



ASSURANCES



**CONSOLIDATED
FINANCIAL STATEMENTS
AT 30TH JUNE 2023**

CONSOLIDATED FINANCIAL STATEMENTS AT 30TH JUNE 2023

GENERAL INFORMATION	2	Consolidated Income Statement	7
Presentation of the Crédit Agricole Assurances Group	2	Statement of profit or loss and other comprehensive income	8
Simplified organisational structure of the Crédit Agricole Assurances Group	3	Statement of changes in equity	9
Related parties information	4	Cash flow statement	11
		Impact on equity at 1st January 2022 of the first application of the IFRS 17 standard	13
		Redesignation of financial assets	14
CONSOLIDATED FINANCIAL STATEMENTS	5		
Balance sheet Assets	5	NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	17
Balance sheet Liabilities	6		



General information

Presentation of the Crédit Agricole Assurances Group

Crédit Agricole Assurances, a Public Limited Company with a Board of Directors, is the Crédit Agricole Assurances Group's holding company owning, under the control of Crédit Agricole S.A., the Group's participations in various insurance and reinsurance companies in France and internationally.

The purpose of Crédit Agricole Assurances is to acquire and manage participations in insurance and reinsurance companies without directly acting to provide insurance policies or enter into reinsurance contracts.

Crédit Agricole Assurances Group is regulated by the Autorité de Contrôle Prudentiel et de Résolution.

Legal information

- Company name: **Crédit Agricole Assurances (Since 2008)**
- Company form: French limited liability company
(Public limited company) with a Board of Directors
- Registered offices: 16/18 boulevard de Vaugirard 75015
Paris - France
- Share capital : €1,490,403,670
(last modified 27 July 2016)
- Place of registration: Tribunal de commerce de Paris
- Company Number: 2004 B 01471

INSEE data

- N° Siren: 451 746 077
- Siret: 451 746 077 00036
- Code NAF: 6420Z (Holding company activities)
- Legal Category: 5599 (Public limited company with a Board of Directors)

Tax information

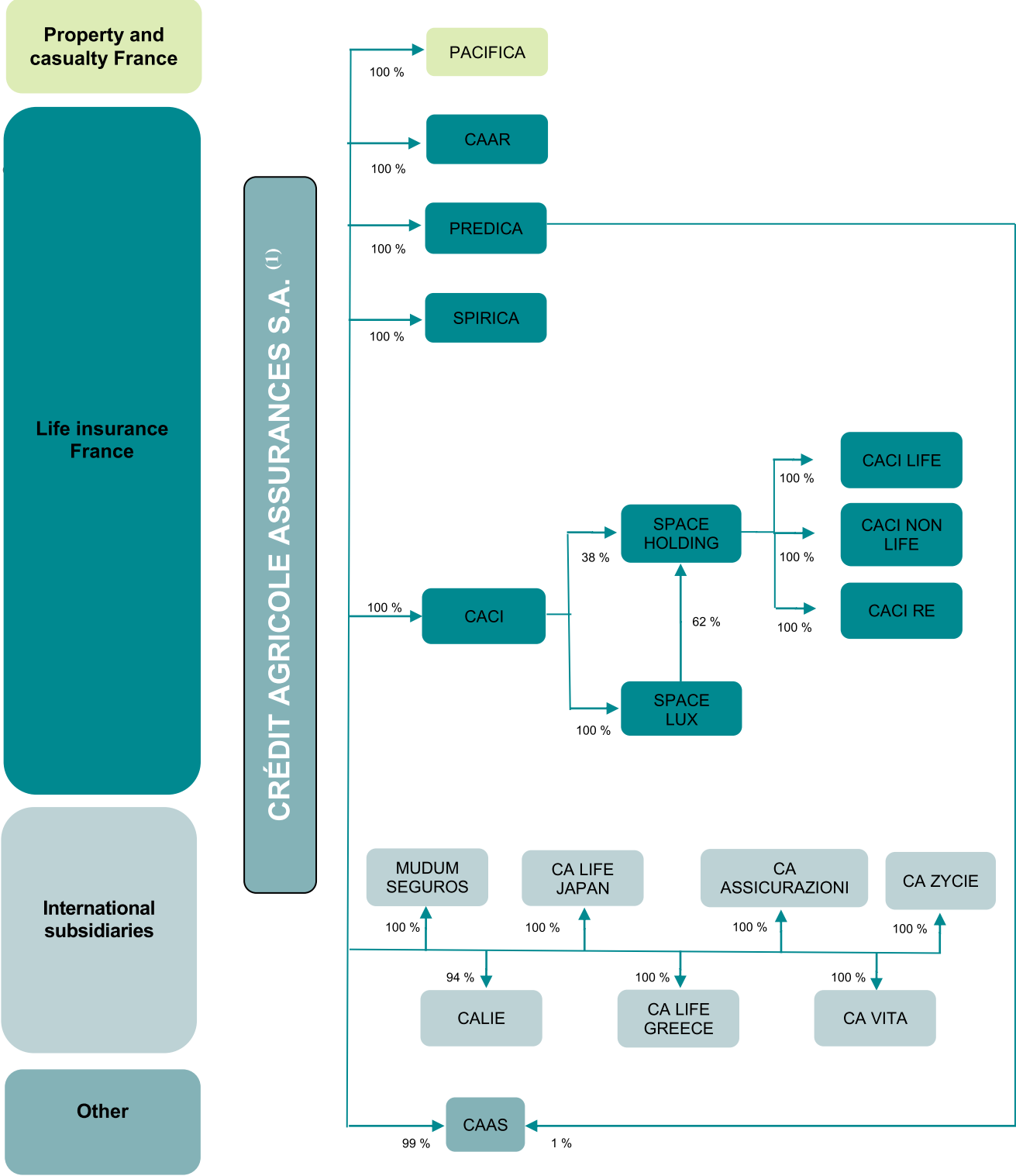
- VAT registration number: FR 27 451 746 077
(EU intra-community number)
- VAT regime: Real normal
- VAT group: Member of GTVA Crédit Agricole

Shareholders

Share capital in Crédit Agricole Assurances consists of 149,040,367 shares of €10 each, held by:

- Crédit Agricole S.A: 99.99%
- Other administrators: 0.01%

Simplified organisational structure of the Cr dit Agricole Assurances Group



(1) The Cr dit Agricole Assurances S.A. holding company is presented in « other » under segment information.

NB: simplified organization chart to present the main Cr dit Agricole Assurances Group locations. For information on the scope of consolidation, see Note 2.1.



Related parties information

Parties related to the Crédit Agricole Assurances Group are companies within the Crédit Agricole Group and the main Directors of the Crédit Agricole Assurances Group.

Relations with the Crédit Agricole Group

As at 30 June 2023, €0.1 billion of perpetual subordinated loan notes and €0.5 billion redeemable subordinated loan notes were held by Crédit Agricole Group.

Within its investment portfolio, the Crédit Agricole Assurances group holds a total of €18.3 billion of securities issued by the Crédit Agricole Group, including €15.6 billion in assets representing unit-linked contracts.

As part of its bancassurance activities, Crédit Agricole Assurances delegates certain functions to other entities within the Crédit Agricole Group:

- The sale of insurance contracts is carried out through the banking networks of the Regional Banks and LCL in France and abroad and through the networks of international partners (including Crédit Agricole Italia in Italy, Novo Banco in Portugal and CABP in Poland, etc.);
- Administrative management of life insurance contracts sold by banking networks is delegated to the distributors (with Regional Banks in turn delegating some elements of this management to CAAS);
- Asset management is delegated to specialist entities in various markets (Amundi, CA Immobilier, CACEIS, etc.);

- Claims handling in France is managed by SIRCA (a company created by Pacifica and the Regional Banks).

Similarly, retirement benefit obligations of the Crédit Agricole Group are, in part, covered by collective insurance agreements with Predica. These agreements include the creation of collective investment funds for the purpose of covering retirement bonuses and certain pension schemes, to which contributions are paid by the employer, the management of these funds by the insurance companies and the payment to beneficiaries of bonuses and retirement benefits as set out in the various schemes.

Relationship between companies consolidated by the Crédit Agricole Assurances Group

Transactions between two fully consolidated companies are completely eliminated.

Intragroup transactions that have been subject to eliminations having an effect on the income statement for the year are presented in Note 4 - Segment information.

Relations with the main directors

There are no significant transactions between Crédit Agricole Assurances and its main Directors, their families or companies under their control which are not included in the Group's scope of consolidation.

Consolidated financial statements

Balance sheet Assets

<i>(in € millions)</i>	Notes	30/06/2023	31/12/2022 restated	01/01/2022 restated
Goodwill		872	872	872
Other intangible assets		270	278	287
Intangible assets		1,142	1,150	1,159
Investment property	Note 5.1	11,505	11,802	11,066
Financial investments	Note 5.2	283,316	277,366	326,973
Unit-linked financial investments	Note 5.2	89,964	81,939	86,311
Derivative instruments and separated embedded derivatives	Note 5.2	634	1,098	2,011
Investments in joint ventures and associates	Note 5.5	9,044	9,591	9,180
Investments from insurance activities	Note 5.2	394,463	381,796	435,541
Insurance contracts issued that are assets	Note 5.9	-	-	79
Reinsurance contracts held that are assets	Note 5.9	1,036	977	855
Operating property and other property, plant and equipment		264	268	263
Deferred tax assets		1,069	1,316	484
Current tax assets		139	43	320
Other receivables		1,533	3,093	2,139
Other assets		3,005	4,720	3,206
Assets held for sale and discontinued operations		-	-	1,634
Cash and cash equivalents		2,299	1,421	1,513
TOTAL ASSETS		401,945	390,064	443,987

Balance sheet Liabilities

<i>(in € millions)</i>	Notes	30/06/2023	31/12/2022 restated	01/01/2022 restated
Share capital or equivalent		1,490	1,490	1,490
Additional paid-in capital		5,565	5,565	7,374
Other comprehensive income		(1,076)	(1,599)	686
Retained earnings and other reserves		3,161	2,716	4,458
Consolidated net income		950	1,554	-
Shareholders' equity - Group share	Note 5.6	10,090	9,726	14,008
Non-controlling interests		174	184	181
Total shareholders' equity		10,264	9,910	14,189
Provisions	Note 5.7	107	94	104
Subordinated debts		4,643	4,617	5,492
Financing debts due to banking institutions		2,098	2,204	2,510
Financing debts	Note 5.8	6,741	6,821	8,002
Insurance contracts issued that are liabilities		339,278	331,199	377,135
Investment contracts without discretionary participation features	Note 5.10	3,167	3,239	3,821
Reinsurance contracts held that are liabilities	Note 5.9	123	92	67
Deferred tax liabilities		79	88	-
Liabilities towards holders of units in consolidated investment funds		11,210	11,097	12,277
Operating debt securities		-	-	-
Operating debts due to banking institutions		794	167	214
Current tax liabilities		158	133	38
Derivative instruments liabilities		289	424	289
Other debts		29,735	26,800	26,505
Other liabilities		42,265	38,709	39,323
Liabilities related to assets held for sale and discontinued operations		-	-	1,346
TOTAL LIABILITIES		401,945	390,064	443,987

Consolidated Income Statement

<i>(in € millions)</i>	Notes	30/06/2023	30/06/2022 restated
Insurance revenue	Note 6.1	6,914	6,506
Insurance service expenses	Note 5.9.1.1	(5,542)	(5,245)
Income or expenses related to reinsurance contracts held	Note 5.9.2.1	(111)	(21)
Insurance service result		1,261	1,240
Revenue or income from other activities		40	45
Investment income		3,913	4,247
Investment expenses		(394)	(498)
Gains and losses on disposal of investments net of reversals of impairment and amortisation		(81)	2
Change in fair value of investments recognised at fair value through profit or loss		3,351	(15,137)
Change in impairment of investments		15	-
Investment income net of investment expenses	Note 6.2	6,804	(11,386)
Insurance finance income or expenses	Note 6.3	(6,572)	10,367
Insurance finance income or expenses related to reinsurance contracts held	Note 6.3	24	25
Changes in value of investment contracts without discretionary participation features	Note 5.10	(87)	584
Net financial income		169	(410)
Other current operating income and expenses		(164)	(155)
Other operating income and expenses		-	(8)
Operating income		1,306	712
Financing expenses	Note 5.8.2	(73)	(93)
Income tax	Note 6.4	(283)	(156)
Net income from discontinued operations		-	8
CONSOLIDATED NET INCOME		950	471
Non-controlling interests		-	(1)
Net income (Group share)		950	470

Statement of profit or loss and other comprehensive income

<i>(in € millions)</i>	Notes	30/06/2023	30/06/2022 restated
Consolidated net income		950	471
Gains and losses on foreign exchange differences		(2)	(2)
Gains and losses on debt instruments measured at fair value through other comprehensive income that will be reclassified to profit or loss		2,785	(28,486)
Gains and losses on hedging derivatives		10	(90)
Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss	Note 6.3	(2,679)	26,408
Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income	Note 6.3	(4)	(185)
Other comprehensive income that will be reclassified to profit or loss before tax, excluding investments accounted for using the equity method		110	(2,355)
Other comprehensive income that will be reclassified to profit or loss before tax, investments accounted for using the equity method		-	-
Income tax related to other comprehensive income that will be reclassified to profit or loss, excluding investments accounted for using the equity method		(30)	599
Income tax related to other comprehensive income that will be reclassified to profit or loss, investments accounted for using the equity method		-	-
Other comprehensive income on items that may be reclassified to profit and loss from discontinued operations		-	-
Other comprehensive income that will be reclassified to profit or loss net of tax		80	(1,756)
Actuarial gains and losses on post-employment benefits		-	7
Gains and losses on equity instruments measured at fair value through other comprehensive income that will not be reclassified to profit or loss		125	(2)
Insurance finance income or expenses recognised directly in other comprehensive income that will not be reclassified to profit or loss	Note 6.3	(242)	(52)
Other comprehensive income that will not be reclassified to profit or loss before tax, excluding investments accounted for using the equity method		(117)	(47)
Other comprehensive income that will not be reclassified to profit or loss before tax, investments accounted for using the equity method		-	-
Income tax related to other comprehensive income that will not be reclassified to profit or loss, excluding investments accounted for using the equity method		37	14
Income tax related to other comprehensive income that will not be reclassified to profit or loss, investments accounted for using the equity method		-	-
Other comprehensive income that will not be reclassified to profit or loss net of tax from discontinued operations		-	-
Other comprehensive income that will not be reclassified to profit or loss net of tax		(80)	(33)
OTHER COMPREHENSIVE INCOME NET OF TAX		-	(1,789)
NET INCOME AND OTHER COMPREHENSIVE INCOME		950	(1,318)
Net income and other comprehensive income - Group share		950	(1,319)
Net income and other comprehensive income – Non-controlling interests		-	1

