at the end of the calculation period.

1.3.7 Share-based payments (IFRS 2)

IFRS 2 "Share-based payments" requires valuation of the transactions remunerated by payment in stock and similar instruments in the profit or loss and balance sheet of the Company. The standard is applicable to transactions carried out for employees, and specifically:

- transactions whose payment is based on shares and paid in equity instruments;
- transactions whose payment is based on shares and paid in cash.

Two plans in the Amundi Group are covered by IFRS 2:

- share-based payment plans initiated by the Amundi Group of the type where settlement is made by awarding equity instruments (allocating performance shares);
- share awards are measured at fair value at the time of the award. They are recognised in expenses under "personnel expenses" through an equity account over the acquisition period of the rights.

When the award takes place after the services have been delivered, Amundi carries out a valuation of the services provided by the beneficiaries. The expense is recognised over the period during which these services were provided;

- Amundi and Crédit Agricole SA share subscriptions are made available to employees as part of the Company Savings Plan. They are also covered by the provisions of IFRS 2. The shares are offered with a maximum discount of 30%. The plans have no vesting period, but include a five-year lock-up period. Employees are entitled to a benefit calculated as the difference between the fair value of the share acquired on the allocation date and the award value paid by the employee on the subscription date, multiplied by the number of shares subscribed.

The expense for the share allocation plan settled by Amundi and Crédit Agricole SA equity instruments is recognised as personnel expenses through an increase in "Consolidated reserves – Group share".

1.3.8 Current and deferred tax assets

In accordance with IAS 12, the income tax expense includes all income-related taxes, whether current or deferred.

Current tax

IAS 12 defines current tax liability as "the amount of income tax payable (recoverable) with respect to the taxable profit (tax loss) for a financial year". The taxable income is the profit (or loss) for a given financial year measured according to the rules set by the taxation authorities and based on which income tax must be paid (recovered).

The applicable rates and rules used to determine the current tax liability are those in effect in each country in which the Group's companies are established.

A tax consolidation group has been set up for French entities (since 1 January 2010), with Amundi S.A. as the head of the Group.

The current tax liability includes all taxes on income, payable or recoverable, for which payment is not subordinated to the completion of future transactions, even if payment is spread over several financial years. The current tax liability must be recognised as a liability until it is paid. If the amount that has already been paid for the current year and previous financial years exceeds the amount due for these years, the surplus must be recognised under assets.

When tax credits on revenues from securities portfolios and receivables are effectively used to pay corporation tax due for the financial 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 the "Income tax" heading in the income statement.

Moreover, certain transactions carried out by the entity may have tax consequences that are not taken into account in measuring the current tax liability. IAS 12 defines differences between the carrying amount of an asset or liability and its tax base as temporary differences.

Deferred taxes

The standard requires that deferred taxes be recognised in the following cases:

A deferred tax liability must be recognised for all taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, unless the deferred tax liability arises from:

- initial recognition of goodwill;
- initial recognition of an asset or a liability in a transaction that is not a business combination and that does not affect either the accounting or the taxable profit (tax loss) on the transaction date.

A deferred tax asset must be recognised for all deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, insofar as it is deemed likely that a future taxable profit will be available against which such deductible temporary differences can be allocated.

A deferred tax asset must also be recognised for carrying forward unused tax losses and tax credits insofar as it is probable that the Group will have access to future taxable profits against which the unused tax losses and tax credits can be allocated.

The tax rates applicable in each country are used as appropriate.

Calculation of deferred taxes takes the tax rates of each country into account and should not be discounted in accordance with IAS 12.

Taxable unrealised gains on securities (FCP – mutual funds in France) do not generate any taxable temporary differences between the carrying amount of the asset and the tax base. As a result, deferred tax is not recognised on these gains.

In France, capital gains on the sale of equity investments, as defined by the French General Tax Code and coming under long-term taxation treatment, are exempt from corporation tax (except for a share of fees taxed at the normally applicable rate). Accordingly, unrealised gains recognised at the end of the financial year generate a temporary difference requiring the recognition of deferred tax on this share, in so far as Amundi considers the disposal of the securities likely.

As part of IFRS 16 "Leasing contracts", a deferred tax liability is recognised on the right of use and a deferred tax asset on the lease liability for leasing contracts for which the Group is lessee.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event recognised directly in equity, during the same year or during another financial year, in which case it is directly debited or credited to equity;
- or by a business combination.

Deferred tax assets and liabilities offset each other if, and only if:

- the entity has a legally enforceable right to offset current tax assets and liabilities;
- and the deferred tax assets and liabilities concern income tax assessed by the same tax authority:
  - i) either for the same taxable entity,
  - ii) or for different taxable entities that intend either to settle current income tax assets and liabilities on a net basis, or to settle their tax assets and liabilities at the same time during each future financial year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

Current and deferred tax is recognised in net income for the financial year, unless the tax arises from:

- either a transaction or event recognised directly in equity, during the same year or during another financial year, in which case it is directly debited or credited to equity;
- or by a business combination.

Tax risks relating to income tax resulting in the recognition of a receivable or a current tax liability when it is deemed to be more likely than unlikely that the assets will be received or the liabilities paid. These risks are also taken into account when assessing current and deferred tax assets and liabilities.

IFRIC 23 "Uncertainty over income tax treatments" applies as soon as an entity has identified one or more uncertainties over income tax treatments undertaken with regard to its taxes. It also provides details of their estimates:

- the analysis must be based on the risk of an identification made solely by the tax administration;
- the tax risk must be recognised as a liability if it is more likely than not that the tax authorities will challenge the treatment used, at an amount reflecting the Management's best estimate;
- in the event that the probability of redemption by the tax authorities is greater than 50%, a receivable must be recorded.

1.3.9 Property, plant and equipment

Amundi applies component accounting to all its tangible fixed assets. In accordance with the provisions of IAS 16, the depreciable base takes account of the potential residual value of fixed assets.

Operating and investment buildings, as well as equipment, are recognised at acquisition cost less accumulated depreciation, amortisation and write-downs since they were commissioned.

Depreciation

Fixed assets are depreciated based on their estimated useful lives. The main periods used are:

• Fixtures and fittings	5-to-10-year straight-line
• IT equipment	3-year declining balance
• Office equipment	5-year straight-line
• Office furniture	10-year straight-line
• Technical facilities	10-year straight-line
• Buildings	20-year straight-line

Repair and maintenance costs are recorded as expenses when incurred except in cases in which they contribute to increasing productivity or the useful life of the fixed asset.

The information which Amundi has about the value of its amortisable fixed assets has led it to conclude that impairment tests would not result in any change in the values recorded in the balance sheet.

1.3.10 Intangible assets

Intangible fixed assets include software, as well as the intangible fixed assets resulting from the identification of contractual rights at the time of allocating the acquisition price of a business combination.

Purchased software is recorded on the balance sheet at purchase cost less accumulated depreciation and impairment since the acquisition date.

Proprietary software is recognised at production cost less accumulated depreciation, amortisation and write-downs since completion.

Assets acquired from business combinations resulting from contractual rights (e.g. distribution agreements) are valued on the basis of corresponding future economic benefits or the potential of the expected services.

Amortisation

Intangible fixed assets are amortised as follows:

- for software: based on their estimated useful life;
- for assets acquired in business combinations resulting from contractual rights: the contract period.

1.3.11 Currency transactions

A distinction is made between cash and non-cash items, in accordance with IAS 21.

On the closing date, foreign-currency denominated monetary assets and liabilities are converted at the closing price into the Amundi functional currency. The resulting currency translation adjustments are recognised in profit or loss. There are two exceptions to this rule:

- for debt instruments at fair value through recyclable equity, the translation adjustments calculated on an amortised cost are taken to profit or loss; the balance is recorded in equity;
- exchange adjustments on items designated as cash flow hedges or forming part of a net investment in a foreign entity are recognised in equity.

Non-monetary items are treated differently depending on the nature of the items:

- items at historical cost are valued at the exchange rate on the transaction date;
- items at fair value are valued at the exchange rate on the reporting date.

Exchange adjustments on non-monetary items are recognised:

- in profit-and-loss if the gain or loss on the non-monetary item is recorded in profit or loss;
- in equity, if the gain or loss on the non-monetary item is recorded in equity.

1.3.12 Basic earnings per share

In accordance with IAS 33:

- basic earnings per share are equal to net consolidated income divided by the weighted average number of shares in circulation during the financial year;
- diluted earnings per share are equal to net consolidated income divided by the weighted average number of shares in circulation during the financial year. These two components must be adjusted for the effect any potentially dilutive ordinary shares may have.

1.3.13 Cost of risk

The cost of risk mainly consists of the cost of credit risk including any changes in provisions for guaranteed funds (financial guarantees), provisions for litigation and other expenses related to operational risk.

1.3.14 Lease

The Amundi Group holds leasing contracts primarily as a lessee.

Lease transactions are recognised in the balance sheet on the date of availability of the leased assets. The lessee accounts for an asset that is representative of the right to use the leased asset in the tangible fixed assets during the estimated term of the contract and a debt owed under an obligation to pay the rents in the various liabilities over the same term.

The term of lease corresponds to the non-cancellable term of the leasing contract adjusted by the contract extension options that the lessee is reasonably likely to exercise and the termination option that the lessee is reasonably likely not to exercise.

In France, the Group principle applicable to open-ended or automatically renewable contracts is to use the first exit option after five years. The term used for the so-called "3/6/9" commercial leases is generally nine years with an initial non-cancellable period of three years. When the lessee deems it reasonably certain that it will not exercise the exit option after three years, the Group principle will be applied to French commercial leases in most cases, on the leasing contract commencement date. This means that the term will be estimated at six years. The Group principle (first exit option after five years) may not be applied in some specific cases, such as for a lease where intermediate exit options have been waived (for example, through a rent reduction). In such cases, an initial lease term of nine years will apply (generally unless an automatic extension of up to three years is expected).

The lease liability is recognised at an amount equal to the present value of the rent payments over the term of the contract. Rent payments include fixed rents, variable rents based on a rate or index, and payments that the lessee expects to make as residual value guarantees, a purchase option or as an early termination penalty.

Variable rents that do not depend on an index or a rate and the non-deductible VAT on rents are excluded from the debt calculation and are recognised as general operating expenses.

The discount rate applicable for calculating the right of use and the rental liability is, by default, the lessee's marginal debt ratio over the term of the contract on the date of signature of the contract when the implicit rate cannot easily be calculated. The marginal debt ratio takes account of the rental payment structure.

The expense of the leasing contracts is partly comprised of interest and partly of capital amortisation.

The right to use the asset is valued at the initial value of the lease liability, plus the initial direct costs, advance payments and refurbishment costs. It is amortised over the estimated term of the contract.

The lease liability and the right of use may be adjusted in the event of an amendment to the leasing contract, a reassessment of the lease term or a rent review linked to the application of indices or rates.

Deferred taxes are recognised on the basis of timing differences between the rights to use and the lessee's rental liabilities.

In accordance with the exception set out in the standard, short-term leasing contracts (an initial term of less than 12 months) and leasing contracts where the value when new of the leased property is low are not recognised in the balance sheet; the corresponding leasing expenses are recorded on a straight-line basis in the income statement in general operating expenses.

In accordance with the provisions set out in the standard, the Group does not apply IFRS 16 to leasing contracts for intangible fixed assets.

1.3.15 Non-current assets held for sale and discontinued operations

A non-current asset (or a group held for sale) is classified as held-for-sale if, at close, its carrying amount will be recovered principally through a sale transaction rather than through ongoing use.

For this to be the case, the asset (or group held for sale) must be available for immediate sale in its present condition and its sale must be highly likely.

The relevant assets and liabilities are shown separately on the balance sheet under "Non-current assets held for sale" and "Liabilities associated with non-current assets held for sale".

The non-current assets (or disposal group) classified as held-for-sale are measured at the lower of their carrying amount and their fair value less cost of sale. In the case of an unrealised loss, a write-down is recognised in profit or loss. They are no longer amortised when they are reclassified.

They are no longer amortised when they are reclassified. If the fair value of a group of assets held for sale less selling costs is less than its carrying amount after write-down of non-current assets, the difference is allocated to the other assets of the disposal group, including the financial assets, and is recognised under net income from discontinued operations.

A discontinued operation is any component that the Group has either disposed of, or is classified as held-for-sale, and which is in any of the following situations:

- it is a major separate business line or a geographical area of operations;
- it is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or,
- it is a subsidiary acquired exclusively with a view to resale.

The following are disclosed on a separate line of the income statement:

- the net income from discontinued operations until the date of disposal, net of tax;
- the gain or loss recognised on the disposal or on measurement at fair value less the cost of sale of the assets and liabilities constituting the discontinued operations, net of tax.

Amundi did not record any transactions covered within the scope of IFRS 5 during the 2023 financial year.

1.4 Consolidation principles and methods

1.4.1 Consolidation scope and methods

The consolidated financial statements include Amundi's financial statements and those of all companies over which, in compliance with the provisions of IFRS 10, IFRS 11 and IAS 28, Amundi exercises control, joint control or significant influence.