Statement of changes in equity

<i>(in € millions)</i>	Share capital or equivalent	Additional paid-in capital	Other comprehensive income that will be reclassified to profit or loss	Other comprehensive income that will not be reclassified to profit or loss	Other comprehensive income	Retained earnings and other reserves	Shareholders' equity - Group share	Non-controlling interests	Total shareholders' equity
CLOSING EQUITY AT 31 DECEMBER 2021	1,490	7,374	2,388	(72)	2,316	4,283	15,463	86	15,549
Impact of new standards, decisions / IFRIC interpretations (1)	-	-	(1,664)	34	(1,630)	175	(1,455)	95	(1,360)
OPENING EQUITY AT 1 JANUARY 2022 RESTATED	1,490	7,374	724	(38)	686	4,458	14,008	181	14,189
Other comprehensive income	-	-	(1,756)	(33)	(1,789)	-	(1,789)	-	(1,789)
Consolidated net income	-	-	-	-	-	470	470	1	471
Net income and other comprehensive income	-	-	(1,756)	(33)	(1,789)	470	(1,319)	1	(1,318)
Dividends paid	-	(1,809)	-	-	-	(937)	(2,746)	(1)	(2,747)
Capital operations	-	-	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-	-	-	-
Perpetual subordinated debts	-	-	-	-	-	-	-	-	-
Interest expenses on perpetual subordinated debts	-	-	-	-	-	(42)	(42)	-	(42)
Other changes	-	-	(2)	(1)	(3)	-	(3)	(25)	(28)
CLOSING EQUITY AT 30 JUNE 2022	1,490	5,565	(1,034)	(72)	(1,106)	3,948	9,898	156	10,054
Other comprehensive income	-	-	(549)	23	(526)	-	(526)	-	(526)
Consolidated net income	-	-	-	-	-	1,084	1,084	-	1,084
Net income and other comprehensive income	-	-	(549)	23	(526)	1,084	558	-	558
Dividends paid	-	-	-	-	-	(703)	(703)	-	(703)
Capital operations	-	-	-	-	-	-	-	-	-
Change in consolidation scope	-	-	(7)	38	31	(32)	(1)	-	(1)
Perpetual subordinated debts	-	-	-	-	-	2	2	-	2
Interest expenses on perpetual subordinated debts	-	-	-	-	-	(34)	(34)	-	(34)
Other changes	-	-	(2)	3	2	5	7	28	34
CLOSING EQUITY AT 31 DECEMBER 2022	1,490	5,565	(1,591)	(8)	(1,599)	4,270	9,726	184	9,910

(1) The details of the impact on equity of the application of the IFRS 17 standard at the transition date of 1 January 2022 are disclosed in the note "Impact on equity at 1 January 2022 of the first application of the IFRS 17 standard" hereinafter.



<i>(in € millions)</i>	Share capital or equivalent	Additional paid-in capital	Other comprehensive income that will be reclassified to profit or loss	Other comprehensive income that will not be reclassified to profit or loss	Other comprehensive income	Retained earnings and other reserves	Shareholders' equity - Group share	Non-controlling interests	Total shareholders' equity
CLOSING EQUITY AT 31 DECEMBER 2022	1,490	5,565	(1,591)	(8)	(1,599)	4,270	9,726	184	9,910
Impact of new standards, decisions / IFRIC interpretations IFRIC (2)	-	-	375	148	523	(242)	281	-	281
OPENING EQUITY AT 1 JANUARY 2023 RESTATED	1,490	5,565	(1,216)	140	(1,076)	4,028	10,007	184	10,191
Other comprehensive income	-	-	80	(80)	-	-	-	-	-
Consolidated net income	-	-	-	-	-	950	950	-	950
Net income and other comprehensive income	-	-	80	(80)	-	950	950	-	950
Dividends paid	-	-	-	-	-	(899)	(899)	(1)	(900)
Capital operations	-	-	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-	-	-	-
Perpetual subordinated debts	-	-	-	-	-	-	-	-	-
Interest expenses on perpetual subordinated debts	-	-	-	-	-	(43)	(43)	-	(43)
Other changes	-	-	-	-	-	75	75	(9)	66
CLOSING EQUITY AT 30 JUNE 2023	1,490	5,565	(1,136)	60	(1,076)	4,111	10,090	174	10,264

(2) The details of the changes in designations and classifications of financial assets performed on 1 January 2023 applying the transition provisions of IFRS 17 about the redesignation of financial assets are disclosed in the note "Redesignation of financial assets" hereinafter.

Cash flow statement

The cash flow statement is presented according to the model of the indirect method.

Operating activities represent those activities generating income for Crédit Agricole Assurances.

Tax payments are presented in their entirety under operating activities.

Investment activities represent cash flows for the acquisition and sale of consolidated and non-consolidated participations, and tangible and intangible assets. The strategic participations entered in the category "fair value per result" or "fair value by non-recyclable equity" are included in this topic.

Financing activities result from changes relating to structural financial transactions affecting shareholders' equity and long-term debt.

Net cash flows from discontinued operating, investing and financing activities are presented under separate headings in the cash flow statement.

Net cash includes cash at hand, credit and debit balances with banks and accounts (assets and liabilities) and call loans with lending establishments.

<i>(in € millions)</i>	30/06/2023	30/06/2022 restated
Operating income before tax	1,306	712
Gains and losses on disposals of investments	87	-
Net amortisation expenses	52	51
Change in deferred acquisition costs	-	-
Change in impairment	(25)	(5)
Net change in technical liabilities arising from insurance and investment contracts	9,818	(34,619)
Net change in other provisions	13	6
Change in fair value of investments and other financial instruments recognised at fair value through profit or loss (excluding cash and cash equivalents)	(6,299)	41,219
Other non-cash items included in the operating income	(347)	104
Adjustments for non-cash items included in the operating income and reclassification of financing and investing flows	3,299	6,756
Change in operating receivables and payables	(1,174)	(808)
Change in securities given or received under repurchase agreements	2,240	19
Net tax payments	(206)	110
Dividends received from investments accounted for using the equity method	-	-
Cash flows from discontinued operations	-	33
Net cash flows from operating activities	5,465	6,822
Acquisitions of subsidiaries and associates, net of cash acquired	-	-
Disposals of subsidiaries and associates, net of cash ceded	(4)	-
Acquisitions of interests in investments accounted for using the equity method	-	-
Disposals of interests in investments accounted for using the equity method	-	-
Cash flows related to changes in consolidation scope	(4)	-
Disposals of financial investments (including unit-linked) and derivative instruments	65,474	76,052
Disposals of investment property	158	212
Cash flows from disposals and repayments of investments	65,632	76,264
Acquisitions of financial investments (including unit-linked) and derivative instruments	(69,523)	(79,364)
Acquisitions of investment property	(165)	(529)
Cash flows from acquisitions and issuances of investments	(69,688)	(79,893)
Disposals of intangible assets and property plant and equipment	9	3



<i>(in € millions)</i>	30/06/2023	30/06/2022 restated
Acquisitions of intangible assets and property plant and equipment	(50)	(36)
Cash flows related to acquisitions and disposals of intangible assets and property plant and equipment	(41)	(33)
Cash flows from discontinued operations	-	(172)
Net cash flows from investing activities	(4,101)	(3,834)
Issuances of equity instruments	-	-
Dividends paid	(942)	(2,791)
Cash flows related to transactions with shareholders and members	(942)	(2,791)
Cash generated by issuances of financing debts	27	199
Cash allocated to repayments of financing debts	(128)	(200)
Interests paid on financing debts	(45)	(44)
Cash flows from Group financing activities	(146)	(45)
Cash flows from discontinued operations	-	-
Net cash flows from financing activities	(1,088)	(2,836)
Cash flows related to changes in accounting methods	-	-
Other cash flows	-	-
Cash and cash equivalents as at 1 January	1,254	1,299
Net cash flows from operating activities	5,465	6,822
Net cash flows from investing activities	(4,101)	(3,834)
Net cash flow from financing activities	(1,088)	(2,836)
Other cash flows	-	-
Impact of foreign exchange differences on cash and cash equivalents	(25)	(16)
CASH AND CASH EQUIVALENTS AS AT 30 JUNE	1,505	1,435

Impact on equity at 1st January 2022 of the first application of the IFRS 17 standard

The IFRS 17 standard has to be applied retrospectively, with mandatory restatement of comparative information.

The impact of the application of this new standard on consolidated equity of the Group at the transition date of 1st January 2022 is detailed in the table below:

<i>(in € millions)</i>	Consolidated equity
EQUITY AT 31/12/2021 - IFRS 4	15,549
Impact on reserves	270
Derecognition of the overlay reserve	3,626
Remeasurement of investment property at fair value through profit or loss (IAS 40 modified by IFRS 17)	2,761
Remeasurement of investments in associates and joint ventures at fair value through profit or loss (IAS 28 modified by IFRS 17)	208
Derecognition of existing balances that would not exist had IFRS 17 always applied	261,850
Measurement and recognition of assets and liabilities applying IFRS 17	(277,989)
Recognition of insurance finance income or expenses recognised in equity	9,814
Impact on other comprehensive income that will be reclassified to profit or loss	(1,664)
Derecognition of the overlay reserve	(3,626)
Derecognition of existing balances that would not exist had IFRS 17 always applied	11,775
Recognition of insurance finance income or expenses recognised in equity	(9,813)
Impact on other comprehensive income that will not be reclassified to profit or loss	34
Derecognition of existing balances that would not exist had IFRS 17 always applied	34
Recognition of insurance finance income or expenses recognised in equity	-
Total - Impact on equity of the first application of IFRS 17	(1,360)
EQUITY AT 01/01/2022 - IFRS 17	14,189



Redesignation of financial assets

Applying the transition provisions of IFRS 17, entities that had applied IFRS 9 before IFRS 17 (as is the case of the Crédit Agricole Assurances Group) are allowed - and in some cases are required - to modify their previous classifications and designations of financial assets (applying the classification requirements of IFRS 9) at the date of initial application of IFRS 17.

In accordance with these provisions, the Group proceeded to changes in designations and classifications of certain financial assets, retrospectively at the date of initial application of IFRS 17 (1 January 2023). The Group chose not to restate prior periods'

figures to reflect such changes in designations and classifications. Thus, the Group recognised in the opening balance of equity at 1 January 2023 any difference between the previous carrying amount of those financial assets and the carrying amount of those financial assets at the date of initial application.

The following table synthesises the measurement category and the carrying amount of financial assets concerned, determined immediately before and after applying the transition provisions of IFRS 17 about the redesignation of financial assets:

	01/01/2023									
	Financial assets at fair value through profit or loss									
	Carrying amount	Other financial assets at fair value through profit or loss					Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	
Financial assets held for trading		Equity instruments	Debt instruments not fulfilling the SPPI criteria	Assets backing unit-linked contracts	Financial assets designated at fair value through profit or loss	Other debt instruments at fair value through profit or loss	Debt instruments at fair value through other comprehensive income reclassified to profit or loss	Equity instruments at fair value through other comprehensive income reclassified to profit or loss	Loans and receivables	Debt securities
31/12/2022										
	181,500	29,115	66,801	81,939	-	-	-	3,645	-	-
Financial assets at fair value through profit or loss										
Financial assets held for trading	-	-	-	-	-	-	-	-	-	-
Other financial assets at fair value through profit or loss	181,500	29,115	66,801	81,939	-	-	-	3,645	-	-
Equity instruments	32,760	29,115	-	-	-	-	-	3,645	-	-
Debt instruments not fulfilling the SPPI criteria	66,801	-	66,801	-	-	-	-	-	-	-
Assets backing unit-linked contracts	81,939	-	-	81,939	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-
Other debt instruments at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	175,474	-	-	-	-	2,837	171,879	135	623	623
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	175,339	-	-	-	-	2,837	171,879	-	-	623
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	135	-	-	-	-	-	-	135	-	-
Financial assets at amortised cost	2,331	-	-	-	-	30	-	-	849	1,452
Loans and receivables	849	-	-	-	-	-	-	-	849	-
Debt securities	1,482	-	-	-	-	30	-	-	-	1,452
Carrying amount of financial assets immediately before the date of initial application of IFRS 17	359,305	-	-	-	-	-	-	-	-	-
Restatement of the carrying amount	-	-	-	-	-	(5)	-	-	-	384
Carrying amount of financial assets at the date of initial application of IFRS 17 (after applying paragraph C29)	-	29,115	66,801	81,939	-	2,862	171,879	3,760	849	2,459

(In € millions)

Financial assets



The reclassifications that the Group performed on 1 January 2023 relate to the designation of some equity instruments as at fair value through other comprehensive income on the one hand, and the reassessment of the business model of some debt instruments on the other hand.

The latter were eligible to such a reassessment because they are held in respect of an activity that is connected with contracts within the scope of IFRS 17.