1.4.1.1 Definitions of control

Control over an entity is deemed to exist if Amundi is exposed to or entitled to receive variable yields as a result of its involvement in the entity and if the power it holds over this entity enables it to influence the yields. Only substantive (voting or contractual) rights are examined to assess the concept of power. Rights are considered substantive if the holder of the rights can exercise them, in practice, when decisions about the entity's relevant activities are made.

Amundi is deemed to control a subsidiary through voting rights when its voting rights give it the ability to direct the subsidiary's relevant activities. Amundi is generally considered to control a subsidiary when it holds more than half of the existing or potential voting rights in an entity, whether directly or indirectly through subsidiaries, except when it can be clearly demonstrated that such ownership does not give it the power to direct its relevant activities. Control is also deemed to exist when Amundi holds half or less than half of the voting rights, including potential rights, in an entity but is able in practice to direct its relevant activities at its sole discretion, notably because of the existence of contractual arrangements, the relative size of its stake in the voting rights compared to those of other investors, or other facts or circumstances.

Control of a structured entity is not assessed on the basis of the percentage of voting rights, because by their nature these have no effect on the entity's yields. When assessing control, consideration is given not only to contractual arrangements, but also to whether Amundi was involved in creating the entity and what decisions it made at the time, what agreements were made at its inception and what risks are borne by Amundi, any rights under agreements that only give the investor the power to direct relevant activities in specific circumstances and any other facts or circumstances that indicate that the investor can direct the entity's relevant activities. Where there is a management mandate, it should be established whether the investment manager is in practice acting as an agent (with delegated powers) or as a principal (on their own account). Accordingly, when decisions about the entity's relevant activities must be taken, the indicators used to assess whether an entity is acting as agent or principal are as follows: the extent of the decision-making powers compared to the powers over the entity delegated to the investment manager, the compensation provided for under the contractual agreements, but also any substantive rights held by third parties involved in the entity that may affect the decision-making capacity of the decision maker and the exposure to the variable nature of the yields of other interests held in the entity.

Joint control is deemed to exist when there is a contractual division of control over an economic activity. Decisions affecting the entity's relevant activities require unanimous agreement of the parties sharing control.

In traditional entities, significant influence is defined as the power to influence, but not control, a company's financial and operational policies. Significant influence is assumed in cases of 20% or more ownership, either directly or indirectly through subsidiaries, of the voting rights in an entity.

1.4.1.2 Control and consolidation of structured entities (special purpose entities)

The control criteria for structured entities or special purpose entities (structures created to manage an operation or a group of similar operations) are defined by IFRS 10.

Control is primarily assessed based on the following:

- the power to manage the entity's operations;
- the receipt of variable revenue or exposure to the entity's risks;
- the ability to influence the revenue earned by the entity and the risks.

These provisions are applicable to the funds held or guaranteed by Amundi, in particular.

Funds held by Group companies

With respect to the fund units held by Group companies, Amundi's Management assesses the existence of control based on two criteria:

- the threshold at which the holding company can be considered to be primary:
  - either in the event of a direct holding in the fund above 35%, or,
  - in the event of a direct holding in the fund above 20% together with the sharing of performance fees between the management company and investors such that total Amundi revenue from the fund is greater than 35%;
- the durable nature of the investment, established in the event of a holding greater than the above thresholds for a period longer than one year.

Under this analysis, cases of control of a fund by a company within the scope are limited and only involve dedicated funds and certain fund holdings for seed money.

Funds guaranteed by Amundi

Amundi provides guarantees to funds managed by the Group (see note 9.5):

- structured funds;
- "portfolio insurance" funds.

The analysis conducted leads to the conclusion that there is no control as defined by IFRS 10 criteria so the funds are therefore not consolidated.

Once the structure of structured funds is established, they are managed passively and subject to the regulatory constraints of regulators (AMF, ESMA). This passive, directed management and the internal management rules (careful selection of exposures to credit risk, strict management of the turnover of assets held by the fund) limit Amundi's exposure to variable yields.

Likewise, portfolio insurance fund structuring is closely monitored and this significantly limits the guarantor's exposure:

- investors who generally have immediate rights to the yields on the funds' assets: Amundi's exposure to market risk is low; it is essentially tied to dynamic assets and is further reduced by internal management rules (very prudent assessment of risk exposure, strict liquidity and diversification controls);
- exposure to credit risk which is essentially tied to monetising assets and is governed by the same restrictions as those applied to structured funds and reflects a high level of caution at issuer selection time.

1.4.2 Consolidation methods

Consolidation methods are defined in IFRS 10, IFRS 11 and IAS 28. They result from the type of control exercised by Amundi over the entities that can be consolidated, regardless of activity or whether or not they have legal entity status:

- full consolidation, for controlled entities;
- equity method, for entities over which Amundi exercises significant influence and joint ventures.

Full consolidation

Full consolidation substitutes each of the assets and liabilities carried by each subsidiary for the value of the shares.

Equity method

Significant investments in joint ventures and associates are recognised separately in the balance sheet under "Investments in equity-accounted entities".

The equity method substitutes for the value of shares the Group's proportional share of the equity and net income of the companies in question. The change in the carrying amount of the shares includes changes in goodwill.

Non-controlling interests

The equity and net income attributable to non-controlling interests is presented separately in the consolidated balance sheet and income statement.

Non-controlling interests are as defined by IFRS 10. They incorporate instruments representing present ownership interests that give the right to a proportional share of the net assets in the event of liquidation and the other equity instruments issued by the subsidiary and not held by the Group.

1.4.3 Restatements and eliminations within the Amundi Group

The impact of the Group's internal transactions on the consolidated balance sheet and income statement is eliminated for fully consolidated entities.

Capital gains or losses arising from intra-Group asset transfers are eliminated. Any potential lasting depreciation measured at the time of disposal of an internal transaction is recognised.

1.4.4 Translation of the financial statements of foreign subsidiaries

Consolidated financial statements are prepared in euros.

The financial statements of entities which constitute a "foreign operation" (subsidiaries, branches, associates or joint ventures) are converted into euros in two stages:

- if applicable, the local currency in which the financial statements are prepared is translated into the functional currency (currency of the main business environment in which the entity operates). The translation is made as if the information had been initially recognised in the functional currency (same translation principles as for foreign currency translations);he functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented;
- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities, including goodwill, are translated at the closing rate. Equity items, such as share capital or reserves, are translated at their historical exchange rate. The income and expenses included in the income statement are translated at the average exchange rate for the period. The resulting exchange differences are recognised as a separate component of equity. These currency translation adjustments are recognised as net income in the event of disposal of the foreign operation (sale, repayment of capital, liquidation, discontinuation of operations) or in the event of a deconsolidation due to a loss of control (even without sale) while accounting for the income from the disposal or loss of control.

1.4.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method in accordance with IFRS 3. On the date of acquisition, the identifiable assets, liabilities and contingent liabilities of the acquired entity which meet IFRS 3 conditions for recognition are recognised at their fair value. Notably, restructuring liabilities are only recognised as a liability of the acquired entity if, on the acquisition date, the entity is under an obligation to carry out the restructuring.

Earn-out clauses are recognised at fair value even if their application is not probable. Subsequent changes in the fair value of financial liability clauses are recognised in profit or loss. Only earn-out clauses for transactions where control was obtained at the latest by 31 December 2009 can still be recorded against goodwill, because these transactions were accounted for under IFRS 3 before the revision.

Non-controlling interests representing shares of current interests giving rights to a share of the net assets in the event of liquidation may be measured in one of two ways at the purchaser's choice:

- at fair value on the acquisition date (full goodwill method);
- at the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

The option may be exercised acquisition by acquisition.

In accordance with IFRS 3, the initial valuation of the assets, liabilities and contingent liabilities can be revised within a maximum of 12 months from the acquisition date.

The consideration transferred at the time of a business combination (acquisition cost) is measured as the total of fair values transferred by the purchaser on the acquisition date in exchange for control of the acquired entity (for example: cash, equity instruments).

The costs directly attributable to the business combination in question must be recognised as expenses separately from the business combination. If there is a very strong possibility that the transaction will occur, they are recognised under the heading "Net gains or losses on other assets"; otherwise, they are recognised under "General operating expenses".

The difference between the sum of the acquisition cost and non-controlling interests and the net balance on the date of acquisition of acquired identifiable assets and liabilities taken over, valued at their fair value, is recognised and, when it is positive, on the assets side of the consolidated balance sheet under the heading "Goodwill" when the acquired entity is fully consolidated, and under the heading "Investments in equity-accounted entities" when the acquired company is consolidated using the equity method of accounting. Any negative change in the value of goodwill is recorded immediately in profit or loss.

Goodwill is carried on the balance sheet at its initial amount in the currency of the acquired entity and translated at the closing rate on the reporting date.

When control is taken by stages, the interest held before taking control is revalued at fair value through profit or loss on the acquisition date and the goodwill is calculated once, using the fair value at the date of acquisition of acquired assets and liabilities taken over.

In the event of an increase in Amundi's percentage of interest in an entity which it already exclusively controls, the difference between the acquisition cost and the share of net assets acquired is recognised under "Consolidated reserves, Group share". In the event that the Amundi percentage of ownership interest in an entity that remains under its exclusive control declines, the difference between the disposal price and the carrying amount of the share of net assets sold is also recognised under "Consolidated reserves, Group share". The expenses arising from these transactions are recognised in equity.

1.4.6 Goodwill impairment

Goodwill is tested for impairment whenever there is objective evidence of a loss of value, and at least once a year. IAS 36 requires that impairment on goodwill be determined by reference to the recoverable amount of the cash-generating Unit (CGU) or CGU group to which it belongs.

Cash-generating Units are defined as the smallest identifiable group of assets and liabilities generating incoming cash independently of cash generated by other asset groups. Amundi's organisation is defined by a very high centralisation and interdisciplinary nature of the functions inherent to asset management. This centralisation and integration translate into the following organisational principles: an integrated management platform, cross-functional investment products and solutions, interlinked sales and key interdisciplinary functions. This organisation has resulted in the identification of a single CGU. Therefore, goodwill is tested at the Group level in accordance with the provisions of IAS 36.

The recoverable amount of the CGU is defined as the higher of the market value and the value in use. The value in use is the present value of the estimated future cash flows of the CGU, as set out in medium-term business plans prepared by the Group for its management purposes.

When the recoverable amount is lower than the carrying amount, a corresponding impairment is recognised for the goodwill allocated to the CGU or CGU group. The impairment is irreversible.

Note 2 FINANCIAL MANAGEMENT, RISK EXPOSURE AND HEDGING POLICY

Capital management and regulatory ratios

The description of these systems as well as analytical information are provided in the "Risk Analysis" chapter of the management report, as permitted by IFRS 7. The accounting breakdown tables are nonetheless still included in the financial statements."

As a credit institution, Amundi is subject to French prudential regulations, which implement into French law the provisions of the EU Directive "Access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms". Amundi has managed its capital so as to satisfy the levels of regulatory capital defined in the EU Directive 2013/36 (CRD IV) and European Regulation 575/2013 (CRR) since 1 January 2014 and required by the relevant authorities, the European Central Bank and the Autorité de contrôle prudentiel et de résolution (ACPR) to cover risk-weighted assets in terms of credit risks, operational risks and market risks.

Regulatory capital, calculated on the basis Amundi's reporting entities, breaks down into three categories: *Common Equity Tier 1* capital (CET1), *Additional Tier 1* capital (AT1) and *Tier 2* capital consisting of equity and debt instruments, to which various adjustments are made. Regulatory capital is obtained from accounting shareholders' equity. The adjustments made (prudential filters) mostly involve deducting goodwill and intangible assets (net of deferred taxes).

Amundi principally holds CET1 capital, consisting of share capital and undistributed reserves. As part of the financing of the Pioneer acquisition, Amundi issued Tier 2 capital in the amount of €300 million in 2017, maturing in May 2027. This instrument was partially refinanced in 2022 and 2023 for a total amount of €200 million, through two new issues of Tier 2 capital of €100 million each, with maturity dates of August 2032 and August 2033 respectively.

Note 3 CONTRACTUAL MATURITY OF AMUNDI FINANCIAL ASSETS AND LIABILITIES

The contractual maturity of Amundi's financial assets and liabilities is as follows for the two financial years presented. The financial asset and liability balances are shown by contractual maturity date. Equities, funds and other variable-income securities do not have a contractual maturity and are shown in the "Indefinite" column.

The Group has a portfolio of money market investments and current accounts to meet its liquidity requirements.

	31/12/2023					
(In € thousands)	≤3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	35,934	59,579	1,448,525	1,531,044	-	3,075,083
Financial assets at fair value through profit or loss	1,005,538	251,397	6,923,362	8,111,957	3,086,082	19,378,336
Hedging derivatives	-	3,207	20,014	-	-	23,221
Total financial assets at fair value through profit or loss	**1,041,472**	**314,183**	**8,391,901**	**9,643,001**	**3,086,082**	**22,476,640**
Debt instruments recognised at fair value through recyclable equity	-	152,531	411,811	66,242	-	630,584
Equity instruments recognised at fair value through non-recyclable equity	-	-	-	-	232,187	232,187
Total financial assets at fair value through equity	**-**	**152,531**	**411,811**	**66,242**	**232,187**	**862,771**
Financial assets at amortised cost	1,683,121	109,532	17,677	124,906	-	1,935,236
Total loans and receivables due from credit institutions	**1,683,121**	**109,532**	**17,677**	**124,906**	**-**	**1,935,236**
Financial liabilities held for trading	25,622	49,394	1,098,579	1,133,988	-	2,307,583
Financial liabilities at fair value through profit or loss as an option	1,054,956	263,752	7,231,250	8,497,092	-	17,047,050
Hedging derivatives	-	-	2,464	2,136	-	4,599
Total financial liabilities at fair value through profit or loss	**1,080,578**	**313,146**	**8,332,292**	**9,633,216**	**-**	**19,359,232**
Financial liabilities at amortised cost	166,066	369,724	1,058,800	-	-	1,594,591
Total debts to credit institutions	**166,066**	**369,724**	**1,058,800**	**-**	**-**	**1,594,591**
Subordinated debt	4,976	-	100,000	200,000	-	304,976
TOTAL SUBORDINATED DEBT	**4,976**	**-**	**200,000**	**100,000**	**-**	**304,976**

(In € thousands)	31/12/2022 ≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	26,391	31,087	774,282	1,648,644	-	2,480,404
Financial assets at fair value through profit or loss	10,248	110,055	4,601,695	5,828,791	1,831,722	12,382,510
Hedging derivatives	502	-	35,715	884	-	37,101
Total financial assets at fair value through profit or loss	**37,141**	**141,142**	**5,411,691**	**7,478,320**	**1,831,722**	**14,900,015**
Debt instruments recognised at fair value through recyclable equity	69,688	25,923	438,419	54,428	-	588,458
Equity instruments recognised at fair value through non-recyclable equity	-	-	-	-	251,139	251,139
Total financial assets at fair value through equity		**25,923**	**438,419**	**54,428**	**251,139**	**839,597**
Financial assets at amortised cost	946,761	105,716	144,749	-	-	1,197,226
Total loans and receivables due from credit institutions	**946,761**	**105,716**	**144,749**	**-**	**-**	**1,197,226**
Financial liabilities held for trading	843	30,941	1,016,242	1,841,680	-	2,889,706
Financial liabilities at fair value through profit or loss as an option	-	107,624	4,412,049	5,576,185	-	10,095,858
Hedging derivatives	-	5	-	64	-	69
Total financial liabilities at fair value through profit or loss	**843**	**138,571**	**5,428,290**	**7,417,928**	**-**	**12,985,633**
Financial liabilities at amortised cost	523,037	104,347	799,884	-	-	1,427,268
Total debts to credit institutions	**523,037**	**104,347**	**799,884**	**-**	**-**	**1,427,268**
Subordinated debt	-	1,095	201,583	100,000	-	302,677
TOTAL SUBORDINATED DEBT	**-**	**1,095**	**201,583**	**100,000**	**-**	**302,677**

Note 4 NOTES ON NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

4.1 Net asset management revenues

The break-down of commissions and fees is as follows:

(In € thousands)	2023	2022
Net fees	2,956,710	3,004,401
Performance fees	123,394	170,822
TOTAL NET MANAGEMENT REVENUES	**3,080,104**	**3,175,223**

The analysis of net asset management revenue by client segment is presented in note 9.1.

4.2 Net financial income

(In € thousands)	2023	2022
Interest income	108,530	31,498
Interest expense	(104,395)	(54,730)
Net interest margin	**4,135**	**(23,231)**
Dividends received	5,389	4,815
Gains or losses, unrealised or realised, on assets/liabilities at fair value through profit or loss by type	71,059	(29,583)
Gains or losses, unrealised or realised, on assets/liabilities at fair value through profit or loss by option	11,681	10,871
Net gains (losses) on currency and similar financial instrument transactions	(2,277)	(3,133)
Net gains or losses on financial instruments at fair value through profit or loss	**85,852**	**(17,030)**
Net gains or losses on debt instruments recognised in recyclable equity	(36)	-
Compensation of equity instruments recognised in non-recyclable equity (dividends)	6,308	7,984
Net gains or losses on financial assets at fair value through equity	**6,272**	**7,984**
TOTAL NET FINANCIAL INCOME	**96,259**	**(32,278)**

Analysis of net gains (losses) from hedge accounting:

	2023			2022		
(In € thousands)	Profits	Losses	Net	Profits	Losses	Net
Fair value hedges						
Changes in fair value of hedged items attributable to hedged risks	4,226	16,087	20,313	(5,380)	(33,510)	(38,890)
Changes in fair value of hedging derivatives (including termination of hedges)	(15,786)	(4,527)	(20,313)	39,036	(146)	38,890
TOTAL NET INCOME FROM HEDGE ACCOUNTING	**(11,560)**	**11,560**	**-**	**33,656**	**(33,656)**	**-**

4.3 Other net income

(In € thousands)	2023	2022
Other net income (expenses) from banking operations	(105,395)	(104,191)
Other net income (expenses) from non-banking operations	51,242	16,773
TOTAL OTHER NET INCOME (EXPENSES)	**(54,154)**	**(87,418)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily to members of the Group, along with the expenses from amortisation of intangible fixed assets (distribution agreements and contracts with clients) acquired as part of business consolidations for €81,644 thousand as at 31 December 2023 and €81,617 thousand as at 31 December 2022.

4.4 General operating expenses

(In € thousands)	2023	2022
personnel expenses (including seconded and temporary employees)	(1,135,101)	(1,120,627)
Other operating expenses	(570,849)	(612,055)
Of which, external services related to personnel and similar expenses	(9,533)	(11,932)
TOTAL GENERAL OPERATING EXPENSES	**(1,705,951)**	**(1,732,682)**

The details regarding personnel expenses are presented in note 6.2.

Other operating costs include allowances for amortisation and impairment of tangible and intangible fixed assets as follows:

(In € thousands)	2023	2022
Depreciation and amortisation provisions	**(85,286)**	**(88,777)**
Property, plant and equipment	(64,844)	(70,440)
Intangible assets	(20,442)	(18,337)
Provisions for depreciation and amortisation		
Property, plant and equipment		
Intangible assets		
TOTAL PROVISIONS FOR AMORTISATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE FIXED ASSETS	**(85,286)**	**(88,777)**

4.5 Cost of risk

(In € thousands)	2023	2022
Credit risk		
Provisions net of impairment reversals on performing assets (Buckets 1 and 2)	**2,665**	**(617)**
Bucket 1: Losses assessed by expected credit losses for the next 12 months	**(44)**	**169**
Debt instruments recognised at fair value through recyclable equity	(56)	(69)
Debt instruments recognised at amortised cost	12	(22)
Commitments made	-	260
Bucket 2: Losses assessed by expected credit losses for the lifetime	**2,709**	**(786)**
Debt instruments recognised at fair value through recyclable equity		
Debt instruments recognised at amortised cost		
Commitments made	2,709	(786)
Provisions net of impairment reversals on impaired assets (Bucket 3)	**1,023**	**(1,680)**
Bucket 3: Impaired assets		
Debt instruments recognised at fair value through recyclable equity		
Commitments made	1,023	(1,680)
CHANGE IN PROVISIONS FOR CREDIT RISK	3,688	(2,297)
CHANGE IN PROVISIONS FOR OTHER RISKS AND EXPENSES[1]	484	27
OTHER NET GAINS (LOSSES)[2]	(6,794)	(9,845)
TOTAL COST OF RISK	**(2,622)**	**(12,115)**

(1) This item includes the effects of provisions for litigation and provisions for regulatory non-compliance risks;
(2) This item incorporates net gains or losses from business activities, of which certain expenses related to operational risk that fall within this category.

Value adjustments for losses corresponding to provisions for off-balance sheet commitments and recognised under cost of risk (for credit risk) are shown below:

	Performing commitments								
	Commitments subject to a 12-month ECL (Bucket 1)		Commitments subject to an ECL at maturity (Bucket 2)		Impaired commitments (Bucket 3)		Total		
((In € thousands))	Commitment amount	Value adjustment for losses	Commitment amount	Value adjustment for losses	Commitment amount	Value adjustment for losses	Commitment amount (a)	Value adjustment for losses (b)	Net commitment amount (a) + (b)
AS AT 1 JANUARY 2023	**11,262,178**	**-**	**849,925**	**(2,833)**	**801,809**	**(5,349)**	**12,913,913**	**(8,182)**	**12,905,731**
Transfers of commitments from one bucket to another during the period	(406,377)	-	406,377	-	(39,045)	-	-	-	
Transfer of 12-month ECL (Bucket 1) to ECL at maturity (Bucket 2)	(449,182)		449,182						
Return of ECL at maturity (Bucket 2) to 12-month ECL (Bucket 1)	42,805		(42,805)						
Transfers to impaired ECL at maturity (Bucket 3)									
Return of impaired ECL at maturity (Bucket 3) to ECL at maturity (Bucket 2) / 12-month ECL (Bucket 1)					(39,045)				
TOTAL AFTER TRANSFER	**10,855,801**	**-**	**1,256,302**	**(2,833)**	**762,764**	**(5,349)**	**12,913,913**	**(8,182)**	**12,905,731**
Changes in commitment amounts and value adjustments for losses	1,104,135	-	(129,347)	2,821	(741,167)	4,919	233,621	7,740	
New commitments given									
Suppression of commitments	(283,778)		(221,575)		(762,764)		(1,268,117)		
Transfer to loss					(4,008)	4,008	(4,008)	4,008	
Changes in flows that do not result in derecognition									
Changes in credit risk parameters over the period				2,708		1,024		3,732	
Changes in model / methodology									
Other	1,387,913		92,228	113	25,605	(113)	1,505,746		
AT 31 DECEMBER 2023	**11,959,936**	**-**	**1,126,955**	**(12)**	**21,597**	**(430)**	**13,147,534**	**(442)**	**13,147,092**

Provisions for off-balance sheet commitments act as provisions granted by Amundi within the context of fund guarantees.

4.6 Net gains or losses on other assets

(In € thousands)	2023	2022
Gains on disposals of tangible and intangible fixed assets	157	4,395
Losses on disposals of tangible and intangible fixed assets	(178)	(394)
Net income from sales of consolidated equity interests	(4,912)	
Net income from business combination operations		
TOTAL NET GAINS (LOSSES) ON OTHER ASSETS	**(4,932)**	**4,001**

4.7 Income tax

(In € thousands)	2023	2022
Current tax charge	(360,783)	(322,586)
Deferred tax income (expense)	10,026	(6,083)
TOTAL TAX EXPENSE FOR THE PERIOD	**(350,758)**	**(328,669)**

Reconciliation between the theoretical and effective tax rates:

	2023		2022	
(In € thousands)	Rate	Base	Rate	Base
Income before tax, and income from equity-accounted entities		1,408,704		1,314,731
THEORETICAL TAX RATE AND EXPENSE	**25.83%**	**(363,868)**	**25.83%**	**(339,595)**
Effect of permanent differences	0.62 pts	(8,671)	1.40 pts	(18,393)
Effect of different tax rates on foreign entities	(1.40 pts)	19,736	(1.94 pts)	25,550
Effect of losses for the financial year, the use of losses carried forward and temporary differences and other items	0.50 pts	(7,052)	0.00 pts	(26)
Effect of taxation at a lower rate	(0.67 pts)	9,389	(0.67 pts)	8,791
Effect of other items	0.02 pts	(291)	0.38 pts	(4,996)
EFFECTIVE TAX RATES AND EXPENSES	**24.90%**	**(350,758)**	**25.00%**	**(328,669)**

4.8 Change in gains and losses recognised directly in equity

Net gains and losses recognised directly in equity for the 2023 financial year are detailed below:

(In € thousands) - Recyclable gains and losses	2023	2022
Gains and losses on currency translation adjustments	**(33,680)**	**26,954**
Revaluation adjustment for the period	(33,680)	26,954
Reclassified to profit or loss		
Other reclassifications		
Gains and losses on debt instruments recognised in recyclable equity	**(2,440)**	**429**
Revaluation adjustment for the period	(2,477)	429
Reclassified to profit or loss	37	
Other reclassifications		
Gains and losses on available-for-sale assets		
Revaluation adjustment for the period		
Reclassified to profit or loss		
Other reclassifications		
Gains and losses on hedging derivatives	**-**	**-**
Revaluation adjustment for the period	-	-
Reclassified to profit or loss	-	-
Other reclassifications	-	-
Pre-tax gains and losses recognised directly in recyclable equity of equity accounted entities	**(24,508)**	**(16,607)**
Tax on gains and losses recognised directly in recyclable equity, excluding equity-accounted entities	**632**	**(112)**
Tax on gains and losses recognised directly in recyclable equity of equity accounted entities	**-**	**-**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND RECYCLABLE AS NET INCOME AT A LATER DATE	**(59,996)**	**10,664**

(In € thousand) - Non-recyclable gains and losses	2023	2022
Actuarial gains and losses on post-employment benefits	**(14,961)**	**39,807**
Gains and losses on equity instruments recognised in non-recyclable equity	**(21,960)**	**81,811**
Revaluation adjustment for the period	(21,960)	83,825
Reclassified to reserves		(2,014)
Other reclassifications		
Pre-tax gains and losses recognised directly in non-recyclable equity of equity-accounted entities		
Taxes on gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities	**4,139**	**(11,549)**
Taxes on gains and losses recognised directly in non-recyclable equity on equity-accounted entities		
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND NON-RECYCLABLE AS NET INCOME AT A LATER DATE	**(32,782)**	**110,068**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**(92,779)**	**120,732**
Of which, Group share	(89,470)	121,883
Of which, non-controlling interests	(3,309)	(1,150)