The Group now measures at fair value through profit or loss some debt instruments that were previously measured at fair value through other comprehensive income or at amortised cost, considering that the business model they were part of is the

default model (other/sell model); this is only about bonds issued by Crédit Agricole SA and held by Crédit Agricole Assurances.

In addition, the Group now measures at amortised cost some debt instruments that were previously measured at fair value through other comprehensive income, considering that they were part of a business model for which the aim is mainly to hold financial assets in order to collect their contractual cash flows (hold to collect model); this is about assets that were segregated to equity and protection (and therefore that do not constitute underlying items of contracts measured according to the VFA model any more) as part of the implementation of the ring-fencing of the assets of Predica.

Notes to the consolidated financial statements

Detailed Contents

NOTE 1	Accounting policies and principles applicable in the Crédit Agricole Assurances Group, judgements and estimates used	18	5.3	Fair value of financial instruments	46
			5.4	Credit risk	52
			5.5	Investments in joint ventures and associates	59
			5.6	Equity	62
NOTE 2	Major structural transactions and material events during the period	32	5.7	Provisions for risks and charges	63
	2.1 Information on the consolidation scope as at 30 June 2023	32	5.8	Financing debts	63
	2.2 Other material events during the period	33	5.9	Insurance and reinsurance contracts	64
NOTE 3	Subsequent events	34	5.10	Investment contracts without discretionary participation features	74
NOTE 4	Segment information	35	NOTE 6	Notes to the income statement	75
	4.1 Income statement by segment	36	6.1	Insurance revenue	75
	4.2 Balance sheet by segment	38	6.2	Investment income net of investment expenses	75
NOTE 5	Notes to the balance sheet	42	6.3	Insurance finance income or expenses	77
	5.1 Investment property	42	6.4	Tax expenses	79
	5.2 Investments from insurance activities	43			

NOTE 1 Accounting policies and principles applicable in the Crédit Agricole Assurances Group, judgements and estimates used

Applicable standards and comparability

The condensed interim consolidated financial statements of the Crédit Agricole Assurances Group for the period ended 30 June 2023 have been prepared and are presented in accordance with IAS 34 (Interim Financial Reporting).

The standards and interpretations used for the preparation of the condensed interim consolidated financial statements are identical to those used by the Crédit Agricole Assurances Group for the

preparation of the consolidated financial statements at 31 December 2022, prepared, pursuant to EC regulation 1606/2002, in accordance with IAS/IFRS standards and IFRIC interpretations as adopted by the European Union.

They have been supplemented by the IFRS standards as adopted by the European Union at 30 June 2023 and for which application is mandatory for the first time during financial year 2023.

These cover the following:

STANDARDS, AMENDMENTS OR INTERPRETATIONS	Date of mandatory initial application: accounting periods beginning on
IFRS 17	1 January 2023
Insurance contracts	
Amendments to IFRS 17	1 January 2023 ⁽¹⁾
Initial application of IFRS 17 and IFRS 9 - Comparative information	
Amendments to IAS 1	1 January 2023 ⁽²⁾
Disclosures about accounting policies	
Amendments to IAS 8	1 January 2023 ⁽²⁾
Definition of accounting estimates	
Amendments to IAS 12	1 January 2023 ⁽²⁾
Deferred tax related to assets and liabilities arising from a single transaction	

(1) The Crédit Agricole Assurances Group has applied IFRS 9 since 1 January 2018. Thus, it is not concerned by §C28A to C28E of these amendments. Moreover, it does not apply the option provided by §C33A of these amendments (classification overlay) for the purpose of presenting comparative information for financial assets derecognised between the transition date to IFRS 17 and the date of initial application of IFRS 17.

(2) No material effect at the Group level.

STANDARDS AND INTERPRETATIONS ADOPTED BY THE EUROPEAN UNION APPLIED BY THE GROUP AT 30 JUNE 2023

IFRS 17 Insurance contracts

IFRS 17 replaces IFRS 4. It is mandatorily applicable for reporting periods beginning on or after 1 January 2023.

IFRS 17 as adopted by the European Union on 19 November 2021 includes an optional exemption from applying the requirements of the standard that relate to annual cohorts for intergenerationally-mutualised and cash flow matched contracts.

The Group applied IFRS 17, as well as the amendments of IFRS 17 to other IFRS standards, for the first time in its financial statements ending from 1 January 2023. The main amendments to other IFRS standards that impact the Group are the amendments to IAS 28 and IAS 40, which allow the Group to measure at fair value through profit or loss participations in associates and joint ventures as well as investment property constituting underlying items of insurance contracts with direct participation features.

IFRS 17 has to be applied retrospectively, with mandatory restatement of comparative information. Therefore, comparative information relating to the 2022 period is restated in the financial statements of the 2023 period, and a statement of financial position at the transition date (1 January 2022) is also presented.

The effects of the coming into force of IFRS 17 on the consolidated financial statements of the Group at 1 January 2022 are presented in the statement of changes in equity as well as in the note "Impact

on equity at 1st January 2022 of the first application of the IFRS 17 standard" below.

Additional information about the methods used to determine the measurement of insurance contracts at the transition date, as well as the effect of the application of the modified retrospective approach on the CSM and insurance revenue, is provided in the note 5.9.3 on transition amounts below.

IFRS 17 establishes principles for the recognition, measurement and presentation of the contracts within its scope (i.e. insurance contracts issued, reinsurance contracts issued and held, and investment contracts with discretionary participation features issued, provided the entity also issues insurance contracts), as well as requirements regarding disclosures about them.

Its application will result in significant changes on these points. The nature and the effects of the main changes in accounting policies pertaining to the first application of IFRS 17 are summarised thereafter.

Changes to recognition and measurement

The Group, as permitted under IFRS 4, formerly accounted for insurance contracts in its consolidated financial statements applying French accounting standards, except for specific requirements introduced by IFRS 4 for equalisation reserves, shadow accounting and the liability adequacy test.

These principles are no more applicable with the coming into effect of IFRS 17, which defines new principles for the measurement and

recognition of insurance contracts. It introduces a prospective general measurement model for insurance contracts, according to which groups of contracts are measured based on estimates of discounted future cash flows expected as insurance contracts services are provided, an explicit adjustment for non-financial risk, and a contractual service margin representing the unearned profit.

In summary, the application of the main requirements of IFRS 17 in respect of the recognition and measurement of insurance contracts consisted for the Group in:

- identifying insurance contracts as those under which it accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;
- separating specified embedded derivatives, distinct investment components and distinct goods or services other than insurance contract services from insurance contracts and accounting for them in accordance with the other applicable standards;
- aggregating insurance contracts according to their features and expected profitability, which consists, at initial recognition, in identifying portfolios of insurance contracts (contracts subject to similar risks and managed together) then in dividing each of these portfolios into three groups (onerous contracts, contracts with no significant possibility of becoming onerous subsequently, and other contracts), knowing that it is not possible to include contracts issued more than one year apart in the same group (except, on option, for intergenerationally-mutualised contracts and cash flow matched contracts, which are exempted from this requirement applying the European exemption);
- recognising and measuring groups of contracts, on initial recognition, as the total of:
 - fulfilment cash flows (i.e. estimates of future cash flows, discounted in order to reflect the time value of money and the financial risks, and adjusted for non-financial risk, and that have to incorporate all available information consistently with observable market variables);
 - and the contractual service margin (CSM), that represents the unearned profit that will be recognised in profit or loss as insurance contract services are provided to policyholders; if a group of contracts is expected to be onerous over the remaining coverage period, then a loss is immediately recognised in profit or loss;
- recognising and measuring groups of contracts, at the end of each subsequent reporting period, as the sum of:
 - the liability for remaining coverage, comprising the fulfilment cash flows related to future service and the contractual service margin at that date;
 - and the liability for incurred claims, comprising the fulfilment cash flows related to past service;
- recognising an asset for insurance acquisition cash flows in respect of acquisition cash flows paid, or incurred, before the related group of insurance contracts is recognised; such an asset is derecognised when these cash flows are included in the measurement of the related group of insurance contracts.

The general measurement model of contracts is adapted for certain contracts presenting specific features.

Thus, for insurance contract with direct participation features, the standard requires to apply a measurement model called "variable fee approach" (VFA). These contracts, substantially, are investment-related service contracts, under which an entity promises an investment return based on underlying items. For these contracts, the general model provisions on subsequent

measurement are modified in order to reflect the fact that these contracts create an obligation for the entity to pay the policyholders an amount equal to the fair value of specified underlying items less a variable fee that remunerates the services provided and are determined in reference to the underlying items.

Moreover, it is possible to apply a simplified measurement model, called "premium allocation approach" (PAA), for the measurement of the liability for remaining coverage of a group of contracts, provided either this measurement does not differ materially from the one that would be produced applying the provisions of the general model, or the coverage period of each contract in the group is one year or less. Using this approach, the liability for remaining coverage is measured as the amount of premiums received net of acquisition cash flows paid, less the net amount of premiums and acquisition cash flows that have been recognised in profit or loss over the expired portion of the coverage period based on the passage of time. This approach gets close to the accounting treatment applied under IFRS 4, the main changes relate to the discounting of technical provisions, the determination of onerous contracts at a more granular level and the introduction of a risk-adjustment for non-financial risk.

From now on, the Group measures at fair value through profit or loss, as permitted by the IAS 40 and IAS 28 standards amended by IFRS 17, investment property and participations in associates and joint ventures constituting underlying items of insurance contracts with direct participation features, in order to avoid accounting mismatches with the measurement of this type of insurance contracts under IFRS 17.

The principles relating to the accounting and the measurement of contracts within the scope of IFRS 17 are detailed in the section "Accounting principles and policies" below.

Changes to presentation and disclosures

Applying the requirements of IFRS 17 (and of IAS 1 as amended by IFRS 17) regarding the presentation of financial statements, the presentation of items relating to insurance contracts in the balance sheet, the income statement and the statement of net income and other comprehensive income, experiences significant changes compared to the former presentation.

Thereby, the items of the balance sheet in which the various elements relating to the measurement of insurance contracts under IFRS 4 were formerly accounted for are no longer presented (liabilities arising from contracts, reinsurers' share in liabilities arising from insurance and investment contracts, receivables and payables related to insurance contracts and reinsurance contracts issued, receivables and payables related to reinsurance contracts held, deferred participation assets and liabilities, deferred acquisition costs, value of purchased business in force).

The carrying amount of portfolios of insurance and reinsurance contracts accounted for applying IFRS 17 is henceforth fully presented in the four new following items of the balance sheet:

- portfolios of insurance contracts issued that are assets;
- portfolios of insurance contracts issued that are liabilities;
- portfolios of reinsurance contracts held that are assets;
- portfolios of reinsurance contracts held that are liabilities.

In the same manner, the items of the income statement in which revenue and expenses relating to insurance contracts were formerly accounted for are no longer presented (in particular, earned premiums, claims expenses, net income and expenses from reinsurance contracts held, acquisition expenses, administration expenses, and the amount reclassified to other comprehensive income applying the overlay approach).



Revenue and expenses relating to insurance contracts accounted for applying IFRS 17 are presented separately in the new following items of the income statement:

- insurance revenue arising from insurance contracts issued (which depicts the provision of services arising from the group of insurance contracts at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services);
- insurance service expenses arising from insurance contracts issued (which comprise notably incurred claims and other incurred insurance service expenses);
- income and expenses from reinsurance contracts held (which comprise the amounts recovered from the reinsurer and the allocation of the premiums paid);
- insurance finance income or expenses (which comprise the change in the carrying amount of groups of insurance contracts arising from the effects of the time value of money and financial risk as well as changes thereof - except for changes that adjust the contractual service margin for insurance contracts with direct participation features);
- insurance finance income or expenses related to reinsurance contracts held.

Finally, the statement of net income and other comprehensive income sees the removal of the items relating to shadow accounting and the overlay approach (these mechanisms being specific to IFRS 4), and the creation of the items relating to insurance finance income or expenses recognised in equity applying the OCI option.

Moreover, IFRS 17 includes new requirements about qualitative and quantitative disclosures, regarding amounts recognised, judgements and risks relating to the contracts within its scope.

Accounting principles and policies

USE OF JUDGEMENTS AND ESTIMATES TO PREPARE THE FINANCIAL STATEMENTS

Estimates made to draw up the financial statements are by nature based on certain assumptions and involve risks and uncertainties as to whether they will be achieved in the future.

Future results may be influenced by many factors, including:

- activity in domestic and international financial markets;
- fluctuations in interest and foreign exchange rates;
- the economic and political climate in certain industries or countries;
- changes in regulations or legislation;
- the behaviour of the policyholders;
- demographic changes.

This list is not exhaustive.

Accounting estimates based on assumptions are principally used in the following assessments:

- financial instruments measured at fair value (including investments in non-consolidated companies);
- insurance contracts assets and liabilities;
- reinsurance contracts assets and liabilities;
- investment contracts without discretionary participation features liabilities;

- pension schemes and other post-employment benefits;
- stock option plans;
- impairment on debt instruments at amortised cost or at fair value through other comprehensive income that can be reclassified to profit or loss;
- provisions;
- impairment of goodwill;
- deferred tax assets.

The procedures for the use of judgements or estimates are detailed in the relevant sections below.

In particular, the measurement of insurance contracts applying IFRS 17 requires significant judgements. The main areas of judgement for the application of the IFRS 17 standard by the Group are the following, and disclosures about them are developed in the sections and notes referred to below:

- the estimates of future cash flows, in particular the projection of these cash flows and the determination of the contract boundary: in the sections "Measurement of insurance contracts / Estimates of future cash flows" and "Measurement of insurance contracts / Contract boundary" of the accounting principles and policies;
- the technique used to determine the risk adjustment for non-financial risk: in the section "Measurement of insurance contracts / Risk adjustment for non-financial risk" of the accounting principles and policies;
- the approach used to determine discount rates: in the section "Measurement of insurance contracts / Discount rates" of the accounting principles and policies;
- the definition of coverage units and the determination of the CSM amount allocated in profit or loss during each period in order to reflect insurance contract services: in the section "Recognition of the contractual service margin in profit or loss" of the accounting principles and policies;
- the determination of transition amounts relating to groups of insurance contracts existing at the transition date: in the note "Insurance and reinsurance contracts / Transition amounts".