Details of the tax effect on gains and losses recognised directly in equity are shown below:

	31/12/2022				2023 change				31/12/2023			
(In € thousands)	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share
Gains and losses recognised directly in recyclable equity												
Gains and losses on currency translation adjustments	49,967	-	49,967	46,101	(33,680)	-	(33,680)	(30,371)	16,286	-	16,286	15,730
Gains and losses on debt instruments recognised under recyclable equity	687	(179)	508	508	(2,440)	632	(1,808)	(1,808)	(1,753)	453	(1,300)	(1,300)
Gains and losses on hedging derivatives												
Net gains and losses recognised directly in recyclable equity, excluding equity-accounted entities	50,654	(179)	50,475	46,609	(36,121)	632	(35,489)	(32,179)	14,533	453	14,986	14,430
Net gains and losses recognised directly in recyclable equity of equity-accounted entities	(16,899)	-	(16,899)	(16,899)	(24,508)		(24,508)	(24,508)	(41,407)	-	(41,407)	(41,407)
Gains and losses recognised directly in recyclable equity	**33,755**	**(179)**	**33,575**	**29,710**	**(60,629)**	**632**	**(59,997)**	**(56,687)**	**(26,874)**	**453**	**(26,422)**	**(26,977)**
Gains and losses recognised directly in non-recyclable equity												
Actuarial gains and losses on post-employment benefits	13,860	(4,599)	9,263	9,263	(14,961)	4,139	(10,822)	(10,822)	(1,101)	(460)	(1,560)	(1,560)
Gains and losses on equity instruments recognised in non-recyclable equity	19,756	-	19,756	19,756	(21,960)		(21,960)	(21,960)	(2,204)	-	(2,205)	(2,205)
Gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities	**33,616**	**(4,599)**	**29,019**	**29,019**	**(36,921)**	**4,139**	**(32,782)**	**(32,782)**	**(3,305)**	**(460)**	**(3,765)**	**(3,765)**
Gains and losses recognised directly in non-recyclable equity of equity-accounted entities	-	-	-	-					-	-	-	-
Gains and losses recognised directly in non-recyclable equity	**33,616**	**(4,599)**	**29,019**	**29,018**	**(36,921)**	**4,139**	**(32,782)**	**(32,782)**	**(3,305)**	**(460)**	**(3,765)**	**(3,765)**
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**67,371**	**(4,778)**	**62,594**	**58,728**	**(97,550)**	**4,771**	**(92,779)**	**(89,470)**	**(30,179)**	**(7)**	**(30,187)**	**(30,742)**

Note 5 NOTES ON THE BALANCE SHEET

5.1 Cash and central banks

(In € thousands)	31/12/2023	31/12/2022
Cash	7	5
Central banks	523,192	502,831
TOTAL CASH AND CENTRAL BANKS	**523,199**	**502,836**

5.2 Financial assets at fair value through profit or loss

(In € thousands)	31/12/2023	31/12/2022
Financial assets held for trading	3,075,083	2,480,404
Hedging derivatives	23,221	37,101
Equity instruments at fair value through profit or loss	435,825	530,454
Debt instruments at fair value through profit or loss by type	3,004,065	1,722,409
Financial assets at fair value through profit or loss by option	15,938,446	10,129,647
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**22,476,640**	**14,900,015**

5.2.1 Financial assets held for trading

(In € thousands)	31/12/2023	31/12/2022
Derivative trading instruments	3,075,083	2,480,404
of which interest rate swaps	*313,494*	*45,952*
of which, stock and index swaps	*2,760,340*	*2,429,546*
TOTAL FINANCIAL ASSETS HELD FOR TRADING	**3,075,083**	**2,480,404**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

5.2.2 Assets - Hedging derivatives

	31/12/2023			31/12/2022		
	Market value		Notional amount	Market value		Notional amount
(In € thousands)	Positive	Negative		Positive	Negative	
FAIR-VALUE HEDGING						
Interest rate risk	23,221	4,406	655,000	37,101	69	621,000
Foreign exchange	-	193	70,580	-	-	-

This heading refers to the hedges on Treasury notes (OATs) held by Amundi as collateral under the EMIR Regulation.

5.2.3 Other financial assets at fair value through profit or loss

(In € thousands)	31/12/2023	31/12/2022
Equity instruments at fair value through profit or loss	**435,825**	**530,454**
Equities and other variable-income securities	310,055	421,141
Non-consolidated equity securities	125,770	109,313
Debt instruments at fair value through profit or loss	**3,004,065**	**1,722,409**
Funds (that do not meet SPPI criteria)	2,960,312	1,722,409
Treasury bills and similar securities	43,753	-
Financial assets at fair value through profit or loss by option	**15,938,446**	**10,129,647**
Loans and receivables due from credit institutions	13,725,734	7,350,345
Bonds and other fixed-income securities	2,212,712	2,779,302
Treasury bills and similar securities	-	-
TOTAL OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**19,378,336**	**12,382,510**

Under this heading Amundi recognises the fair value of *seed money*, short-term cash investments and hedging assets for EMTN issues (see note 5.3.3).

5.3 Financial liabilities at fair value through profit or loss

(In € thousands)	31/12/2023	31/12/2022
Financial liabilities held for trading	2,307,583	2,889,706
Hedging derivatives	4,599	69
Financial liabilities at fair value through profit or loss as an option	17,047,050	10,095,858
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**19,359,232**	**12,985,633**

5.3.1 Liabilities held for trading

(In € thousands)	31/12/2023	31/12/2022
Derivative trading instruments	2,307,583	2,889,706
of which interest rate swaps	44,811	117,374
of which, stock and index swaps	2,261,237	2,771,585
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	**2,307,583**	**2,889,706**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

5.3.2 Liabilities – Hedging derivatives

See note 5.2.2. Assets – hedging derivatives.

5.3.3 Financial liabilities at fair value through profit or loss as an option

(In € thousands)	31/12/2023	31/12/2022
Debt securities	17,047,050	10,095,858
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS BY OPTION	**17,047,050**	**10,095,858**

This section records the securities issued by EMTN issuance vehicles for clients. The nominal value of these issues was €16,237,008 thousand as at 31 December 2023 and €10,435,994 thousand as at 31 December 2022.

5.4 Information on the netting of financial assets and liabilities

5.4.1 Netting – Financial assets

in € thousand Transaction type	Gross amount of assets recognised before any offsetting effect	Gross amount of liabilities actually netted	Net amount of financial assets shown in the summary statements	Other amounts that can be netted under given conditions: Gross amount of financial liabilities covered by master netting agreement	Other amounts that can be netted under given conditions: Amounts of other financial instruments received as collateral, of which security deposits	Net amount after all offsetting effects
	(a)	(b)	(c) = (a) - (b)	(d)		(e) = (c) – (d)
31/12/2023						
Derivatives	3,097,055	-	3,097,055	2,128,340	552,090	416,625
FINANCIAL ASSETS SUBJECT TO OFFSETTING	**3,097,055**	**-**	**3,097,055**	**2,128,340**	**552,090**	**416,625**
31/12/2022						
Derivatives	2,512,624	-	2,512,624	2,006,782	14,840	491,002
Financial assets subject to offsetting	**2,512,624**	**-**	**2,512,624**	**2,006,782**	**14,840**	**491,002**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, namely, *Credit Valuation Adjustment* (CVA) and *Debit Valuation Adjustment* (DVA).

5.4.2 Netting – Financial liabilities

in € thousand Transaction type	Gross amount of liabilities recognised before any offsetting effect	Gross amount of assets actually netted	Net amount of financial liabilities shown in the summary statements	Other amounts that can be netted under given conditions: Gross amount of financial assets covered by master netting agreement	Other amounts that can be netted under given conditions: Amount of other financial instruments given as collateral, of which security deposits	Net amount after all offsetting effects
	(a)	(b)	(c) = (a) - (b)	(d)		(e) = (c) – (d)
31/12/2023						
Derivatives	2,310,647	-	2,310,647	2,128,340	150,688	31,619
FINANCIAL LIABILITIES SUBJECT TO OFFSETTING	**2,310,647**	**-**	**2,310,647**	**2,128,340**	**150,688**	**31,619**
31/12/2022						
Derivatives	2,889,188	-	2,889,188	2,006,782	774,305	108,101
Financial liabilities subject to offsetting	**2,889,188**	**-**	**2,889,188**	**2,006,782**	**774,305**	**108,101**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

5.5 Financial assets at fair value through equity

(In € thousands)	31/12/2023			31/12/2022		
	Balance sheet value	Unrealised gains	Unrealised losses	Balance sheet value	Unrealised gains	Unrealised losses
Debt instruments recognised at fair value through recyclable equity	**630,584**	**16**	**(1,769)**	**588,458**	**760**	**(73)**
Treasury bills and similar securities	630,584	16	(1,769)	588,458	760	(73)
Equity instruments recognised at fair value through non-recyclable equity	**232,187**	**10,696**	**(12,900)**	**251,139**	**26,746**	**(6,990)**
Non-consolidated equity securities	232,187	10,696	(12,900)	251,139	26,746	(6,990)
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**862,771**	**10,712**	**(14,669)**	**839,597**	**27,506**	**(7,063)**

5.6 Financial assets at amortised cost

(In € thousands)	31/12/2023	31/12/2022
Current accounts and overnight loans	1,447,469	808,599
Accounts and term deposits	360,777	262,476
Debt securities	124,906	124,894
Accrued interest	2,084	1,257
TOTAL FINANCIAL ASSETS AT AMORTISED COST (NET VALUE)	**1,935,236**	**1,197,226**

"Financial assets at amortised cost" are loans and receivables due from credit institutions primarily granted to the Crédit Agricole group. They also include debt securities relating to the 2021 subscription to an issue of subordinated securities by Crelan (Belgian bank) for an amount of €125.0 million (10-year maturity).

As at 31 December 2023, the value adjustments for credit risk amounted to €94 thousand compared with €106 thousand as at 31 December 2022.

5.7 Financial liabilities at amortised cost

(In € thousands)	31/12/2023	31/12/2022
Accounts and term deposits	1,561,693	1,406,003
Accrued interest	1,795	4,521
Current accounts	31,103	16,744
TOTAL FINANCIAL LIABILITIES AT AMORTISED COST	**1,594,591**	**1,427,268**

The main counterparty for "financial liabilities at amortised cost" is the Crédit Agricole group.

5.8 Subordinated debt

(In € thousands)	31/12/2023	31/12/2022
Fixed-term subordinated debt	304,976	302,677
TOTAL SUBORDINATED DEBT	**304,976**	**302,677**

Crédit Agricole group is the counterparty to "subordinated debt".

5.9 Current and deferred tax assets and liabilities

(In € thousands)	31/12/2023	31/12/2022
Current tax receivables	31,637	100,413
Deferred tax assets	240,431	246,122
TOTAL CURRENT AND DEFERRED TAX ASSETS	**272,068**	**346,534**
Current tax liabilities	156,403	126,580
Deferred tax liabilities	96,579	115,970
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**252,982**	**242,550**

As at 31 December 2023, the value of deferred tax assets relating to the tax loss carry-forwards recognised in the financial statements totalled €1,313 thousand.

Furthermore, deferred tax assets and liabilities recognised in relation to temporary differences arising from the recognition of IFRS16 rights of use and lease liabilities are offset on the balance sheet for a total of €62.9 million.

5.10 Accruals and sundry assets and liabilities

5.10.1 Accruals and sundry assets

(In € thousands)	31/12/2023	31/12/2022
Miscellaneous debtors (including collateral paid)	930,139	1,854,863
Accrued income	593,361	536,763
Prepaid expenses	519,144	470,378
ASSETS - TOTAL ACCRUALS AND SUNDRY ASSETS	**2,042,645**	**2,862,004**

Accruals and sundry assets include management and performance fees due and the collateral paid for derivatives contracts. This collateral (recorded under "Miscellaneous debtors") was recorded in balance sheet assets in the amount of €203,828 thousand as at 31 December 2023 and €816,305 thousand as at 31 December 2022.

5.10.2 Accruals, deferred income and sundry liabilities

(In € thousands)	31/12/2023	31/12/2022
Miscellaneous creditors (including collateral received)	1,477,583	950,814
Accrued expenses	1,141,379	1,159,173
Prepaid income	15,120	17,394
IFRS 16 Lease liabilities	291,146	313,440
Other accruals	49,357	43,504
LIABILITIES - TOTAL ACCRUALS AND SUNDRY LIABILITIES	**2,974,584**	**2,484,326**

Accruals, deferred income and sundry liabilities include bonus debts, retrocessions payable to distributors and collateral received for derivatives contracts. This collateral (recorded under "Miscellaneous creditors") was recorded in balance sheet liabilities in the amount of €620,417 thousand as at 31 December 2023 and €37,781 thousand as at 31 December 2022.

5.11 Joint ventures and associates

(In € thousands)	31/12/2023	31/12/2022
Joint ventures	-	-
Associates	497,638	443,020
ASSETS - INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**497,638**	**443,020**

(In € thousands)	2023	2022
Joint ventures	-	-
Associates	101,995	88,153
INCOME STATEMENT - SHARE OF NET INCOME FROM EQUITY-ACCOUNTED ENTITIES	**101,995**	**88,153**

5.11.1 Joint ventures

As at 31 December 2023, Amundi had no stake in any joint ventures.

5.11.2 Associates

As at 31 December 2023, the equity-accounted value of associate companies was €497,638 thousand and €443,020 thousand as at 31 December 2022.

Amundi has holdings in four associates. The holdings in equity-accounted companies are presented in the table below:

		31/12/2023			31/12/2022		
(In € thousands)	Notes	Equity-accounted value	Dividends paid to Group entities	Share of net income	Equity-accounted value	Dividends paid to Group entities	Share of net income
NH-Amundi Asset Management		27,357	3,729	5,586	27,428	3,304	5,880
State Bank of India Fund Management (SBI FM)		274,921	6,527	78,960	213,885	5,895	57,790
ABC-CA		191,067	8,050	15,242	196,919	-	21,065
Wafa Gestion		4,293	2,419	2,207	4,788	2,639	3,417
Net balance sheet value of shares in equity-accounted companies (associates)		**497,638**	**20,725**	**101,995**	**443,020**	**11,839**	**88,153**

The summarised financial information relating to Amundi's significant associates is presented below:

	31/12/2023				31/12/2022			
(In € thousands)	NBI	Net income	Total assets	Equity	NBI	Net income	Total Assets	Equity
NH-Amundi Asset Management	55,115	18,621	105,548	91,190	56,746	19,600	106,140	91,428
State Bank of India Fund Management (SBI FM)	341,537	207,911	729,033	686,964	280,350	156,405	549,716	515,443
ABC-CA	93,308	45,727	604,314	573,201	124,497	63,203	639,559	590,816
Wafa Gestion	16,609	6,490	35,050	12,626	18,966	10,049	35,862	14,082

5.12 Property, plant and equipment and intangible assets

5.12.1 Property, plant and equipment used in operations

(In € thousands)	31/12/2022	Change in scope	Increase	Decrease	Currency exchange differences	Other movements [1]	31/12/2023
Gross value	619,006	(1,774)	37,237	(66,291)	(3,846)	4,023	588,356
of which, property rights of use	374,313	(1,647)	21,755	(16,660)	(2,299)	-	375,462
Depreciation, amortisation and provisions	(276,137)	207	(64,820)	62,616	1,544	(4,023)	(280,613)
of which, amort. / property rights of use	(88,691)	196	(46,055)	13,055	872	-	(120,623)
NET TANGIBLE ASSETS	**342,869**	**(1,567)**	**(27,584)**	**(3,674)**	**(2,301)**	**-**	**307,743**

(In € thousands)	31.12.2021	Change in scope	Increase	Decrease	Currency exchange differences	Other movements [1]	31/12/2022
Gross value	716,450		59,332	(159,213)	2,274	164	619,006
of which, property rights of use	473,143		35,938	(135,900)	1,131	-	374,313
Depreciation, amortisation and provisions	(319,137)		(70,433)	114,284	(839)	(12)	(276,137)
of which, amort. / property rights of use	(131,620)		(50,249)	93,707	(530)	-	(88,691)
NET TANGIBLE ASSETS	**397,312**	**-**	**(11,102)**	**(44,929)**	**1,435**	**152**	**342,869**

5.12.2 Intangible assets used in operations

(In € thousands)	31/12/2022	Change in scope	Increase	Decrease	Currency exchange differences	Other movements	31/12/2023
Gross value	1,011,284	-	36,255	(9,207)	(965)	18	1,037,385
Depreciation, amortisation and provisions	(559,863)	-	(102,362)	9,200	793	(16)	(652,249)
NET INTANGIBLE ASSETS	**451,421**	**-**	**(66,107)**	**(8)**	**(173)**	**2**	**385,135**

(In € thousands)	31.12.2021	Change in scope	Increase	Decrease	Currency exchange differences	Other movements	31/12/2022
Gross value	1,015,812		36,187	(41,486)	935	(164)	1,011,284
Depreciation, amortisation and provisions	(497,036)		(100,727)	38,528	(640)	12	(559,863)
NET INTANGIBLE ASSETS	**518,776**	**-**	**(64,540)**	**(2,958)**	**295**	**(152)**	**451,421**

Intangible fixed assets consist primarily of:

- distribution contracts with partner networks and customer contracts acquired through business combinations and amortised over a maximum period of 10 years;
- software acquired or developed in-house.

5.13 Goodwill

Goodwill totalled €6,707.7 million as at 31 December 2023, compared with €6,731.2 million as at 31 December 2022. The change over the financial year was mainly due to exchange rate fluctuations during the period.

The goodwill consists of the following main items:

- €377.9 million of goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003;
- the goodwill recorded in 2004 upon the acquisition of Crédit Lyonnais by Crédit Agricole S.A. for €1,732.8 million;
- the goodwill recorded relating to the contribution of Société Générale's asset management business in December 2009 for €707.8 million;
- goodwill recognised in 2015 at the time of the acquisition of Amundi Austria for €78.4 million;
- the goodwill recognised in 2016 following the acquisitions of KBI Global Investors and Crédit Agricole Immobilier Investors for a total of €159.9 million;
- the goodwill recorded in 2017 following the acquisition of Pioneer Investments for a total of €2,537.3 million;
- a total of €335.0 million of goodwill recognised in 2020 following the acquisition of Sabadell AM;
- the goodwill recorded in 2021 following the acquisition of Lyxor for a total of €650.7 million;

Goodwill is tested for impairment based on the Group's value in use. Determination of the value in use is based on the present value of estimated future cash flows of the Group as set out in the medium-term business plans prepared by the Group for management purposes.

The impairment test conducted at 31 December 2023 was carried out using results forecasts for the 2022–2025 period. The results forecasts were primarily based on the following assumptions about the economic environment:

- equity markets will fall in 2024 before a sustained climb in 2025 and 2026;
- on the interest rate markets, long and short rates will rise in 2024 compared with 2023, then decline slightly in 2025 and 2026.

Amundi used a 2% perpetual growth rate for the tests as at 31 December 2023 and 2022 and a discount rate of 8.4% for the test as at 31 December 2023 (versus a discount rate of 8.1% used for the tests as at 31 December 2022).

A change in these assumptions (+/-50 basis points in the discount rate and +/-50 basis points in the perpetual growth rate) would not change the conclusions of the impairment test as at 31 December 2023.

5.14 Provisions

(In € thousands)	01/01/2023	Change in scope	Increases	Unused decreases and reversals	Reversals used	Currency exchange differences	Other movements	31/12/2023
Provisions for risks on commitments made	8,182		51	(3,783)	(4,008)			442
Provisions for operational risks	852		167	(69)	(441)			509
Provisions for employee expenses	57,266		18,305	(5,839)	(10,812)	(126)	15,432	74,226
Provisions for litigation	5,333			(597)	(83)			4,653
Provisions for other risks	21,633		5,797	(4,861)	(448)	(89)	(169)	21,863
PROVISIONS	**93,266**	**-**	**24,320**	**(15,149)**	**(15,792)**	**(216)**	**15,263**	**101,693**

(In € thousands)	01/01/2022	Change in scope	Increases	Unused decreases and reversals	Reversals used	Currency exchange differences	Other movements	31/12/2022
Provisions for risks on commitments made	12,038		2,466	(260)	(6,062)			8,182
Provisions for operational risks	421	882	977	(307)	(505)		(616)	852
Provisions for employee expenses	77,441	(107)	28,822	(5,630)	(6,192)	(79)	(36,992)	57,266
Provisions for litigation	8,141		2,234	(2,931)	(4,488)		2,377	5,333
Provisions for other risks	27,809		6,959	(3,971)	(9,339)	(136)	310	21,633
PROVISIONS	**125,851**	**775**	**41,458**	**(13,099)**	**(26,586)**	**(215)**	**(34,921)**	**93,266**

As at 31 December 2023, disputes and other risks have a foreseeable expiry of less than two years.

The provisions for personnel expenses include provision for severance payments (see note 6.4).

5.15 Equity

5.15.1 Composition of the share capital

As at 31 December 2023, the allocation of share capital and voting rights was as follows:

Shareholders	Number of securities	% of share capital	% of voting rights
Crédit Agricole S.A.	137,606,742	67.24%	67.65%
Other Crédit Agricole group companies	3,450,657	1.69%	1.70%
Employees	2,918,391	1.43%	1.43%
Treasury stock	1,247,998	0.61%	-
Free float	59,423,846	29.04%	29.22%
TOTAL SECURITIES	**204,647,634**	**100.00%**	**100.00%**

In the 2023 financial year there was an increase in capital reserved for Amundi employees which led to the issue of 787,503 shares (see section “Period highlights”).

5.15.2 Dividends paid

In 2023, in accordance with the decision of the General Shareholders' Meeting of 12 May 2023, it was decided to pay a dividend of €4.10 per share in respect of each of the 203,860,131 shares that qualified for the dividend on that date.

(In € thousands)	For the 2022 financial year	For the 2021 financial year
Crédit Agricole S.A.	564,188	564,188
Other Crédit Agricole group companies	14,148	14,148
Employees	9,735	6,767
Free float	242,484	246,035
TOTAL DIVIDENDS	**830,554**	**831,137**

5.15.3 Calculation of earnings per share

	31/12/2023	31/12/2022
Net income group share for the period (in € thousand)	1,164,884	1,073,716
Average weighted number of ordinary shares outstanding during the period	204,201,023	203,414,667
BASIC EARNINGS PER SHARE (IN €)	**5.70**	**5.28**

The basic earnings per share and diluted earnings per share are identical, as the conditions for issuing potentially dilutive performance shares had not been met at the end of the financial year.

Note 6 EMPLOYEE BENEFITS AND OTHER COMPENSATION

6.1 Headcount

Headcount for the period	2023	2022
Full-time equivalent - FTE	Average headcount	Average headcount
France	2,715.5	2,664.7
Other European Union countries	1,513.0	1,503.9
Other European countries	193.2	193.3
North America	498.2	500.5
Central and South America	6.0	6.4
Africa and the Middle East	5.8	5.6
Asia and Oceania (excluding Japan)	233.3	232.8
Japan	161.4	159.4
TOTAL HEADCOUNT	**5,326.3**	**5,266.6**

6.2 Analysis of employee expenses

(In € thousands)	2023	2022
Salaries and wages	(825,184)	(798,674)
Retirement fund contributions	(54,088)	(51,972)
Social charges and taxes	(198,785)	(183,171)
Other	(57,044)	(86,810)
TOTAL EMPLOYEE EXPENSES	**(1,135,101)**	**(1,120,627)**

In 2022, personnel expenses included redundancy provisions as part of the integration of Lyxor.

6.3 Post-employment benefits, defined-contribution plans

There are several compulsory retirement plans to which "employer" companies contribute. Funds are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not generate sufficient revenue to cover all of the benefits corresponding to services rendered by employees during the year and during prior financial years. Consequently, Amundi Group entities have no liabilities in this respect other than their contributions to be paid. Contributions for defined-contribution plans amounted to €53,686 thousand as at 31 December 2023 and €51,884 thousand as at 31 December 2022.

6.4 Post-employment benefits, defined-benefit plans

Change in actuarial liabilities

	31/12/2023			31/12/2022
(In € thousands)	Euro zone	Non-eurozone	All zones	All zones
Actuarial liability as at 31/12/N-1	**97,559**	**6,297**	**103,856**	**139,081**
Currency exchange differences		(672)	(672)	(521)
Cost of services rendered during the financial year	4,278	807	5,085	7,439
Financial cost	3,529	31	3,560	1,257
Employee contributions	72		72	72
Benefit plan changes, withdrawals and settlement		28	28	-
Change in scope			-	4,141
Benefits paid (compulsory)	(3,608)	(368)	(3,976)	(3,517)
Taxes, administrative expenses and bonuses			-	-
Actuarial (gains) losses related to demographic assumptions[1]	(2,105)	(70)	(2,175)	(1,229)
Actuarial (gains) losses related to financial assumptions	16,388	(183)	16,205	(42,867)
ACTUARIAL LIABILITY AS AT 31/12/N	**116,113**	**5,869**	**121,982**	**103,856**

(1) of which, actuarial differences related to experience adjustments.