INSURANCE CONTRACTS (IFRS 17)

Definition and classification of contracts

The contracts issued by the Group fall into the two following categories:

- insurance contracts (including reinsurance contracts) issued, that fall within the scope of IFRS 17;
- investment contracts that fall within the scope either of IFRS 17 or IFRS 9 depending on whether they are contracts with or without discretionary participation features.

The reinsurance contracts held by the entities of the Group also fall within the scope of IFRS 17.

All references hereunder to insurance contracts also apply to investments contracts with discretionary participation features and reinsurance contracts held, except where explicitly specified.

Insurance contracts may be issued by the Group, or acquired in a business combination or in a transfer of insurance contracts that do not form a business. All references hereunder to insurance contracts issued also apply to contracts acquired, unless otherwise specified.

Insurance contracts

An insurance contract is a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

A reinsurance contract is an insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).

Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance risk is the risk, other than financial risk, transferred from the holder of a contract to the issuer. Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, currency exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

In the Group, for each portfolio of contracts aggregated according to homogeneous characteristics, the significance of the insurance risk is assessed on the basis of a representative individual contract. The existence of a scenario (with commercial substance) under which the insurer would be required to pay a significant amount to the policyholder, i.e. an amount that significantly exceeds the amount that would be paid if no insured event occurred, entails the existence of a significant insurance risk for all the contracts of the homogeneous portfolio, regardless of the probability of the scenario arising. Insurance risk may therefore be significant whereas the principle of pooling of risks within the portfolio limits the likelihood of a significant loss with respect to the result of the portfolio considered as a whole.

The main insurance risks are related to mortality (death benefits), longevity (life benefits, such as life-contingent annuities), morbidity (temporary disability benefits), permanent disability, health (medical benefits), unemployment, or third-party liability and property and casualty.

Applying the principles of IFRS 17, insurance contracts may be classified as insurance contracts with direct participation features or insurance contracts without direct participation features.

Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which an entity promises an investment return based on underlying items. Hence, they are defined as insurance contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The assessment of whether these three conditions are met shall be performed at inception of the contract and shall not be reviewed afterwards, unless the contract is substantially modified.

All other insurance contracts issued and all reinsurance contracts (issued and held) are classified as insurance contracts without direct participation features.

Investment contracts

Contracts that do not expose the insurer to a significant insurance risk are investment contracts. They include investment contracts

with discretionary participation features and investment contracts without discretionary participation features.

An investment contract with discretionary participation features is defined as a financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of the issuer, additional amounts:

- that are expected to be a significant portion of the total contractual benefits;
- the timing or amount of which are contractually at the discretion of the issuer; and
- that are contractually based on:
 - the returns on a specified pool of contracts or a specified type of contracts;
 - realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or
 - the profit or loss of the entity or fund that issues the contracts.

Investment contracts with discretionary participation features encompass mainly euro-denominated savings contracts. In the case of multi-funds contracts, insofar as the policyholder has the option, at any time, to opt for a transfer of all or part of his savings to a euro-denominated fund with discretionary participation features (under conditions that are not likely to impede such arbitrages), the Crédit Agricole Assurances Group considers that the contract as a whole is a contract with discretionary participation features, whether the option has been exercised or not by the policyholder.

Investments contracts that do not meet the former definition are investments contracts without discretionary participation features, they fall within the scope of IFRS 9.

Recognition of insurance contracts and investment contracts with discretionary participation features

Separating components of an insurance contract

At inception, the Group separates embedded derivatives, distinct investment components and any promise to transfer to the policyholder distinct goods or services other than insurance contract services, and accounts for them as stand-alone components applying the relevant IFRS standards.

Once these distinct stand-alone components have been separated, the Group applies IFRS 17 to account for all the remaining components in the insurance contract.

Level of aggregation of insurance contracts

The provisions of the standard relating to the level of aggregation require to group contracts into portfolios of contracts, then to divide the latter into three groups depending on the expected profitability of the contracts at initial recognition, themselves shall not include contracts issued more than one year apart (i.e. annual cohorts principle).

A portfolio of insurance contracts comprises insurance contracts that are subject to similar risks and managed together.

Each portfolio should be divided into at least the following groups:

- a group of contracts that are onerous at initial recognition, if any;
- a group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently, if any;
- a group of the remaining contracts in the portfolio, if any.

These groups represent the level of aggregation at which insurance contracts are initially measured and recognised.



In order to apply the general principles of the standard with respect to identifying portfolios, the Group proceeded to various analyses depending on the guarantees identified and the way contracts are managed (e.g. depending on the financial portfolios related to the saving-pension products, depending on the applied level for the prospective measurement of risks and solvency as regards risk products, or depending on business lines for property and casualty products). The division of the portfolios into groups according to the expected profitability was carried out based on various information such as the pricing of contracts, the history of profitability of similar contracts, or prospective plans.

As permitted by article 2 of the regulation (UE) 2021-2036 of 19 November 2021 of the European Commission, the Crédit Agricole Assurances Group has chosen to resort to the exemption from applying the annual cohort requirements for intergenerationally-mutualised contracts. This accounting policy choice has been applied to portfolios corresponding to the savings and pensions businesses of the Group that are eligible for the exemption.

The Group does not apply the requirements of the standard that allow to include in the same group contracts that would fall into different groups only because law or regulation specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics.

Date of recognition of insurance contracts

A group of insurance contracts issued shall be recognised from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due or, when no due date exists, the date when the first payment is received; and
- for a group of onerous contracts, when the group becomes onerous.

Only the contracts that individually meet one of the above criteria at the end of the reporting period are included in the group of contracts. New contracts may be added to the group in the reporting period when they meet one of the above recognition criteria. The composition of the group cannot be revised once all the contracts have been added to the group.

A group of insurance contracts acquired in a transfer of insurance contracts or in a business combination is recognised at the date of acquisition.

Insurance acquisition cash flows

Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued), that are directly attributable to the portfolio of insurance contracts to which the group belongs, and that include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.

The Group uses a systematic and rational method to allocate:

- insurance acquisition cash flows directly attributable to a group of insurance contracts:
 - to that group; and
 - to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group;
- insurance acquisition cash flows directly attributable to a portfolio of insurance contracts but not directly attributable to the groups of contracts in this portfolio, to groups of contracts in the portfolio.

Except for some groups of contracts measured applying the premium allocation approach for which the option to recognise insurance acquisition cash flows directly in expenses was elected, insurance acquisition cash flows paid (or for which a liability has been recognised applying another IFRS standard) before the recognition of the related group of insurance contracts are recognised as an asset. Such an asset is recognised for each related group of insurance contracts.

This asset for insurance acquisition cash flows is derecognised, wholly or partially, when the insurance acquisition cash flows are included in the measurement of the related group of contracts (see section related to the measurement of contracts below).

At the end of each reporting period, the Group revises the amounts of insurance acquisition cash flows allocated to the groups of contracts not yet recognised in order to reflect any change in the assumptions related to the method of allocation used.

At the end of each reporting period, the Group assesses the recoverability of an asset for insurance acquisition cash flows if facts and circumstances indicate the asset may be impaired. In this aim, the Group applies:

- an impairment test at the level of existing and future groups of insurance contracts;
- an additional impairment test that focuses specifically on the cash flows allocated to the expected renewals.

In the case of an impairment loss, the carrying amount of the asset is adjusted and the impairment loss is recognised in profit or loss. If the conditions that gave rise to the impairment no longer exist or have improved, the reversal of whole or part of the impairment loss previously recognised, is recognised in profit or loss and the carrying amount of the asset is increased consequently.

As at 30 June 2023, the assets for insurance acquisition cash flows identified by the Group are fully impaired, and hence their carrying amount in the balance sheet is nil.

Measurement of insurance contracts

The contracts in the scope of IFRS 17 can be measured using three models:

- the general measurement model, or BBA model (Building Block Approach), is the default measurement model;
- the VFA model (Variable Fee Approach), is the compulsory model for insurance contracts with direct participation features;
- the PAA model (Premium Allocation Approach), is an optional simplified model that can be used when certain criteria are met.

The Group uses the three models to measure its contracts.

The general measurement model is mainly applied to creditor insurance, long-term care, protection, work stoppage, term life and some health activities of the Group.

The Group analysed the fulfilment of the conditions that define insurance contracts with direct participation features (see section on the classification of contracts above) in order to determine which of its contracts meet their definition. Thus, the savings, pensions and funeral businesses of the Group are measured using the VFA model.

The Group has chosen to apply the PAA model to its property and casualty activities (insurance contracts issued and reinsurance contracts held).

Measurement of contracts measured using the general model and the VFA model

Initial recognition

On initial recognition, the Group measures a group of insurance contracts as the total of:

- the fulfilment cash flows, which comprise:
 - estimates of future cash flows;
 - an adjustment to reflect the time value of money and the financial risks related to the future cash flows, to the extent that these risks are not included in the estimates of the future cash flows;
 - a risk adjustment for non-financial risk;
- the contractual service margin (CSM).

Estimates of future cash flows

The aim of the estimates of future cash flows is to determine the expected value of a set of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of the corresponding outcome in order to derive the expected present value.

Estimates of future cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows at the closing date. These information include internal and external historical data on claims and other characteristics of insurance contracts, updated to reflect the conditions prevailing at the measurement date, in particular the assumptions about the future at that same date.

Estimates of future cash flows reflect the perspective of the Group regarding the current conditions on the closing date, provided that the estimates of any relevant market variables are consistent with observable market prices. The estimates of the market variables are determined based on a maximised use of observable market inputs.

In life insurance, the future cash flows projection incorporates assumptions about the policyholders' behaviour and management decisions. These assumptions cover factors such as surrenders, the participation policy and assets allocation policy.

The best estimate of the expected present value includes the impact of financial options and guarantees if it is material. Stochastic simulation methods are used for this purpose. Stochastic modelling consists in the projection of future cash flows according to a great number of possible economic scenarios as regards market variables such as interest rates and equity returns.

The main options measured by the Group are the surrender option in savings or pensions contracts, guaranteed minimum rates and technical rates, contractual participation clauses and the guaranteed minimum benefit in unit-linked contracts.

The modelled participation clauses comply with local regulatory and contractual constraints and are the subject of strategic assumptions reviewed by the entities' management.

When contracts encompass a significant mortality (or longevity) risk, the projections are likewise estimated based on regulatory mortality tables or experience tables when these are deemed more prudent.

When a minimum guaranteed death benefit is included in a unit-linked contract, so as to ensure the beneficiary of the contract at least the initial invested capital irrespective of the changes in the value of the units held, this benefit is determined on the basis of an economic method (stochastic scenarios).

In non-life insurance, the Group estimates the ultimate cost of the claims incurred but not yet paid at the closing date and the value of expected recoveries by reviewing the reported individual claims and by estimating the claims incurred but not yet reported. Their determination is the result of, on the one hand, the application of deterministic statistical methods based on historical data and, on the other hand, the use of actuarial assumptions drawing upon experts' judgement for the purpose of estimating the ultimate cost. The change in the parameters used may lead to a noticeable change in the value of these estimates at the closing date, particularly as concerns long-tail insurance branches for which the inherent uncertainty in terms of the materialisation of the forecasts is in general more important. These parameters are especially tied to the uncertainty that surrounds qualifying and quantifying the damages, the scales (table and rates) that will be applied to determine compensation, and the probability of the use of annuities in cases involving physical injury. For the Group, this regards the insurance lines related to vehicle and general civil responsibility, personal accident cover, and medical professional responsibility.

Contract boundary

The measurement of a group of contracts includes all the future cash flows within the boundary of each contract in the group, i.e. all future cash flows that arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums or has a substantive obligation to provide the policyholder with insurance contract services. Such a substantive obligation ends when:

- the Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- the Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio, and the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

The contract boundary is reassessed at each closing date in order to take into account the effect of changes in circumstances related to the substantive rights and obligations of the Group, and hence may change overtime.

Determining the contract boundary requires judgement and considering the substantive rights and obligations of the Group pursuant to the contract. To this end, the Group analysed in detail the characteristics of its contracts, and in particular the possibility to reset their price. Thus, the Group considered, for instance, that free or scheduled future payments of savings and pensions contracts, or the liquidation phase of pensions contracts with mandatory annuities, are within the contract boundary; however, the renewals of non-life insurance contracts due to the tacit renewal clause are not within the contract boundary.

Cash flows included in the measurement of contracts

Cash flows within the boundary of an insurance contract are those that relate directly to the fulfilment of the contract, including cash flows for which the entity has discretion over the amount or timing. They include notably:

- premiums from a policyholder and any additional cash flows that result from those premiums;
- payments to (or on behalf of) a policyholder;
- an allocation of insurance acquisition cash flows (see above) attributable to the portfolio to which the contract belongs;
- claim handling costs;
- policy administration and maintenance costs;



- transaction-based taxes and levies that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis;
- costs the Group will incur performing investment activity, to the extent the Group performs that activity to enhance benefits from insurance coverage for policyholders;
- costs the Group will incur providing investment-return services and investment-related services to policyholders;
- an allocation of fixed and variable overheads (such as the costs of accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities) that are directly attributable to fulfilling insurance contracts;
- any other costs specifically chargeable to the policyholder under the terms of the contract.

Cash flows are allocated by function (acquisition activities, other fulfilment activities, and other activities) at the level of each legal entity using activity-based costing techniques.

Cash flows attributable to acquisition activities and to other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and that are consistently applied to all costs that have similar characteristics. They comprise both direct costs and an allocation of fixed and variable overheads.