Expense recognised in profit or loss

	31/12/2023			31/12/2022
(In € thousands)	Eurozone	Non-eurozone	All zones	All zones
Cost of services	4,278	835	5,113	7,439
Net interest expense (income)	1,144	4	1,148	552
IMPACT ON THE INCOME STATEMENT AS AT 31/12/N	**5,422**	**839**	**6,261**	**7,991**

Gains and losses recognised in other non-recyclable comprehensive net income items and changes in actuarial differences

	31/12/2023			31/12/2022
(In € thousands)	Euro zone	Non-eurozone	All zones	All zones
Revaluation of net liabilities (assets)				
Amount of accumulated actuarial differences in other non-recyclable comprehensive net income items as at 31/12/N-1	**(14,701)**	**1,015**	**(13,686)**	**25,985**
Currency exchange differences		(103)	(103)	(96)
Actuarial gains (losses) on assets	636	14	650	4,521
Actuarial gains (losses) related to demographic assumptions*	(2,105)	(70)	(2,175)	(1,229)
Actuarial gains (losses) related to financial assumptions	16,388	(183)	16,205	(42,867)
Adjustment of asset limitation	-			
Items recognised immediately in other comprehensive net income items during the financial year (Actuarial gains and losses on post-employment benefits)	**14,919**	**(341)**	**14,578**	**-39,671**

** of which, actuarial differences related to experience adjustments.*

Change in the fair value of assets

	31/12/2023			31/12/2022
(In € thousands)	Euro zone	Non-eurozone	All zones	All zones
Fair value of assets as at 31/12/N-1	**68,523**	**5,469**	**73,993**	**79,805**
Currency exchange differences		(566)	(566)	(450)
Interest on the assets (income)	2,385	27	2,412	705
Actuarial gains (losses)	(636)	(14)	(650)	(4,521)
Employer contributions	(72)	696	624	701
Employee contributions	72		72	72
Benefit plan changes, withdrawals and settlement			-	-
Change in scope			-	16
Taxes, administrative expenses and bonuses			-	-
Benefits paid by the fund	(2,318)	(368)	(2,686)	(2,336)
FAIR VALUE OF ASSETS AS AT 31/12/N	**67,954**	**5,243**	**73,197**	**73,993**

Net position

	31/12/2023			31/12/2022
(In € thousands)	Euro zone	Non-eurozone	All zones	All zones
Actuarial liability at the end of the period	116,113	5,869	121,982	103,856
Impact of asset limitation			-	-
Fair value of assets at end of period	(67,954)	(5,243)	(73,197)	(73,993)
NET POSITION END OF PERIOD (LIABILITIES)	**48,159**	**626**	**48,785**	**29,864**

Defined-benefit plans – main actuarial assumptions

	31/12/2023	31/12/2022
Amundi Asset Management plan discount rate	3.17%	3.77%
Amundi Deutschland GmbH plan discount rate	3.17%	3.77%
Other plans discount rate	3.61%	2.63%
Expected rate of salary increases	3.60%	2.30%

Asset allocation as at 31 December 2023

	Eurozone			Non-eurozone			All zones		
(In € thousands)	as a %	amount	of which, listed	as a %	Amount	of which, listed	as a %	Amount	of which, listed
Equities	18.44%	12,532	12,532				17.12%	12,532	12,532
Fixed Income	29.20%	19,841	19,841				27.11%	19,841	19,841
Real estate	17.06%	11,594					15.84%	11,594	-
Other assets	35.30%	23,987		100.00%	5,243		39.93%	29,230	-
FAIR VALUE OF ASSETS	**100.00%**	**67,954**	**32,373**	**100.00%**	**5,243**	**-**	**100.00%**	**73,197**	**32,373**

As at 31 December 2023, the data for France showed an actuarial liability of €68,580 thousand, a fair value of assets of €44,470 thousand and a net end-of-period position of €24,110 thousand.

Sensitivity to discount rates as at 31 December 2023

- a change of more than 50 bps in the discount rate could lead to a decrease in commitments of 6.24%;
- a change of less than 50 bps in the discount rate could lead to an increase in commitments of 6.87%.

6.5 Share-based payments

Amundi performance share plans

An expense of €16,501 thousand for share-based payments was recognised in personnel expenses for the period ended 31 December 2023 in respect of Amundi performance share plans for Group employees.

This expense includes the valuation of the services rendered over the period under a plan authorised by the General Shareholders' Meeting of 10 May 2021 and not yet allocated as at the date on which the accounts were established, for a total amount of €4,707 thousand.

These award schemes are described below:

Performance share award schemes	2021 Plan	2022 General Plan	2022 CRDV Plan	2023 General Plan	2023 CRDV Plan
Date of General Shareholders' Meeting authorising the share award scheme	05/16/2019	05/10/2021	05/10/2021	05/10/2021	05/10/2021
Date of Board meeting	04/28/2021	04/28/2022	04/28/2022	04/27/2023	04/27/2023
Date of allocation of shares	04/28/2021	04/28/2022	05/18/2022	04/27/2023	05/12/2023
Number of shares allocated	341,180	465,270	8,160	433,140	12,980
Payment methods	Amundi shares	Amundi shares	Amundi shares	Amundi shares	Amundi shares
Vesting period	04/28/2021 05/02/2024	04/28/2022 05/02/2025	04/28/2022 05/03/2027	04/27/2023 05/05/2026	04/27/2023 05/04/2028
Performance conditions(1)	Yes	Yes	Yes	Yes	Yes
Continued employment conditions	Yes	Yes	Yes	Yes	Yes
Shares remaining as at 31 December 2022(2)	324,930	459,440	8,160	-	-
Shares awarded during the period	-	-	-	439,890	12,980
Shares delivered during the period	-	-	1,632	-	-
Cancelled or voided shares during the period	13,970	16,320	-	19,950	-
Equities remaining as at 31 December 2023(2)	310,960	443,120	6,528	419,940	12,980
Fair value of an equity					
Tranche 1	62.88 euros	45.47 euros	53.60 euros	45.82 euros	54.00 euros
Tranche 2	N.A.	n.a.	49.62 euros	n.a.	49.94 euros
Tranche 3	n.a.	n.a.	45.47 euros	n.a.	45.82 euros
Tranche 4	n.a.	n.a.	41.08 euros	n.a.	41.47 euros
Tranche 5	n.a.	n.a.	36.76 euros	n.a.	37.12 euros

(1) Performance targets are based on the net income group share (NIGS), the level of net inflows and the Group's cost-to-income ratio.

(2) Quantity of shares on the basis of achieving performance conditions of 100%.

Amundi measures the shares awarded and recognises an expense determined on the award date based on the market value of the options on that date. The sole assumptions that may be revised during the vesting period giving rise to an adjustment to the expense are those relating to the beneficiaries (options forfeited on dismissal or resignation).

6.6 Executive compensation

The compensation and benefits of members of the Management Committee for the 2023 financial year, which are included in Amundi's consolidated financial statements, total €15,171 thousand. They include gross fixed and variable compensation, benefits in kind, retirement benefits and the expense for the supplementary retirement plan implemented for the key executives of the Group. The compensation break-down is as follows:

(In € thousands)	2023	2022
Gross compensation, employer contributions and benefits in kind	12,272	13,469
Post-employment benefits	247	481
Other long-term benefits		
Severance payments		
Cost of option plans and other plans	2,653	2,208
TOTAL COMPENSATION AND BENEFITS	**15,171**	**16,158**

In addition, the directors' attendance fees paid in respect of the 2023 and 2022 financial years are presented in the table below:

(In € thousands)	2023	2022
Directors' attendance fees	490	480

Note 7 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments measured at fair value on the balance sheet are valued on the basis of listed prices or valuation techniques that maximise the use of observable data.

7.1 Derivatives

The valuation of derivatives includes:

- an adjustment for the quality of the counterparty (*Credit Value Adjustment* – CVA) intended to include the credit risk associated with the counterparty in the valuation of derivatives (risk of non-payment of the amount due in the event of default). The adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is to be deducted from the fair value of the financial instruments booked on the asset side of the balance sheet;
- a value adjustment for the credit risk for our Company (*Debt Value Adjustment* – DVA) intended to integrate the risk associated with our counterparties in the valuation of derivatives. The adjustment is calculated on an aggregate basis by counterparty based on the future exposure profile of the transactions. This adjustment is always positive and is to be deducted from the fair value of the financial instruments booked on the liability side of the balance sheet.

7.2 Other financial assets and liabilities

7.2.1 Other financial assets

The listed non-consolidated equity interests (primarily Resona Holding), government securities (listed on an organised market), listed bonds and fund units with a net asset value available at least twice a month are classified as Level 1. All other assets and liabilities valued at fair value are classified as Level 2 with the exception of *private equity* funds which are classified as Level 3.

7.2.2 Other financial liabilities

Liabilities at fair value option result from the consolidation of EMTN issue vehicles. These liabilities are classified as Level 2.

7.3 Financial assets at fair value on the balance sheet

The tables below show assets on the balance sheet of financial assets and liabilities valued at fair value and classified by fair value level:

(In € thousands)	Total 31/12/2023	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**3,075,083**		**3,075,083**	
Derivatives	3,075,083		3,075,083	
Financial assets at fair value through profit or loss	**19,378,336**	**5,176,023**	**14,177,493**	**24,820**
Equity instruments	**435,825**	**11,521**	**424,304**	**-**
Equities and other variable-income securities	310,055	-	310,055	
Non-consolidated equity securities	125,770	11,521	114,249	
Debt instruments at fair value through profit or loss	**3,004,065**	**2,951,790**	**27,455**	**24,820**
Funds	2,960,312	2,908,037	27,455	24,820
Treasury bills and similar securities	43,753	43,753		
Financial assets at fair value through profit or loss by option	**15,938,446**	**2,212,712**	**13,725,734**	**-**
Bonds and other fixed-income securities	2,212,712	2,212,712		
Loans and receivables due from credit institutions	13,725,734		13,725,734	
Treasury bills and similar securities	-			
Financial assets recognised in equity	**862,771**	**836,922**	**25,849**	**-**
Equity instruments recognised in non-recyclable equity through profit and loss	**232,187**	**206,338**	**25,849**	**-**
Equities and other variable-income securities	-			
Non-consolidated equity securities	232,187	206,338	25,849	
Debt instruments recognised in recyclable equity	**630,584**	**630,584**	**-**	**-**
Treasury bills and similar securities	630,584	630,584		
Hedging derivatives	**23,221**		**23,221**	
TOTAL FINANCIAL ASSETS VALUED AT FAIR VALUE	**23,339,411**	**6,012,945**	**17,301,646**	**24,820**

(In € thousands)	Total 31/12/2022	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**2,480,404**	**-**	**2,480,404**	**-**
Derivatives	2,480,404	-	2,480,404	-
Financial assets at fair value through profit or loss	**12,382,510**	**4,461,519**	**7,895,782**	**25,209**
Equity instruments	**530,454**	**13,562**	**516,892**	**-**
Equities and other variable-income securities	421,141	-	421,141	-
Non-consolidated equity securities	109,313	13,562	95,751	-
Debt instruments at fair value through profit or loss	**1,722,409**	**1,668,121**	**29,079**	**25,209**
Funds	1,722,409	1,668,121	29,079	25,209
Treasury bills and similar securities	-	-	-	-
Financial assets at fair value through profit or loss by option	**10,129,647**	**2,779,302**	**7,350,345**	**-**
Bonds and other fixed-income securities	2,779,302	2,779,302	-	-
Loans and receivables due from credit institutions	7,350,345	-	7,350,345	-
Treasury bills and similar securities	-	-	-	-
Financial assets recognised in equity	**839,597**	**820,424**	**19,173**	**-**
Equity instruments recognised in non-recyclable equity through profit and loss	**251,139**	**231,966**	**19,173**	**-**
Equities and other variable-income securities	-	-	-	-
Non-consolidated equity securities	251,139	231,966	19,173	-
Debt instruments recognised in recyclable equity	**588,458**	**588,458**	**-**	**-**
Treasury bills and similar securities	588,458	588,458	-	-
Hedging derivatives	**37,101**	**-**	**37,101**	**-**
TOTAL FINANCIAL ASSETS VALUED AT FAIR VALUE	**15,739,612**	**5,281,943**	**10,432,460**	**25,209**

7.4 Financial liabilities at fair value on the balance sheet

(In € thousands)	Total 31/12/2023	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held for trading	**2,307,583**	**-**	**2,307,583**	**-**
Debts to credit institutions	-			
Derivatives	2,307,583		2,307,583	
Hedging derivatives	**4,599**		**4,599**	
Financial liabilities at fair value through profit or loss as an option	**17,047,050**		**17,047,050**	
TOTAL FINANCIAL LIABILITIES VALUED AT FAIR VALUE	**19,359,232**	**-**	**19,359,232**	**-**

(In € thousands)	Total 31/12/2022	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held for trading	**2,889,706**		**2,889,706**	
Debts to credit institutions	-	-	-	-
Derivatives	2,889,706	-	2,889,706	-
Hedging derivatives	**69**		**69**	
Financial liabilities at fair value through profit or loss as an option	**10,095,858**		**10,095,858**	
TOTAL FINANCIAL LIABILITIES VALUED AT FAIR VALUE	**12,985,633**	**-**	**12,985,633**	**-**

7.5 Fair value of financial assets and liabilities measured at cost

Financial assets and liabilities valued at cost primarily include amounts due and receivables to credit institutions and the collateral paid and received for derivatives contracts.

With respect to daily margin calls, Amundi Group considers that the collateral recorded and received is recognised at its fair value under "Accruals and sundry assets" and "Accruals and sundry liabilities".