The Group has not identified insurance contracts without direct participation features that give it discretion over the cash flows it will pay to policyholders.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognised in other operating income and expenses as they are incurred.

Discount rates

The Group adjusts the estimates of future cash flows to reflect the time value of money and the financial risks related to those cash flows, to the extent that these risks are not included in the estimates of cash flows.

Discount rates are a major parameter to measure insurance contracts applying IFRS 17 requirements; they are notably used to measure the fulfilment cash flows, and, for insurance contracts without direct participation features, to determine the interest to accrete on the CSM, measure the changes to the CSM and determine the amount of the insurance finance income or expenses included in profit or loss when the OCI option is applied (see the section on subsequent measurement below).

IFRS 17 does not require a particular estimation technique for determining discount rates, but requires this method to take into account the factors that arise from the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts, and to maximise the use of observable inputs. The methodology used by the Group when determining the yield curve is a bottom-up approach, that rests on a risk-free yield curve adjusted by an illiquidity premium reflecting the characteristics of the cash flows and the liquidity of insurance contracts. The Group determines the curve of risk-free rates from the rates of interest rate swap contracts observable for the considered currency, adjusted for credit risk. This curve is extrapolated between the last liquid point and an ultimate forward rate reflecting expectations about real interest rates and long-term inflation rates. The extrapolation method of the yield curve used by the Group is the smoothing points method: rates beyond the first smoothing point (FSP) are extrapolated via a function taking into account the ultimate forward rate (UFR), the last liquid forward rate (LLFR) and a parameter for the speed of convergence. The illiquidity premiums are determined based on a reference portfolio corresponding to the assets held to cover contracts. Illiquidity premiums of bond assets are determined by comparing the spreads of the bond portfolio to the remuneration of credit risk. Illiquidity premiums of other assets are obtained using a method derived from the Sharpe ratio to quantify the outperformance attributable to these classes of assets. The illiquidity premiums thus obtained for the assets of the reference portfolio are transposed to determine the illiquidity premiums of the corresponding insurance liabilities by using an application ratio depending on the comparison between the respective durations of assets and liabilities in order to reflect the growth of illiquidity premiums with the duration.

The table below presents the yield curves used to discount cash flows of insurance contracts:

	30/06/2023						31/12/2022					
	1 year	5 years	10 years	15 years	20 years	30 years	1 year	5 years	10 years	15 years	20 years	30 years
Life France												
EUR	5.11%	4.25%	4.00%	3.93%	3.77%	3.53%	4.16%	4.11%	4.07%	4.00%	3.74%	3.43%
Property and casualty France												
EUR	4.53%	3.66%	3.46%	3.44%	3.30%	3.13%	3.68%	3.64%	3.60%	3.53%	3.27%	3.02%
International												
EUR	4.92%	4.06%	3.80%	3.74%	3.58%	3.37%	4.22%	4.17%	4.13%	4.06%	3.80%	3.48%
USD	5.73%	4.21%	3.84%	3.77%	3.72%	3.40%	5.40%	4.27%	4.07%	4.02%	3.94%	3.61%
JPY	(0.01)%	0.22%	0.57%	0.81%	0.98%	1.07%	(0.10)%	0.16%	0.49%	0.97%	1.26%	1.56%

Risk adjustment for non-financial risk

Estimates of the present value of the future cash flows are subject to an explicit risk adjustment for non-financial risk, in order to reflect the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

In order to determine this adjustment, the Group applies the confidence level technique for all its contracts. The measurement metric used by the Group is the VaR (Value at Risk) with a quantile of 80% for life activities and 85% for non-life activities, and an

ultimate horizon (approximated by the duration of liabilities for life activities). This adjustment reflects the diversification benefits of risks at the entity level, determined using a correlation matrix. A diversification between entities is also taken into account.

Contractual service margin

The CSM of a group of insurance contracts represents the unearned profit the Group will recognise as it provides insurance contract services.

On initial recognition of a group of contracts, if the sum of the fulfilment cash flows measured at the date of initial recognition, any cash flows arising at that date and of any amount that results from the derecognition at that date of any asset or liability previously recognised for cash flows related to the group (including any asset for insurance acquisition cash flows) is a net cash inflow, then the group of contracts is profitable. In this case, the CSM is measured as an amount equal and opposite to this cash inflow, resulting in no income or expense arising on initial recognition.

For groups of contracts acquired in a transfer of insurance contracts or in a business combination, the consideration received or paid for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In the case of a business combination, the consideration received or paid is the fair value of the contracts at that date.

If the sum calculated previously is a net cash outflow, then the group of contracts is onerous. In this case, the net cash inflow is recognised immediately as a loss in profit or loss (or as an adjustment to the goodwill or a gain on a bargain purchase in the case of contracts acquired in a business combination), so that the carrying amount of the liability related to the group is equal to the fulfilment cash flows and the CSM of the group is therefore nil. A loss component of the liability for remaining coverage is then established depicting the losses recognised. This loss component determines the amounts that are presented subsequently in profit or loss as reversals of losses on onerous groups and are consequently excluded from insurance revenue (see section on presentation below).

Subsequent measurement

The carrying amount of a group of contracts at each closing date is the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC).

The liability for remaining coverage comprises the fulfilment cash flows that relate to future service allocated to the group at that date and the contractual service margin at that date.

The liability for incurred claims comprises the fulfilment cash flows for incurred claims and other expenses not yet paid, including claims incurred but not yet reported.

The fulfilment cash flows of the groups of contracts are measured at the closing date using the present estimate of the value of future cash flows, current discount rates and the present estimate of the risk adjustment for non-financial risk. The changes in the fulfilment cash flows are recognised as follows:

Changes that relate to future service	Recognised against the CSM (or recognised in the insurance service result in case the group is onerous)
Changes that relate to current and past service	Recognised in the insurance service result
Effect of the time value of money, financial risk and changes therein on the future cash flows	Recognised in the insurance finance income or expenses

The CSM of each group of contracts is calculated at each closing date as follows depending on whether the contracts are without direct participation features (general model) or with direct participation features (VFA model).

Insurance contracts without direct participation features measured using the general model

The carrying amount of the CSM of a group of insurance contracts without direct participation features at the closing date is the carrying amount at the opening date adjusted for:

- the effect of any new contracts added to the group during the period;
- interest accreted on the CSM during the period, measured at the discount rates determined on initial recognition;
- the changes in the fulfilment cash flows relating to future service, except to the extent that:
 - such increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and gives rise to a loss component; or
 - such decreases in the fulfilment cash flows are allocated to the loss component, which leads to a reversal of the loss previously recognised in profit or loss;
- the effect of any currency exchange differences arising on the CSM; and
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined after all the above adjustments have been made (see section "Recognition of the contractual service in margin in profit or loss" below).

The changes in the fulfilment cash flows that relate to future service and that adjust the CSM include:

- experience adjustments arising from premiums received in the period that relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes, measured at the discount rates determined on initial recognition;
- changes in estimates of the present value of future cash flows of the liability for remaining coverage, except those that relate to the effect of the time value of money and financial risk and changes therein, measured at the discount rates determined on initial recognition;
- experience adjustments on investment components and loans to policyholders;
- changes in the risk adjustment for non-financial risk that relate to future service, measured at the discount rates determined on initial recognition.

Insurance contracts with direct participation features measured using the VFA model

The variable fee approach (VFA model) reflects accounting-wise the specific nature of the services provided under insurance contracts with direct participation features. These contracts are insurance contracts that are substantially investment-related service contracts, under which the entity promises an investment return based on underlying items.

The underlying items are items that determine some of the amounts payable to the policyholders. As concerns the Group, these items comprise mainly portfolios of financial assets, as well as, for French euro-denominated savings contracts, the technical result of these contracts.

The Group's policy is to hold the underlying financial assets.

The composition and the fair value of the latter are detailed in the note 6.3.



Insurance contracts with direct participation features are contracts under which the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- the variable fee in exchange for the future services provided by the insurance contract, that is equal to the difference between the amount of the entity's share of the fair value of the underlying items and the fulfilment cash flows that do not vary based on the returns on underlying items.

The changes in the obligation to pay the policyholder an amount equal to the fair value of the underlying items do not relate to future service and therefore do not adjust the contractual service margin: they are recognised in profit or loss.

The changes in the amount of the entity's share of the fair value of the underlying items relate to future service and adjust the contractual service margin.

The carrying amount of the CSM of a group of insurance contracts with direct participation features at the closing date is the carrying amount at the opening date, adjusted for:

- the effect of any new contracts added to the group during the period;
- the change in the amount of the entity's share of the fair value of the underlying items and the changes in fulfilment cash flows relating to future service, except to the extent that:
 - the risk mitigation option is applied (see below) in order not to recognise a change in the CSM to reflect the changes in the effect of the time value of money and financial risks on the amount of its share of the underlying items or the fulfilment cash flows;
 - the decrease in the amount of the entity's share of the fair value of the underlying items, or the increase in the fulfilment cash flows relating to future service, exceeds the carrying amount of the CSM, giving rise to a loss recognised in profit or loss and constituting a loss component; or
 - the increase in the amount of the entity's share of the fair value of the underlying items, or the decrease in the fulfilment cash flows relating to future service, are allocated to the loss component, giving rise to a reversal of the loss previously recognised in profit or loss;
- the effect of any currency exchange differences arising on the CSM; and
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined after all the above adjustments have been made (see section "Recognition of the contractual service in margin in profit or loss" below).

The changes in the fulfilment cash flows related to future service and that adjust the CSM comprise the changes indicated above for insurance contracts without direct participation features (measured using current discount rates) and the changes in the effect of the time value of money and financial risks not arising from the underlying items - for example, the effect of financial guarantees.

The Group may chose (risk mitigation option) not to recognise a change in the CSM of insurance contracts with direct participation features to reflect changes in the effect of the time value of money and financial risk, when this effect is mitigated using derivatives, non-derivative financial instruments measured at fair value through profit or loss, or reinsurance contracts held. The Group has chosen not to apply this option.

Loss component

For contracts measured using the general model and the VFA model, the Group establishes a loss component of the liability for

remaining coverage for onerous groups of contracts (see above). This loss component determines the amounts that are presented subsequently in profit or loss as reversals of losses on onerous groups of contracts and are consequently excluded from insurance revenue (see section on presentation below).

When fulfilment cash flows are incurred, they are allocated based on a systematic method between the loss component and the liability for remaining coverage excluding the loss component. The systematic method applied by the Group is determined on the basis of the proportion of the loss component in the total estimate of the present value of future cash outflows and the risk adjustment for non-financial risk on the beginning of each period (or on initial recognition if a group of contracts is initially recognised in the period), excluding investment components.

Any subsequent decrease in the fulfilment cash flows relating to future service, and any subsequent increase in the Group's share of the fair value of the underlying items for contracts with direct participation features, are allocated solely to the loss component.

If the loss component is reduced to zero, then any excess over the amount allocated to the loss component establishes a new CSM for the group of contracts concerned.

Measurement of contracts measured using the PAA model

The premium allocation approach (PAA model) is an optional measurement model that enables a simplified measurement of the liability for remaining coverage of a group of insurance contracts if either of the following two eligibility criteria is met at the inception date of the group:

- the Group reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced applying the requirements of the general model; or
- the coverage period of each contract in the group is one year or less.

The Group has chosen to apply this approach to its property and casualty activities (insurance contracts issued and reinsurance contracts held). The vast majority of the groups of contracts concerned meet the second eligibility criterion, namely a coverage period of each of the contracts in the group being one year or less.

On initial recognition of a group of insurance contracts, the carrying amount of the liability for remaining coverage is the premiums received at the date of initial recognition minus the amount at that date of any insurance acquisition cash flows allocated to this group and plus or minus any amount arising from the derecognition at that date of any asset or liability previously recognised for cash flows related to the group of contracts (including any asset for insurance acquisition cash flows).

For a group of contracts measured using the PAA model, the Group may choose as an accounting policy choice to expense insurance acquisition cash flows, if any, when these expenses are incurred, provided that the coverage period of each contract in the group at initial recognition is no more than one year. The Group has chosen not to apply this option for the measurement of groups of contracts measured using the PAA model (except for the contracts of its Japanese subsidiary), and therefore includes insurance acquisition cash flows in the measurement of the liability for remaining coverage.

On subsequent measurement, the carrying amount of the liability for remaining coverage is increased by the premiums received during the period and any amount recognised as expenses due to the amortisation of insurance acquisition cash flows, and decreased by the amount recognised as insurance revenue for services provided in the period and insurance acquisition cash flows paid during the period.

On initial recognition of each group of contracts, the Group expects that the time between the provision of the services and the related premium due date is no more than one year. Consequently, the Group has chosen not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts measured using the PAA model is onerous, the Group recognises a loss in profit or loss and increases the liability for remaining coverage, to the extent that the present estimates of the fulfilment cash flows related to the remaining coverage of the group exceed the carrying amount of the liability for this coverage. The fulfilment cash flows of these groups of contracts are discounted (at current rates) to the extent that the liability for incurred claims is also discounted.

For contracts measured using the PAA model, the loss component established in the case of an onerous group of contracts is allocated to the liability for remaining coverage; the reversals of this loss component cannot lead to a liability for remaining coverage that is less than the one that would be determined in the absence of a loss component.

The Group measures the liability for incurred claims of a group of insurance contracts measured using the PAA model as the amount of the fulfilment cash flows relating to incurred claims, in accordance with the requirements applicable for the general model. However, it is not required to adjust the future cash flows to reflect the time value of money and the effect of financial risk if those cash flows are expected to be paid or received in one year or less from the date the claims are incurred. With the exception of the measurement of the contracts of its Japanese subsidiary, the Group does not apply this option, the future cash flows are therefore discounted (at current rates).

Recognition of investment contracts with discretionary participation features

Investment contracts with discretionary participation features do not include a transfer of significant insurance risk. Consequently, the following requirements in IFRS 17 are modified for the recognition of those contracts:

- the date of initial recognition is the date the entity becomes party to the contract;
- the cash flows within the contract boundary are those that result from a substantive obligation of the Group to deliver cash at a present or future date. The Group has no substantive obligation to deliver cash if it has the practical ability to set a price for the promise to deliver the cash that fully reflects the amount of cash promised and related risks;
- the allocation of the CSM is made so that the CSM is recognised over the duration of the group of contracts, in a systematic way that reflects the transfer of investment services under the contract.

Recognition of investment contracts without discretionary participation features

These investment contracts correspond to financial liabilities and are within the scope of IFRS 9.

These are mainly unit-linked contracts without minimum guaranteed rates and without a transfer option into a fund with discretionary participation features.

In accordance with IFRS 9, the liabilities related to these contracts are recognised as deposits. Hence, the premiums received and the claims paid, net of the insurer's fees, are recognised directly in the balance sheet. Only revenues and expenses related to the

acquisition and servicing of the contracts are recognised in profit or loss.

Recognition of reinsurance contracts

No reinsurance contract within the Group comprises characteristics (such as the absence of risk transfer) that would result in its qualification as an investment contract within the scope of IFRS 9.

For the purposes of IFRS 17, reinsurance contracts issued and reinsurance contracts held cannot be insurance contracts with direct participation features, and therefore cannot be measured using the VFA model.

Reinsurance contracts issued (accepted reinsurance)

Reinsurance contracts issued are recognised in accordance with the requirements applicable to insurance contracts without direct participation features set out above.

Reinsurance contracts held (ceded reinsurance)

The requirements applicable to insurance contracts without direct participation features set out above are subject to the following modifications with respect to their application to reinsurance contracts held.

Level of aggregation

Portfolios of reinsurance contracts held are set in accordance with the requirements of IFRS 17 applicable to insurance contracts issued, however, given the fact that reinsurance contracts held cannot be onerous, the Group considers, for the purpose of applying such requirements to reinsurance contracts held, that any reference to onerous contracts applies to reinsurance contracts held on which there is a net gain on initial recognition.

The application of those requirements within the Group leads to groups of reinsurance contracts held that comprise a single contract.

Recognition date

A group of reinsurance contracts held is recognised at the beginning of the coverage period of the group. As an exception to this principle, for a group of reinsurance contracts held that provide proportionate coverage, the Group delays the recognition date until the date of initial recognition of any underlying insurance contract, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

However, if the Group recognises an onerous group of underlying insurance contracts at an earlier date and entered into the related reinsurance contract at or before that earlier date, the group of reinsurance contracts held is recognised at this earlier date.

Contract boundary

Applying the requirements related to the boundary of insurance contracts issued set out above to reinsurance contracts held entails that the cash flows are within the boundary of a group of reinsurance contracts held if they arise from the substantive rights and obligations that exist during the reporting period in which the cedant is compelled to pay amounts to the reinsurer or in which the cedant has a substantive right to receive services from the reinsurer. The substantive right to receive services from the reinsurer ends when the latter has the practical ability to reassess the transferred risks and set a price level consequently, or has the substantive right to end the reinsurance contract.

Cash flows within the boundary of reinsurance contracts held are therefore determined as cash flows stemming from the underlying contracts issued or that the Group expects to issue or cede under



the reinsurance contract until the first possible termination date of the reinsurance contract.

Measurement - Reinsurance contracts held measured using the general model

To measure a group of reinsurance contracts held, the Group applies the same accounting methods as for insurance contracts without direct participation features set out above, with the modifications presented below.

The Group measures the estimates of the present value of the future cash flows for a group of reinsurance contracts held using assumptions that are consistent with those used for the estimates of the present value of the future cash flows for the group(s) of underlying insurance contracts, with an adjustment to reflect the risk of non-performance by the reinsurer, including the effect of collateral and losses from disputes. The changes in the fulfilment cash flows that result from changes in the risk of non-performance are recognised in profit or loss in the income and expenses related to reinsurance contracts held, as the Group considers this risk as a non-financial risk.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the cedant to the reinsurer.

On initial recognition, the CSM of a group of reinsurance contracts held represents a net cost or a net gain on purchasing the group of reinsurance contracts held. Therefore, the CSM is measured as the amount equal and opposite to the sum of the fulfilment cash flows, the amount derecognised at that date of any asset or liability previously recognised for cash flows related to the group, any cash flows arising at that date and any income recognised in profit or loss due to the recognition of losses on onerous underlying contracts.

However, if the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts held, the Group recognises such a cost immediately in profit or loss as an expense.

The carrying amount of the CSM of a group of reinsurance contracts held at the closing date is the carrying amount at the opening date adjusted for the following:

- the effect of any new contracts added to the group during the period;
- interest accreted on the CSM during the period, measured at the discount rates determined on initial recognition;
- income recognised in profit or loss in the reporting period related to the loss-recovery component (see below);
- reversals of a loss-recovery component recognised to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held (see below);
- changes in the fulfilment cash flows, measured at the discount rates determined on initial recognition, to the extent that these changes relate to future service, unless they result from a change in the fulfilment cash flows of an onerous group of underlying contracts;
- the effect of any currency exchange differences arising on the CSM; and
- the amount recognised in profit or loss because of services received from the reinsurer in the period, determined after all the other adjustments above.

Reinsurance of onerous underlying insurance contracts

If the Group enters into a reinsurance contract held no later than the date of initial recognition of onerous underlying contracts, it adjusts the CSM of the group to which the reinsurance contract held belongs, and recognises income consequently, when a loss is

recognised on initial recognition of an onerous group of underlying insurance contracts or when onerous underlying insurance contracts are added to an existing group. This adjustment establishes a loss-recovery component of the asset for remaining coverage of the group of reinsurance contracts held, depicting the recovery of losses of onerous underlying insurance contracts. The adjustment is determined by multiplying:

- the loss recognised on the underlying onerous insurance contracts; and
- the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held.

After establishing a loss-recovery component, the Group adjusts this component to reflect changes in the loss component of the onerous group of underlying insurance contracts.

If the reinsurance contract held covers only part of the underlying insurance contracts included in an onerous group of contracts, the Group uses a systematic and rational method of allocation to determine the portion of losses recognised on the onerous group of insurance contracts that relates to the underlying insurance contracts covered by the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from reinsurance contracts held and that are consequently excluded from the allocation of the premiums paid to the reinsurer (see section on presentation below). The loss recovery-component is adjusted to reflect the changes in the loss component of the onerous group of underlying insurance contracts, however, its carrying amount must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

Measurement - Reinsurance contracts held measured using the PAA model

The PAA model allows to simplify the measurement of a group of reinsurance contracts held if either of the two following eligibility criteria are met at the inception of the group:

- the Group reasonably expects that the measurement resulting from this method would not differ materially from the one that would result from applying the requirements of the general model; or
- the coverage period of each contract in the group of contracts is one year or less.

As regards property and casualty insurance, the Group uses the PAA model to simplify the measurement of groups of reinsurance contracts held when the above criteria are met. The Group applies the same principles for the measurement of a group of reinsurance contracts held using the PAA model as those for the measurement of groups of insurance contracts issued that are set out above, adapted to reflect the features of reinsurance contracts held that differ from those of insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

If a loss-recovery component is established for a group of reinsurance contracts held measured using the PAA model, the Group adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM.

Derecognition and modification of contracts

The Group derecognises an insurance contract:

- when it is extinguished, i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled;
- when it is transferred to a third party;

- when its terms are modified in a way that would have changed the accounting for this contract significantly had these new terms always existed (for example, a different classification, or a different measurement model), in which case a new contract based on the modified terms is recognised. If a contract modification does not result in its derecognition, then the Group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

Effect of accounting estimates made in interim financial statements

The Group prepares interim financial statements applying IAS 34. It made the accounting policy choice that consists in changing the treatment of accounting estimates made in previous interim financial statements when applying IFRS 17 in its subsequent interim financial statements and its annual financial statements.

Presentation

Presentation in the balance sheet

The Group presents separately in the balance sheet the carrying amount of:

- portfolios of insurance contracts issued that are assets;
- portfolios of insurance contracts issued that are liabilities;
- portfolios of reinsurance contracts held that are assets;
- portfolios of reinsurance contracts held that are liabilities.

Assets and liabilities recognised for cash flows incurred before the recognition of the related group of contracts (including assets for insurance acquisition cash flows) are included in the carrying amount of the related portfolios of contracts.

Presentation in the income statement and in other comprehensive income

The Group recognises income and expenses related to the contracts within the scope of IFRS 17 in the following items of the income statement:

- insurance service result, that comprises the following items:
 - insurance revenue;
 - insurance service expenses;
 - income or expenses related to reinsurance contracts held;
- insurance finance income or expenses;
- insurance finance income or expenses related to reinsurance contracts held.

Income or expenses related to reinsurance contracts held are presented separately from income or expenses related to insurance contracts issued.

The Group has chosen to present income or expenses related to reinsurance contracts held, other than insurance finance income or expenses, as a single amount within the insurance service result.

The Group has chosen to disaggregate the changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses for insurance contracts without direct participation features, and to include the entire changes in the insurance service result for insurance contracts with direct participation features.

Insurance revenue and insurance service expenses exclude investment components.

Amounts recognised in the comprehensive income

Insurance revenue - Contracts measured using the general model and the VFA model

Insurance revenue recognised in the period depicts the provision of services arising from a group of insurance contract at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

The Group recognises insurance revenue and reduces the liability for remaining coverage as it performs its obligation for services, i.e. as it provides insurance contract services (insurance coverage and investment services) for the group of contracts.

The total insurance revenue over the coverage period is the consideration for the contracts, i.e. the amount of premiums paid adjusted for a financing effect and excluding any investment components.

Insurance revenue recognised during the period comprises:

- the amounts related to the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration:
 - insurance service expenses incurred in the period (measured at the amounts expected at the beginning of the reporting period), excluding amounts allocated to the loss component of the liability for remaining coverage, repayments of investment components, amounts that relate to transaction-based taxes collected on behalf of third parties, insurance acquisition expenses and the amount related to the risk adjustment for non-financial risk;
 - changes in the risk adjustment for non-financial risk, excluding changes included in insurance finance income or expenses, changes that relate to future service, and amounts allocated to the loss component of the liability for remaining coverage;
 - the amount of the contractual service margin recognised in profit or loss because of the provision of insurance contract services in the period;
 - other amounts, if any, for example, experience adjustments for premium receipts other than those that relate to future service;
- the portion of the premiums that relate to recovering insurance acquisition cash flows.

The Group allocates the portion of the premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way on the basis of the passage of time. The Group has applied a linear allocation method and has not taken into account interest accretion.

The same amount is recognised as insurance service expenses.

Recognition of the contractual service margin in profit or loss

The amount of the contractual service margin of a group of insurance contracts, which is recognised in each period in insurance revenue in order to reflect insurance contract services provided for this group in the period, is determined by defining the coverage units for the group, by allocating the CSM at the end of the period (before any recognition in profit or loss) equally to each coverage unit (those provided in the current period and those expected to be provided in the future), and by recognising in profit or loss the amount allocated to the coverage units provided during the period considered.

The number of coverage units of the group of contracts is the quantity of insurance contract services provided by the contracts in the group, determined by considering, for each contract, the



quantity of the benefits provided and the expected coverage period. Coverage units are reviewed and updated at each closing date.

Insurance contract services encompass a coverage for an insured event (insurance coverage) as well as, in the case of insurance contracts with direct participation features, the management of underlying items on behalf of the policyholder (investment-related services) and, in the case of insurance contracts without direct participation features, the generation of an investment return for the policyholder (investment-return services), if applicable.

The period over which the investment-related or investment-return services are provided ends at or before the date when all amounts due to current policyholders relating to those services have been paid.

The contracts of the Group measured using the general model do not encompass investment-return services.

The standard is not prescriptive as regards the indicator to use to reflect the quantity of services provided during the period, and it is therefore necessary to resort to judgement on this point. The methodology used by the Group to define coverage units and consequently the expected pattern of release of the CSM in profit or loss is adapted to the characteristics of the contracts concerned. For insurance contracts with direct participation features, measured according to the variable fee approach, the methodology used to allocate the CSM in profit or loss aims at economically reflecting the asset management service provided by the insurer during each period: thereby, beyond the risk neutral returns on assets projected in actuarial models used to measure this type of contracts, it also takes into account the over-return corresponding to the real performance of these assets. For other contracts, measured according to the general model, the coverage units are defined based on various indicators adapted depending on the type of guarantee (such as the death benefit or the outstanding capital).

Insurance revenue - Contracts measured using the PAA model

For groups of contracts measured using the PAA model, the amount of insurance revenue of the period is the amount of expected premium receipts allocated to the period (excluding investment components).

The Group allocates the amount of these expected premium receipts over the periods where insurance contract services are provided on the basis of the passage of time for all contracts measured using the PAA model.

Insurance service expenses

Insurance service expenses that arise from insurance contracts issued are generally recognised in profit or loss when incurred. They exclude the repayments of investment components and include the following items:

- incurred claims (excluding investment components) and other incurred insurance service expenses;
- amortisation of insurance acquisition cash flows;
- losses on onerous groups of contracts and reversals of such losses;
- changes in the liability for incurred claims that do not arise from the time value of money, financial risk, and changes therein;
- impairment losses on assets for insurance acquisition cash flows and reversals of these impairment losses.

For contracts not measured using the PAA model, the amortisation of insurance acquisition cash flows is reflected in the insurance service expenses at the same amount as the portion of the premiums that relate to recovering those acquisition cash flows that is recognised in insurance revenue.

For contracts that are measured using the PAA model, the amortisation of insurance acquisition cash flows is recognised on the basis of the passage of time.