Amundi Group considers that the amortised cost of debts and receivables to credit institutions is a good approximation of fair value. This mainly consists of:

- variable-rate assets and liabilities, for which interest rate changes do not have a significant impact on fair value, since the rates of yield of these instruments frequently adjust themselves to market rates (loans and borrowings);
- short-term assets and liabilities, where the redemption value is close to the market value.

Note 8 NON-CONSOLIDATED STRUCTURED ENTITIES

Amundi manages and structures funds in order to offer investment solutions to its clients. These funds, excluding management mandates, are considered to be structured entities to the extent that they are created for a very specific purpose, are managed via contracts signed by the stakeholders, and the rights associated with the voting rights of the shares have limited impact, where applicable.

Amundi has defined criteria to identify companies which are involved as the sponsor of a structured entity:

- the Company is involved in the creation of the structured entity and the intervention, which is remunerated, is deemed significant for the successful completion of operations;
- the structuring occurred at the request of the Company and it is the primary user;
- the Company sold its own shares to the structured entity;
- the Company is the manager of the structured entity;
- the name of a subsidiary or the Parent company is associated with the name of the structured entity or with the financial instruments it issues.

Given this definition, all funds managed by Amundi Group companies, whether held or not, are considered to be "sponsored" structured entities.

The Group receives management and performance fees and commissions from the funds. It can invest, provide guarantees and contract performance swaps with the funds.

8.1 Nature and extent of Amundi's involvement with the non-consolidated structured entities

The table below shows the assets, liabilities and off-balance sheet commitments of the Group in sponsored structured entities, with the exception of those that are consolidated.

	31/12/2023			
	Asset management			
		Maximum loss		
(In € thousands)	**Balance sheet value**	**Maximum exposure to loss risk**	**Guarantees received and other credit enhancements**	**Net exposure**
Financial assets held for trading	885,245	885,245		885,245
Debt instruments that do not meet SPPI criteria: UCITS	1,837,440	1,837,440		1,837,440
Financial assets at fair value through equity	-	-	-	
Financial assets at amortised cost	-	-	-	
Assets recognised with respect to non-consolidated structured entities	**2,722,685**	**2,722,685**	**-**	**2,722,685**
Equity instruments	-	n.a.	-	
Financial liabilities held for trading	518,078	n.a.	-	518,078
Financial liabilities at fair value through profit or loss	-	n.a.	-	
Debts	-	n.a.	-	
Liabilities with respect to non-consolidated structured entities	**518,078**	**-**	**-**	**518,078**
Commitments given				
Financing commitments	n.a.	-	-	
Guarantee commitments	n.a.	13,147,534	328,287	12,819,247
Other	n.a.	-	-	
Provisions for execution risk - Commitments made by signature	n.a.	442	-	442
Off-balance sheet commitments net of provisions with respect to unconsolidated structured entities	**n.a.**	**13,147,976**	**328,287**	**12,819,689**
BALANCE SHEET TOTAL OF NON-CONSOLIDATED STRUCTURED ENTITIES HELD	**82,060,951**	**N.A.**	**N.A.**	**N.A.**

	31/12/2022			
	Asset management			
		Maximum loss		
(In € thousands)	Balance sheet value	Maximum exposure to loss risk	Guarantees received and other credit enhancements	Net exposure
Financial assets held for trading	874,469	874,469	-	874,469
Debt instruments that do not meet SPPI criteria: UCITS	1,231,668	1,231,668	-	1,231,668
Financial assets at fair value through equity	-	-	-	
Financial assets at amortised cost	-	-	-	
Assets recognised with respect to non-consolidated structured entities	**2,106,137**	**2,106,137**	**-**	**2,106,137**
Equity instruments	-	n.a.	-	
Financial liabilities held for trading	461,848	n.a.	-	461,848
Financial liabilities at fair value through profit or loss	-	n.a.	-	
Debts	-	n.a.	-	
Liabilities with respect to non-consolidated structured entities	**461,848**	**-**	**-**	**461,848**
Commitments given				
Financing commitments	n.a.	-	-	
Guarantee commitments	n.a.	12,913,913	443,998	12,469,915
Other	n.a.	-	-	
Provisions for execution risk - Commitments made by signature	n.a.	(8,182)	-	(8,182)
Off-balance sheet commitments net of provisions with respect to unconsolidated structured entities	**n.a.**	**12,905,731**	**443,998**	**12,461,733**
BALANCE SHEET TOTAL OF NON-CONSOLIDATED STRUCTURED ENTITIES HELD	**82,097,502**	**N.A.**	**N.A.**	**N.A.**

Information on shares of funds held by Amundi and recorded under "Debt instruments which do not meet SPPI criteria: UCITS" do not include consolidated funds or funds of which the Group holds only one share (founder's share).

The amount on the "Balance sheet total of non-consolidated structured entities" line corresponds to the total assets of the funds held.

The off-balance sheet commitment shown corresponds to the off-balance sheet commitment recognised by Amundi as part of its fund guarantor activity. A provision for the risk associated with this commitment is recorded in "Provisions" in the amount of €442 thousand as at 31 December 2023 and €8,182 thousand as at 31 December 2022.

The amounts stated in financial assets and liabilities held for trading correspond to the positive and negative fair values of swaps made by Amundi with funds as part of its swap intermediation business.

8.2 Net revenues from sponsored structured entities

The net revenues from structured entities and from management mandates are inseparable from Amundi's management revenues and are included in the income presented in note 6.2.1.

Note 9 OTHER INFORMATION

9.1 Segment information

Amundi's business is solely focused on managing assets for third parties. It therefore has only one operating segment within the meaning of IFRS 8.

The Group's operational performance is not tracked more closely than the Group overall. Items that are reviewed at a closer level are limited to monthly reports on Group business volume (net inflows, assets under management) and periodic reports on income net of commissions by client segment (retail, institutional). The Group believes that this information better corresponds to monitoring commercial activity than to measurement of operational performance for the purposes of decision-making for resource allocation. Operating expenses are not allocated to client segments (*retail* and institutional).

However, the Group believes that it is helpful to publish the information about commercial activity which is shown below as information complementary to that required by IFRS 8:

In € million	2023	2022
Retail	2,095	2,164
Institutional investors	845	802
Institutional Investors, Corporate and Company Savings Plan	692	643
Insurers[1]	153	158
Net fees	**2,940**	**2,965**
Performance fees	123	171
Technology and associated revenues	60	48
Total net management and related activities revenues	**3,123**	**3,185**
Net financial income	**96**	**(32)**
Other net income (expenses) from operations	**(97)**	**(97)**
TOTAL NET REVENUES	**3,122**	**3,056**

(1) Crédit Agricole group and Société Générale.

In addition, the allocation of net revenues is broken down by geographical area as follows:

In € million	2023	2022
France	1,609	1,469
Foreign	1,513	1,587
TOTAL NET REVENUES	**3,122**	**3,056**

The net revenue break-down is based on the location where the accounting information is recorded.

9.2 Related parties

9.2.1 Scope of related parties

Related parties are businesses which directly or indirectly control or are controlled by, or which are under joint control with the Company presenting the financial statements.

Amundi's related parties are (i) consolidated companies, including equity-accounted companies, (ii) the Crédit Agricole group companies, that is, the Regional Banks, Crédit Agricole SA, its subsidiaries, associate companies and joint ventures. No provisions for write-downs were made for these relationships.

In addition, the funds in which the Crédit Agricole group has invested are not considered to be related parties.

A list of the Amundi Group's consolidated companies is presented in note 9.3.1. "Reporting entities". The transactions carried out and the outstanding amounts at the end of the period between the fully consolidated companies of the Group are entirely eliminated on consolidation.

9.2.2 Nature of transactions with related parties

Amundi has commercial relationships with Crédit Agricole group companies.

Crédit Agricole group is a distributor, a lender and borrower, a derivative counterparty and also a depositary and calculation agent of Amundi's financial products. In addition, Crédit Agricole group makes certain resources available to Amundi and manages Amundi's end-of-career allowance insurance.

Amundi handles asset management of certain mandates for the Crédit Agricole group and also provides book-keeping services for the Crédit Agricole group's employee savings plans.

9.2.3 Transactions with related parties

The following tables show the transactions made with the Crédit Agricole group and with the entities of the Amundi Group consolidated using the equity method.

Amundi's transactions with its key executives consist solely of the compensation paid under employment contracts and directors' attendance fees.

(In € thousands)	Crédit Agricole group	
Net income	**2023**	**2022**
Net interest and similar income (expenses)	(39,939)	(22,817)
Net fee and commission revenues	(424,469)	(488,354)
Other net income (expenditure)	(23,905)	(21,945)
General operating expenses	(15,672)	(5,057)
BALANCE SHEET	**31/12/2023**	**31/12/2022**
Assets		
Loans and receivables due from credit institutions	978,964	318,726
Accruals and sundry assets	73,734	82,336
Financial assets at fair value through profit or loss	16,281,436	10,403,774
Liabilities		
Subordinated debt	304,976	302,677
Debts to credit institutions	1,579,933	1,422,395
Accruals, deferred income and sundry liabilities	196,884	271,479
Financial liabilities at fair value through profit or loss	138,268	274,636
Off balance sheet		
Guarantees given	1,354,989	422,927
Guarantees received	328,288	443,998

(In € thousands)	Associated companies and joint ventures	
Net income	**2023**	**2022**
Net interest and similar income (expenses)	-	-
Net fee and commission revenues	328	329
General operating expenses	-	-
BALANCE SHEET	**31/12/2023**	**31/12/2022**
Assets		
Loans and receivables due from credit institutions	-	-
Accruals and sundry assets	5	153
Financial assets at fair value through profit or loss	-	-
Liabilities		
Debts to credit institutions		
Accruals, deferred income and sundry liabilities	-	-
Off balance sheet		
Guarantees given	-	-
Guarantees received	-	-

9.3 Scope of consolidation and changes during the year

9.3.1 Scope of consolidation as at 31 December 2023

Consolidated companies	Notes	Development of scope	Method	31/12/2023 % of control	31/12/2023 % of interest	31/12/2022 % of control	31/12/2022 % of interest	Places of business
FRENCH COMPANIES								
AMUNDI			Full	100.0	100.0	100.0	100.0	France
AMUNDI ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE EMISSIONS			Full	100.0	100.0	100.0	100.0	France
AMUNDI IMMOBILIER			Full	100.0	100.0	100.0	100.0	France
AMUNDI INDIA HOLDING			Full	100.0	100.0	100.0	100.0	France
AMUNDI INTERMEDIATION			Full	100.0	100.0	100.0	100.0	France
AMUNDI IT SERVICES			Full	100.0	100.0	100.0	100.0	France
AMUNDI PRIVATE EQUITY FUNDS			Full	100.0	100.0	100.0	100.0	France
AMUNDI ESR			Full	100.0	100.0	100.0	100.0	France
AMUNDI VENTURES			Full	100.0	100.0	100.0	100.0	France
ANATEC			Full	100.0	100.0	100.0	100.0	France
BFT INVESTMENT MANAGERS			Full	100.0	100.0	100.0	100.0	France
CPR AM			Full	100.0	100.0	100.0	100.0	France
LCL EMISSIONS			Full	100.0	100.0	100.0	100.0	France
SOCIETE GENERALE GESTION			Full	100.0	100.0	100.0	100.0	France
FUNDS AND OPCI								
ACAJOU			Full	100.0	100.0	100.0	100.0	France
CEDAR			Full	100.0	100.0	100.0	100.0	France
CHORIAL ALLOCATION			Full	99.9	99.9	99.9	99.9	France
LONDRES CROISSANCE 16			Full	100.0	100.0	100.0	100.0	France
OPCI IMMANENS			Full	100.0	100.0	100.0	100.0	France
OPCI IMMO EMISSIONS			Full	94.3	94.3	100.0	100.0	France
RED CEDAR			Full	100.0	100.0	100.0	100.0	France
AMUNDI PE SOLUTION ALPHA			Full	100.0	100.0	100.0	100.0	France

Consolidated companies	Notes	Development of scope	Method	31/12/2023 % of control	31/12/2023 % of interest	31/12/2022 % of control	31/12/2022 % of interest	Places of business
FOREIGN COMPANIES								
AMUNDI DEUTSCHLAND GMBH			Full	100.0	100.0	100.0	100.0	Germany
AMUNDI AUSTRIA GMBH			Full	100.0	100.0	100.0	100.0	Austria
AMUNDI ASSET MANAGEMENT BELGIUM BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Belgium
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT SOFIA BRANCH	(2)		Full	100.0	100.0	100.0	100.0	Bulgaria
AMUNDI ASSET MANAGEMENT AGENCIA IN CHILE	(1)		Full	100.0	100.0	100.0	100.0	Chile
ABC-CA FUND MANAGEMENT CO. LTD			Equity-accounted	33.3	33.3	33.3	33.3	China
AMUNDI BOC WEALTH MANAGEMENT CO. LTD			Full	55.0	55.0	55.0	55.0	China
NH-AMUNDI ASSET MANAGEMENT			Equity-accounted	30.0	30.0	30.0	30.0	Korea
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Arab Emirates
AMUNDI IBERIA SGIIC SA			Full	100.0	100.0	100.0	100.0	Spain
SABADELL ASSET MANAGEMENT, S.A, S.G.I.I.C			Full	100.0	100.0	100.0	100.0	Spain
AMUNDI HOLDINGS US INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI US INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI ASSET MANAGEMENT US INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI DISTRIBUTOR US INC			Full	100.0	100.0	100.0	100.0	United States
VANDERBILT CAPITAL ADVISORS LLC		Exit	Full	-	-	100.0	100.0	United States
LYXOR ASSET MANAGEMENT INC		Exit	Full	-	-	100.0	100.0	United States
AMUNDI ASSET MANAGEMENT FINLAND BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Finland
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	(1)	Exit	Full	-	-	100.0	100.0	Hong Kong
AMUNDI HONG KONG Ltd			Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI INVESTMENT FUND MGMT PRIVATE LTD CO.			Full	100.0	100.0	100.0	100.0	Hungary
SBI FUNDS MANAGEMENT LIMITED			Equity-accounted	36.6	36.6	36.8	36.8	India
KBI GLOBAL INVESTORS LTD			Full	100.0	100.0	95.9	100.0	Ireland
KBI FUND MANAGERS LTD		Exit	Full	-	-	95.9	100.0	Ireland
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD			Full	100.0	100.0	95.9	100.0	Ireland
AMUNDI IRELAND LTD			Full	100.0	100.0	100.0	100.0	Ireland
AMUNDI INTERMEDIATION DUBLIN BRANCH	(4)		Full	100.0	100.0	100.0	100.0	Ireland
AMUNDI REAL ESTATE ITALIA SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI JAPAN			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI GLOBAL SERVICING			Full	100.0	100.0	100.0	100.0	Luxembourg

Consolidated companies	Notes	Development of scope	Method	31/12/2023 % of control	31/12/2023 % of interest	31/12/2022 % of control	31/12/2022 % of interest	Places of business
FUND CHANNEL			Full	66.7	66.7	100.0	100.0	Luxembourg
AMUNDI LUXEMBOURG			Full	100.0	100.0	100.0	100.0	Luxembourg
AMUNDI MALAYSIA SDN BHD			Full	100.0	100.0	100.0	100.0	Malaysia
WAFA GESTION			Equity-accounted	34.0	34.0	34.0	34.0	Morocco
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Mexico
PIONEER GLOBAL INVESTMENTS LTD MEXICO CITY BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	(1)		Full	100.0	100.0	100.0	100.0	Netherlands
AMUNDI POLSKA			Full	100.0	100.0	100.0	100.0	Poland
AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI ASSET MANAGEMENT S.A.I. SA			Full	100.0	100.0	100.0	100.0	Romania
AMUNDI ASSET MANAGEMENT LONDON BRANCH	(1)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI UK Ltd			Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI INTERMÉDIATION LONDON BRANCH	(4)		Full	100.0	100.0	100.0	100.0	United Kingdom
LYXOR ASSET MANAGEMENT UK LLP			Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI IT SERVICES LONDON BRANCH	(5)	New	Full	100.0	100.0	-	-	United Kingdom
AMUNDI SINGAPORE Ltd			Full	100.0	100.0	100.0	100.0	Singapore
AMUNDI INTERMEDIATION ASIA PTE LTD			Full	100.0	100.0	100.0	100.0	Singapore
FUND CHANNEL SINGAPORE BRANCH	(3)		Full	100.0	66.7	100.0	100.0	Singapore
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT BRATISLAVA BRANCH	(2)		Full	100.0	100.0	100.0	100.0	Slovakia
AMUNDI ASSET MANAGEMENT SWEDEN BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Sweden
AMUNDI SUISSE			Full	100.0	100.0	100.0	100.0	Switzerland
AMUNDI TAIWAN			Full	100.0	100.0	100.0	100.0	Taiwan

(1) AMUNDI ASSET MANAGEMENT branches.
(2) AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS branches.
(3) FUND CHANNEL branch.
(4) AMUNDI INTERMEDIATION branch.
(5) AMUNDI IT SERVICES branch.

9.3.2 Significant changes in scope during the financial year

There was no significant change in scope during the financial year.

9.4 Non-consolidated participating interests

These securities recorded in the “financial assets at fair value through profit or loss” or “financial assets at fair value through equity” portfolios represent a significant fraction of the equity of the companies that issued them and are intended to be held for the long term.

These line items amounted to €357,957 thousand as at 31 December 2023, compared with €360,452 thousand as at 31 December 2022.

Entities excluded from the reporting entities

Entities under exclusive control, joint control or significant influence which have been excluded from the reporting entities are presented in the table below:

Non-consolidated entities	Registered office	% of stake held	Reason for exclusion from the reporting entities
AMUNDI-ACBA ASSET MANAGEMENT CJSC	Armenia	51.0%	Materiality thresholds
SAVITY VERMOGENSVERWALTUNG GMBH	Austria	100.0%	Materiality thresholds
AMUNDI CANADA INC	Canada	100.0%	Materiality thresholds
AMUNDI INVESTMENT ADVISORY (BEIJING) LIMITED	China	100.0%	Materiality thresholds
AMUNDI PRIVATE FUND MANAGEMENT (BEIJING) CO., LTD	China	100.0%	Materiality thresholds
AMUNDI TRANSITION ENERGETIQUE	France	100.0%	Materiality thresholds
SUPERNOVA INVEST	France	35.0%	Materiality thresholds
MONTPENSIER FINANCE	France	25.0%	Materiality thresholds
AMUNDI ALTERNATIVE INVESTMENT IRELAND LTD	Ireland	100.0%	Materiality thresholds
AMUNDI ENERGY TRANSITION LUXEMBOURG SARL	Luxembourg	60.0%	Materiality thresholds
AREAF MANAGEMENT SARL	Luxembourg	100.0%	Materiality thresholds
AMUNDI REAL ESTATE LUXEMBOURG SA	Luxembourg	100.0%	Materiality thresholds
DNA SA	Luxembourg	100.0%	Materiality thresholds
LRP	Luxembourg	100.0%	Materiality thresholds
GREEN CREDIT CONTINUUM FUND GP	Luxembourg	100.0%	Materiality thresholds
AMUNDI INVESTMENT MAROC	Morocco	100.0%	Materiality thresholds
AMUNDI AALAM SDN BHD	Malaysia	100.0%	Materiality thresholds
FUND CHANNEL SUISSE	Switzerland	100.0%	Materiality thresholds
AMUNDI MUTUAL FUND BROKERAGE SECURITIES (THAILAND) COMPANY LIMITED	Thailand	100.0%	Materiality thresholds

Dormant entities as at 31 December 2023 have been excluded.

Significant non-consolidated equity holdings

Equity holdings (over which the Group has neither control nor significant influence) representing a fraction of equity equal to or greater than 10% and not within the reporting entities are shown in the following table:

Non-consolidated entities	Registered office	% of stake held
IM SQUARE	France	17.1%
NEXTSTAGE AM	France	12.4%
ONEWEALTHPLACE	France	13.6%

9.5 Off-balance sheet commitments

Off-balance sheet commitments as at 31 December 2023 include:

- the guarantee commitments presented in the table below:

(In € thousands)	31/12/2023	31/12/2022
Fund guarantee commitments	13,147,534	12,913,913
Of which fund guarantee commitments	13,147,534	12,913,913
Of which other guarantee commitments	-	-

In relation to these commitments, the Group received counter-guarantees totalling €328,287 thousand at 31 December 2023 and €443,998 thousand at 31 December 2022;

- the financial commitments for the "Credit Revolving Facility" granted to Amundi for €1,750,000 thousand as at 31 December 2023 and 31 December 2022;
- the notional value of the derivatives contracted with funds and market counterparties whose fair values are presented in notes 7.3 and 7.4.

(In € thousands)	31/12/2023	31/12/2022
Interest-rate instruments	9,481,511	3,689,536
Other instruments	41,775,670	47,439,713
NOTIONAL TOTAL	**51,257,181**	**51,129,249**

9.6 Lease

The Group signed leasing contracts on the operations buildings used in France and other countries. In connection with these contracts, the Group recognises under "Tangible fixed assets" the value of the rights of use corresponding to these contracts.

The Amundi Group also has low-value and/or short-term contracts which, in accordance with the exemptions permitted by IFRS 16, do not have to be subject to the recognition of rights of use and rental liability.

Schedule of lease liabilities

(In € thousands)	31/12/2023	< = 1 year	Between 1 and 5 years	> 5 years
Lease liabilities	291,146	41,198	132,187	117,762

Expenses related to rights of use

(In € thousands)	2023	2022
Interest expense on lease liabilities	(3,385)	(3,097)
Increases in provisions for depreciation on rights of use	(46,088)	(50,251)

Expenses related to rights of use replace the rent costs previously recognised in accordance with IAS 17.

9.7 Statutory Auditors' fees

The break-down by firm and type of activity in respect of the fees recognised in the consolidated results for the 2023 and 2022 financial years is set out below:

	2023				2022			
(In € thousands)	PWC (1)	E&Y (2)	Mazars (1)	Total	PWC (1)	E&Y (2)	Mazars (1)	Total
Statutory audit, certification, review of individual and consolidated financial statements	1,867	886	704	3,457	1,825	1,127	629	3,581
Services other than certification of the financial statements (3)	1,498	422	249	2,169	1,706	401	111	2,218
STATUTORY AUDITORS' FEES	**3,365**	**1,308**	**953**	**5,626**	**3,531**	**1,529**	**740**	**5,799**

The above-mentioned amounts include the following fees, relating to assignments to audit the financial statements and services other than auditing the financial statements ("SACC") performed at Amundi and its subsidiaries:

- by "Mazars SA", for €480 thousand for the certification of the financial statements and €90 thousand for services other than the certification of the financial statements;
- by "PricewaterhouseCoopers Audit", for €754 thousand for the certification of the financial statements and €336 thousand for services other than the certification of the financial statements.

Note 10 EVENTS AFTER THE YEAR-END

Acquisition of Alpha Associates

In a press release on 7 February 2024, Amundi announced that it had signed a binding agreement to acquire Alpha Associates, an independent asset management firm offering multi-management investment solutions for private assets.

This acquisition establishes Amundi as a leading European player in this field, with a team of more than 70 experts, assets under management of around €20 billion, a wider multi-management offering that covers private debt, infrastructure, private equity and venture capital, and improved client and geographic coverage. It will also strengthen Amundi's positions in the secondary market for private assets, at a time when this type of transaction is particularly relevant given the market conditions.

This acquisition expands Amundi's offering of tailor-made funds and private asset solutions for its institutional clients across the globe. Lastly, it will accelerate the development of private asset investment solutions designed for individual clients.

The transaction is expected to be completed by the third quarter of 2024, subject to regulatory approvals, with a maximum price of €350 million payable in cash over 5 years (subject to certain revenue conditions).

6.4 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

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

(Year ended December 31, 2023)

To the Annual General Shareholders' Meeting of Amundi,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the consolidated financial statements of Amundi for the year ended December 31, 2023, as attached to this report.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

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

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors, for the period from January 1, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Goodwill measurement

Risk identified	Our response
The goodwill mainly arises from external growth operations and amounts to € 6.7 billion as of December 31, 2023. As mentioned in Note 1.4.6 to the consolidated financial statements, goodwill is subject to impairment tests as soon as there is objective evidence of a loss of value, and at least once a year. These tests are based on the comparison between the carrying amount of the cash generating unit (CGU) and its recoverable amount. The recoverable amount of the CGU is defined as the highest value between its market value and its value in use. The value in use is calculated on the basis of the present value of the future cash flows generated by the CGU. As indicated in note 5.13 to the consolidated financial statements, these estimated future cash flows are determined on the basis of the medium-term business plans prepared by the Group for its management purposes. They are based on assumptions concerning the growth of the Group's business and include macroeconomic parameters evolution. The present value of the future cash flows also takes into account assumptions concerning discount rates and perpetual growth rate which necessitate the exercise of Management's judgment. In view of the materiality of the goodwill and the degree of management's judgment to determine the assumptions used to calculate an impairment loss, we considered goodwill measurement to be a key audit matter.	We have reviewed the methodology used by the Amundi Group to identify any indications of impairment. We also appreciated the documentation provided by Amundi which demonstrates the existence of a unique CGU in the group. We examined the calculations performed and we involved our valuation specialists to assess the assumptions used by Management to determine the discount rates and the perpetual growth rates used in the discounted cash flow calculations, where necessary by comparing them with external sources. We also examined the financial trajectories prepared by the Group's Management and used in the impairment tests in order : • to compare them with the information presented to the Group's Board of Directors; • to assess the main underlying assumptions. The reliability of these assumptions was assessed in particular by comparing the financial trajectories developed in previous years with the actual performance. We also performed sensitivity analyses on certain assumptions (perpetual growth rate, discount rate). Finally, we assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to the various assumptions.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Deputy General Manager, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Amundi by the Annual General Meeting held on November 16, 1989 for PricewaterhouseCoopers Audit and on May 10, 2021 for Mazars.

As at December 31, 2021, PricewaterhouseCoopers Audit were in the thirty fifth year of total and uninterrupted engagement and Mazars in its third year, of which respectively twenty seven years and three years since securities of the Company became a public interest entity, due to its status as a credit institution.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, 27 March 2024

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Laurent Tavernier

Agnès Hussherr

Mazars

Jean Latorzeff