The other expenses, not listed in the items above, are included in the other operating expenses in the income statement.

Income or expenses related to reinsurance contracts held

Income or expenses related to reinsurance contracts held comprise:

- the allocation of the premiums paid (reinsurance expenses), that includes the following amounts related to the changes in the asset for remaining coverage that relate to services for which the Group expects to pay a consideration:
 - amounts recovered for claims and other expenses incurred in the period (measured at the amounts expected at the beginning of the reporting period), excluding repayments of investment components and the amount related to the risk adjustment for non-financial risk;
 - changes in the risk adjustment for non-financial risk, excluding the changes included in insurance finance income or expenses related to reinsurance contracts held and changes that relate to future service;
 - the amount of the contractual service margin recognised in profit or loss because of services received during the period;
 - other amounts, if any, for example, experience adjustments for ceded premiums other than those that relate to future service;
 - the net cost of retroactive reinsurance;
- the amounts recovered from the reinsurer:
 - amounts recovered for claims and other expenses incurred in the period (excluding investment components);
 - changes in the fulfilment cash flows relating to the asset for incurred claims that do not arise from the time value of money, financial risk, and changes therein;
 - changes in the loss-recovery component relating to onerous underlying contracts:
 - income recognised in profit or loss on initial recognition of onerous underlying contracts;
 - reversals of the loss-recovery component that are not changes in the fulfilment cash flows of the group of reinsurance contracts held;
 - changes in the fulfilment cash flows of reinsurance contracts held that result from a change in the fulfilment cash flows of onerous underlying contracts;
- the effect of changes in the risk of non-performance by the issuer of reinsurance contracts held.

The allocation of the premiums paid is recognised in profit or loss as reinsurance services are received.

For reinsurance contracts held that are measured using the general model, the allocation of the premiums paid recognised in the period depicts the transfer of services received at an amount that reflects the portion of the ceded premiums that the Group expects to pay in exchange of those services.

For groups of reinsurance contracts measured using the PAA model, the allocation of the premiums paid for each period is the amount of expected premiums payments to receive reinsurance services relating to that period. The Group allocates the allocation

of the premiums paid on the basis of the passage of time over the coverage period of the group of reinsurance contracts held.

Ceding commissions that are not contingent on claims covered by the underlying contracts reduce the premiums to be paid to the reinsurer and are therefore recognised in the allocation of the premiums paid. Ceding commissions that are contingent on claims covered by the underlying contracts reduce the amounts recovered from the reinsurer.

Insurance finance income or expenses

Insurance finance income or expenses comprise the changes in the carrying amount of the groups of insurance and reinsurance contracts arising from the effect of time value of money, financial risk and changes therein.

For groups of insurance contracts measured using the VFA model, these changes exclude changes that are allocated to the loss component (that are included in insurance service expenses), and include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

Insurance finance income or expenses of the period may be presented either entirely in profit or loss or disaggregated between profit or loss and other comprehensive income ("OCI option").

For insurance contracts other than insurance contracts with direct participation features for which the entity holds the underlying items, the amount presented in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts:

- for groups of contracts measured using the general model for which changes in assumptions that relate to financial risk do not have a substantial effect on the amounts paid to the policyholder: using the discount rates determined at the date of initial recognition of the group of contracts;
- for groups of contracts measured using the PAA model: using the discount rates determined at the date of the incurred claim.

For insurance contracts with direct participation features for which the Group holds the underlying items, the amount recognised in profit or loss is the amount that eliminates accounting mismatches with income or expenses recognised in profit or loss for the underlying items held. Applying this option, the Group recognises therefore in profit or loss expenses or income that exactly match the income or expenses included in profit or loss for the underlying items, resulting in the net of the separately presented items being nil.

The Group has made the accounting policy choice, for most of its portfolios of insurance contracts, to resort to the option ("OCI option") allowing for a disaggregation of insurance finance income or expenses for the period between profit or loss and other comprehensive income. The application of this option leads thereby, for insurance contracts with direct participation features for which the entity holds the underlying items, to present in profit or loss an amount that eliminates accounting mismatches with income or expenses included in profit or loss on the underlying items held; and, for the other contracts, to present in other comprehensive income the effect of changes in the discount rates on the measurement of the contracts.

The groups of insurance contracts, including the contractual service margin, that generate cash flows in a foreign currency, are treated as monetary items.

Investment components

The provisions of the standard need identifying the investment components, which are defined as the amounts that an insurance

contract requires the Group to repay to a policyholder in all circumstances, regardless of whether an insured event occurs; they shall not be recognised in insurance revenue and insurance service expenses.

The main investment components identified by the Group concern savings and pensions contracts that have an explicit surrender or transfer value. For non-life insurance, insurance contracts issued by the Group generally do not include any investment component.

NOTE 2 Major structural transactions and material events during the period

2.1 Information on the consolidation scope as at 30 June 2023

Consolidated financial statements include the accounts of Crédit Agricole Assurances and those of all companies on which, according to the provisions of IFRS 10, IFRS 11 and IAS 28, Crédit Agricole Assurances has control, joint control or significant influence, except those which are not significant in relation to all the companies included in the consolidation scope.

The consolidation scope of Crédit Agricole Assurances was not significantly modified compared with the consolidation scope of 31 December 2022, except for the following items:

Evolution of the scope that led to a change in the scope or consolidation method

Crédit Agricole Assurances consolidation scope	Consolidation method	Scope modification	Implantation	Head office (if different from implantation)	Entity type and control nature	Control		Interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
OPTALIME FCP 3DEC	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		96%		96%
ACTICCIA VIE	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		41%		41%
ACTICCIA VIE N2 C	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		75%		75%
TRIANANCE 6 ANS N6	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		0%		0%
IGSF-GBL GOLD FD-I C	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		42%		42%
TRIANANCE 6 AN 12 C	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		1%		1%
TRIANANCE 6 AN 13 C	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		83%		83%
FONDS AV ECHUS FIA B	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		100%		100%
LCL BDP ECHUS D	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		100%		100%
LCL ECHUS - PI	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		73%		73%
LCL ECHUS - BETA C	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		100%		100%
FONDS AV ECHU FIA PI	Full	Company transferred to off-group or loss of control	France		Controlled structured entity		100%		100%

Crédit Agricole Assurances consolidation scope	Consolidation method	Scope modification	Implantation	Head office (if different from implantation)	Entity type and control nature	Control		Interest	
						30/06/2023	31/12/2022	30/06/2023	31/12/2022
GRD44 n°3	Full	Discontinuation (including dissolution, liquidation)	France		Controlled structured entity		100%		100%
GRD 44 N4 PART CD	Full	Discontinuation (including dissolution, liquidation)	France		Controlled structured entity		100%		100%
GRD 44 N5	Full	Discontinuation (including dissolution, liquidation)	France		Controlled structured entity		100%		100%

Entities within the scope for which a change in the percentage of control or interest is greater than 10% in the first half of 2023 without modification of the consolidation method

None

2.2 Other material events during the period

Impacts relating to military operations in Ukraine

Crédit Agricole Assurances is exposed to country risk, i.e., the risk that economic, financial, political or social conditions in a country in which it operates may affect its financial interests. A significant change in political or macroeconomic conditions could force it to book additional expenses or sustain heavier losses than the amounts already recognised in its financial statements.

Crédit Agricole Assurances is not exposed to any country risk in relation to Ukraine and Russia as at 30 June 2023.

Pillar 2 – Globe

The OECD has released new international tax rules aimed at requiring large Multinational Enterprises to pay a "top-up tax" whenever the Effective Tax Rate (ETR) in each jurisdiction in which they operate is below 15%. The purpose of these rules is to combat competition between countries based on tax rates.

The rules will have to be transposed into domestic law by each State.

A European Directive was adopted within the European Union at the end of 2022 (it is currently being transposed into member states' domestic law) and stipulates financial year 2024 as the first financial year for the application of the GloBE rules in the European Union. As of now, the information is not reasonably estimable, census work is being initiated within the Group. The implication is that a GloBE top-up tax might have to be recognised in the Group's 2024 financial statements.

Pension reform

The impact of the pension reform in France adopted through the Law 2023-270 of 14 April 2023 on the corrective financing of social security for 2023 (published in the Journal Officiel of 15 April 2023) and the implementing decrees 2023-435 and 2023-436 of 3 June 2023 (published in the Journal Officiel of 4 June 2023) was taken into account in the financial statements for the first half of 2023.

The impact of this reform is considered to be a regime change and is recognised as past service costs, in other current operating income and expenses.

As at 30 June 2023, the impact of this reform is not significant for the Crédit Agricole Assurances Group (€ 0.2 million).

Partnership with Banco BPM

Crédit Agricole Assurances and Banco BPM have signed at the end of 2022 a binding Term Sheet for a long-term partnership in Italy for non-life and creditor insurance.

This partnership aims to provide non-life insurance products and related services through Banco BPM distribution networks.

The Memorandum of Understanding provides for the acquisition of 65% of Crédit Agricole Assurances' stakes in the subsidiaries Vera Assicurazioni and Banco BPM Assicurazioni, currently owned by Banco BPM, representing an investment of € 265 million.



NOTE 3 **Subsequent events**

There were no significant events between 30 June 2023 and the date the financial statements were approved by the Board of Directors.

NOTE 4 Segment information

In accordance with IFRS 8, the information presented is based on the internal reporting used by the Executive Committee for the management of the Crédit Agricole Assurances Group, the evaluation of performance and the allocation of resources to the identified operating sectors.

The operating sectors presented in the internal reporting are defined on the basis of the geographical area (France, International) and, for the France, the type of activities (life, property and casualty).

As at 30 June 2023, Crédit Agricole Assurances' activities were organised into 4 operating segments:

- Life France
- Property and casualty France
- International
- Others

"**Life France**" segment includes life, savings, retirement and provident insurance operations carried out in France, as well as credit insurance activities.

"**Property and casualty France**" segment mainly includes auto, home, agricultural, life accident and health insurance products marketed in France.

"**International**" covers the life and property activities conducted outside France.

"**Other**" covers primarily of holding company activities and CAAS.

In 2023, Crédit Agricole Assurances changed the composition of the operating segments presented to take account of a change in its internal organisation in terms of monitoring the Group's borrower insurance activities; whereas they were previously divided between the "Life France" sector (for those carried by Predica) and the "Credit Insurance" sector (for those carried by CACI), they are now fully presented within the "Life France" sector.

The segment information for the prior period presented below has been restated to reflect this change in the composition of the segments presented by the Group.

Segment assets are determined from the accounting elements composing the balance sheet of each operating segment.

4.1 Income statement by segment

<i>(in € millions)</i>	30/06/2023					
	Life France	Property and casualty France	International	Other	Intragroup	Total
Insurance revenue	3,871	2,600	452	-	(9)	6,914
Insurance service expenses	(2,813)	(2,415)	(316)	-	2	(5,542)
Income or expenses related to reinsurance contracts held	(36)	(65)	(18)	-	8	(111)
Insurance service result	1,022	120	118	-	1	1,261
Revenue or income from other activities	1	38	1	-	-	40
Investment income	3,565	46	309	147	(154)	3,913
Investment expenses	(346)	(4)	(44)	(4)	4	(394)
Gains and losses on disposal of investments net of reversals of impairment and amortisation	(72)	-	(4)	(5)	-	(81)
Change in fair value of investments recognised at fair value through profit or loss	2,699	27	662	(37)	-	3,351
Change in impairment of investments	14	-	1	-	-	15
Investment income net of investment expenses	5,860	69	924	101	(150)	6,804
Insurance finance income or expenses	(5,618)	(77)	(980)	-	103	(6,572)
Insurance finance income or expenses related to reinsurance contracts held	14	13	99	1	(103)	24
Changes in value of investment contracts without discretionary participation features	(52)	-	(35)	-	-	(87)
Net financial income	204	5	8	102	(150)	169
Other current operating income and expenses	(50)	(36)	(37)	(47)	6	(164)
Other operating income and expenses	3	-	(3)	1	(1)	-
Operating income	1,180	127	87	56	(144)	1,306
Financing expenses	(124)	(13)	(10)	(70)	144	(73)
Income tax	(225)	(31)	(20)	(7)	-	(283)
Net income from discontinued operations	-	-	-	-	-	-
CONSOLIDATED NET INCOME	831	83	57	(21)	-	950
Non-controlling interests	-	-	-	-	-	-
NET INCOME (GROUP SHARE)	831	83	57	(21)	-	950

30/06/2022 restated

<i>(in € millions)</i>	Life France	Property and casualty France	International	Other	Intragroup	Total
Insurance revenue	3,628	2,420	470	-	(12)	6,506
Insurance service expenses	(2,535)	(2,433)	(280)	-	3	(5,245)
Income or expenses related to reinsurance contracts held	(28)	19	(22)	-	10	(21)
Insurance service result	1,065	6	168	-	1	1,240
Revenue or income from other activities	2	43	-	-	-	45
Investment income	3,990	41	220	145	(149)	4,247
Investment expenses	(277)	(5)	(213)	(5)	2	(498)
Gains and losses on disposal of investments net of reversals of impairment and amortisation	(1)	-	3	-	-	2
Change in fair value of investments recognised at fair value through profit or loss	(12,925)	(112)	(2,082)	(18)	-	(15,137)
Change in impairment of investments	-	-	-	-	-	-
Investment income net of investment expenses	(9,213)	(76)	(2,072)	122	(147)	(11,386)
Insurance finance income or expenses	8,486	(42)	2,896	-	(973)	10,367
Insurance finance income or expenses related to reinsurance contracts held	14	5	(967)	-	973	25
Changes in value of investment contracts without discretionary participation features	460	-	124	-	-	584
Net financial income	(253)	(113)	(19)	122	(147)	(410)
Other current operating income and expenses	(42)	(40)	(49)	(35)	11	(155)
Other operating income and expenses	1	-	(4)	-	(5)	(8)
Operating income	773	(104)	96	87	(140)	712
Financing expenses	(124)	(12)	(6)	(91)	140	(93)
Income tax	(140)	32	(23)	(25)	-	(156)
Net income from discontinued operations	-	8	-	-	-	8
CONSOLIDATED NET INCOME	509	(76)	66	(29)	-	471
Non-controlling interests	-	-	(1)	-	-	(1)
NET INCOME (GROUP SHARE)	509	(76)	65	(28)	-	470

4.2 Balance sheet by segment

<i>(in € millions)</i>	30/06/2023					Total
	Life France	Property and casualty France	International	Other	Intragroup	
Goodwill	766	69	37	-	-	872
Other intangible assets	218	23	27	2	-	270
Intangible assets	984	92	64	2	-	1,142
Investment property	11,415	82	-	8	-	11,505
Financial investments	250,772	5,238	16,167	17,569	(6,430)	283,316
Unit-linked financial investments	72,415	-	17,549	-	-	89,964
Derivative instruments and separated embedded derivatives	617	-	16	-	-	634
Investments in joint ventures and associates	8,973	10	58	3	-	9,044
Investments from insurance activities	344,193	5,330	33,790	17,580	(6,430)	394,463
Insurance contracts issued that are assets	-	-	-	-	-	-
Reinsurance contracts held that are assets	247	719	7,221	-	(7,151)	1,036
Operating property and other property, plant and equipment	77	73	74	40	-	264
Deferred tax assets	924	-	145	-	-	1,069
Current tax assets	127	1	11	-	-	139
Other receivables	678	228	591	91	(55)	1,533
Other assets	1,806	302	821	131	(55)	3,005
Assets held for sale and discontinued operations	-	-	-	-	-	-
Cash and cash equivalents	689	107	720	783	-	2,299
TOTAL ASSETS	347,919	6,550	42,616	18,496	(13,636)	401,945

<i>(in € millions)</i>	30/06/2023					
	Life France	Property and casualty France	International	Other	Intragroup	Total
Provisions	10	23	9	65	-	107
Subordinated debts	4,899	674	553	4,350	(5,833)	4,643
Financing debts due to banking institutions	990	-	-	1,610	(502)	2,098
Financing debts	5,889	674	553	5,960	(6,335)	6,741
Insurance contracts issued that are liabilities	301,537	4,902	39,988	-	(7,149)	339,278
Investment contracts without discretionary participation features	2,475	-	692	-	-	3,167
Reinsurance contracts held that are liabilities	88	-	35	-	-	123
Deferred tax liabilities	27	48	-	4	-	79
Liabilities towards holders of units in consolidated investment funds	9,971	-	1,239	-	-	11,210
Operating debt securities	-	-	-	-	-	-
Operating debts due to banking institutions	172	-	-	622	-	794
Current tax liabilities	106	37	10	5	-	158
Derivative instruments liabilities	289	-	-	-	-	289
Other debts	29,119	308	214	245	(151)	29,735
Other liabilities	39,684	393	1,463	876	(151)	42,265
Liabilities related to assets held for sale and discontinued operations	-	-	-	-	-	-
TOTAL LIABILITIES	349,683	5,992	42,740	6,901	(13,635)	391,681



31/12/2022 restated

<i>(in € millions)</i>	Life France	Property and casualty France	International	Other	Intragroup	Total
Goodwill	765	70	37	-	-	872
Other intangible assets	228	23	25	2	-	278
Intangible assets	993	93	62	2	-	1,150
Investment property	11,709	85	-	9	-	11,802
Financial investments	244,065	5,264	16,414	17,651	(6,028)	277,366
Unit-linked financial investments	64,641	-	17,298	-	-	81,939
Derivative instruments and separated embedded derivatives	1,068	-	29	-	-	1,098
Investments in joint ventures and associates	9,516	11	61	3	-	9,591
Investments from insurance activities	330,999	5,360	33,802	17,663	(6,028)	381,796
Insurance contracts issued that are assets	-	-	-	-	-	-
Reinsurance contracts held that are assets	226	683	8,953	-	(8,885)	977
Operating property and other property, plant and equipment	79	72	76	41	-	268
Deferred tax assets	1,168	-	148	-	-	1,316
Current tax assets	15	16	12	-	-	43
Other receivables	4,881	186	538	65	(2,577)	3,093
Other assets	6,143	274	774	106	(2,577)	4,720
Assets held for sale and discontinued operations	-	-	-	-	-	-
Cash and cash equivalents	414	68	762	177	-	1,421
TOTAL ASSETS	338,775	6,478	44,353	17,948	(17,490)	390,064

31/12/2022 restated

<i>(in € millions)</i>	Life France	Property and casualty France	International	Other	Intragroup	Total
Provisions	9	24	8	53	-	94
Subordinated debts	4,781	662	547	4,326	(5,699)	4,617
Financing debts due to banking institutions	1,007	-	-	1,427	(230)	2,204
Financing debts	5,788	662	547	5,753	(5,929)	6,821
Insurance contracts issued that are liabilities	293,511	4,913	41,661	-	(8,886)	331,199
Investment contracts without discretionary participation features	2,465	-	774	-	-	3,239
Reinsurance contracts held that are liabilities	47	-	45	-	-	92
Deferred tax liabilities	15	61	-	12	-	88
Liabilities towards holders of units in consolidated investment funds	9,856	-	1,241	-	-	11,097
Operating debt securities	-	-	-	-	-	-
Operating debts due to banking institutions	167	-	-	-	-	167
Current tax liabilities	125	1	7	-	-	133
Derivative instruments liabilities	424	-	-	-	-	424
Other debts	28,717	289	222	248	(2,676)	26,800
Other liabilities	39,304	351	1,470	260	(2,676)	38,709
Liabilities related to assets held for sale and discontinued operations	-	-	-	-	-	-
TOTAL LIABILITIES	341,124	5,950	44,505	6,066	(17,491)	380,154

NOTE 5 Notes to the balance sheet

5.1 Investment property

5.1.1 INVESTMENT PROPERTY

<i>(in € millions)</i>	30/06/2023	31/12/2022 restated
Investment property measured at cost	727	722
Investment property measured at fair value	10,778	11,080
TOTAL INVESTMENT PROPERTY	11,505	11,802

5.1.1.1 Investment property measured at cost

<i>(in € millions)</i>	31/12/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	30/06/2023
Gross amount	765	-	14	(8)	-	-	771
Depreciation, amortization and impairment	(43)	-	(1)	-	-	-	(44)
NET VALUE OF INVESTMENT PROPERTY	722	-	13	(8)	-	-	727

<i>(in € millions)</i>	01/01/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Other movements	31/12/2022 restated
Gross amount	759	-	(14)	(8)	-	28	765
Depreciation, amortization and impairment	(39)	-	(2)	(2)	-	-	(43)
NET VALUE OF INVESTMENT PROPERTY	720	-	(16)	(10)	-	28	722

5.1.1.2 Investment property measured at fair value

<i>(in € millions)</i>	31/12/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Changes in fair value	Other movements	30/06/2023
INVESTMENT PROPERTY MEASURED AT FAIR VALUE	11,080	-	145	(150)	-	(300)	3	10,778

<i>(in € millions)</i>	01/01/2022 restated	Changes in scope	Increases (acquisitions)	Decreases (disposals)	Translation adjustments	Changes in fair value	Other movements	31/12/2022 restated
INVESTMENT PROPERTY MEASURED AT FAIR VALUE	10,346	-	1,142	(585)	-	178	(1)	11,080

Investment property measured at fair value in the Group's financial statements are properties that constitute underlying items of insurance contracts with direct participation features.

5.1.2 FAIR VALUE OF INVESTMENT PROPERTY

The market value of investment property recorded at amortised cost or at fair value, as valued by “expert appraisers” (level 2), was €11,226 million at 30 June 2023 compared to €11,640 million at 31 December 2022.

<i>(in € millions)</i>	Estimated fair value at	Quoted prices in active markets for identical instruments:	Valuation based on observable data:	Valuation based on non-observable data:	Carrying amount at
	30/06/2023	level 1	level 2	level 3	30/06/2023
Investment property	11,226	-	11,226	-	11,505
TOTAL INVESTMENT PROPERTY WHOSE FAIR VALUE IS DISCLOSED	11,226	-	11,226	-	11,505

<i>(in € millions)</i>	Estimated fair value at	Quoted prices in active markets for identical instruments:	Valuation based on observable data:	Valuation based on non-observable data:	Carrying amount at
	31/12/2022	level 1	level 2	level 3	31/12/2022
Investment property	11,640	-	11,640	-	11,802
TOTAL INVESTMENT PROPERTY WHOSE FAIR VALUE IS DISCLOSED	11,640	-	11,640	-	11,802

5.2 Investments from insurance activities

<i>(in € millions)</i>	30/06/2023	31/12/2022
Financial investment	283,316	277,366
Financial assets at fair value through profit and loss	102,971	99,561
<i>Financial assets held to trading</i>	-	-
<i>Other financial assets at fair-value through profit and loss</i>	102,971	99,561
Financial assets at fair-value through equity	177,435	175,474
<i>Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss</i>	174,052	175,339
<i>Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss</i>	3,383	135
Financial assets at amortized cost	2,910	2,331
<i>Loans and receivables from customers</i>	-	377
<i>Other loans and receivables</i>	443	472
<i>Debt securities</i>	2,467	1,482
Investment property	11,505	11,803
Derivative instruments	634	1,098
Unit-linked financial investments	89,964	81,939
Investment in joint venture and associates	9,044	9,591
TOTAL INSURANCE ACTIVITY INVESTMENTS	394,463	381,796

5.2.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>(in € millions)</i>	30/06/2023	31/12/2022
Financial assets held for trading	-	-
Other financial assets at fair value through profit or loss	192,935	181,500
Equity instruments	29,000	32,760
Debt instruments that do not meet the conditions of the "SPPI" (1)	70,801	66,801
Other debt instruments at fair value through profit or loss by nature	3,170	-
Assets representing unit-linked contracts	89,964	81,939
Financial assets designated at fair value through profit or loss	-	-
BALANCE SHEET VALUE	192,935	181,500

(1) Including € 56,841 million of UCITS at 30 June 2023 compared to € 55,491 million at 31 December 2022

5.2.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

<i>(in € millions)</i>	30/06/2023			31/12/2022		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	174,052	505	(23,161)	175,339	466	(26,414)
Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	3,383	451	(213)	135	(3)	(20)
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	177,435	956	(23,374)	175,474	463	(26,434)

5.2.2.1 Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss

<i>(in € millions)</i>	30/06/2023			31/12/2022		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	54,475	305	(9,340)	54,688	242	(10,957)
Bonds and other fixed income securities	119,577	200	(13,821)	120,651	224	(15,457)
Total Debt securities	174,052	505	(23,161)	175,339	466	(26,414)
TOTAL DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	174,052	505	(23,161)	175,339	466	(26,414)
Income tax charge		(131)	6,079		(121)	6,942
Other comprehensive income on debt instruments that will not be reclassified to profit or loss (net of income tax)		374	(17,082)		345	(19,472)

5.2.2.2 Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss

Gains and losses recognized in equity on equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss

<i>(in € millions)</i>	30/06/2023			31/12/2022		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Equities and other variable income securities	3,072	441	(186)	-	-	-
Non-consolidated equity investments	311	10	(27)	135	(3)	(20)
TOTAL EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	3,383	451	(213)	135	(3)	(20)
Income tax charge		(52)	40		-	2
Other comprehensive income on equity instruments that will not be reclassified to profit or loss (net of income tax)		399	(173)		(3)	(18)

Equity instruments derecognised during the period

<i>(in € millions)</i>	30/06/2023			31/12/2022		
	Fair value at the date of derecognition	Cumulative gains realised (1)	Cumulative losses realised (1)	Fair value at the date of derecognition	Cumulative gains realised (1)	Cumulative losses realised (1)
Equities and other variable income securities	672	92	(19)	-	-	-
Non-consolidated equity investments	14	-	-	-	-	-
TOTAL INVESTMENTS IN EQUITY INSTRUMENTS	686	92	(19)	-	-	-
Income tax charge		-	-		-	-
Other comprehensive income on equity instruments that will not be reclassified to profit or loss (net of income tax)		92	(19)		-	-

(1) The realised gains and losses are transferred to the consolidated reserves at the moment of the derecognition of the concerned instrument.

5.2.3 FINANCIAL ASSETS AT AMORTISED COST

<i>(in € millions)</i>	30/06/2023	31/12/2022
Loans and receivables due from credit institutions	-	377
Other loans and receivables	443	472
Debt securities	2,467	1,482
TOTAL FINANCIAL ASSETS AT AMORTISED COST	2,910	2,331

5.2.3.1 Debt securities

<i>(in € millions)</i>	30/06/2023	31/12/2022
Treasury bills and similar securities	1,070	244
Bonds and other fixed income securities	1,398	1,239
TOTAL	2,468	1,483
Impairment	(1)	(1)
CARRYING AMOUNT	2,467	1,482

5.3 Fair value of financial instruments

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in a standard transaction between market participants at the measurement date.

Fair value is defined on the basis of the exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

The fair value hierarchy of financial assets and liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 applies to the fair value of financial assets and liabilities quoted in active markets.

Level 2 applies to the fair value of financial assets and liabilities with observable inputs. This agreement includes market data relating to interest rate risk or credit risk when the latter can be revalued based on Credit Default Swap (CDS) spread. Securities

bought or sold under repurchase agreements with underlyings quoted in an active market are also included in Level 2 of the hierarchy, as are financial assets and liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 indicates the fair value of financial assets and liabilities with unobservable inputs or for which some data can be revalued using internal models based on historical data. This mainly includes market data relating to credit risk or early redemption risk.

In some cases, market values are close to carrying amounts. This applies primarily to:

- assets or liabilities at variable rates for which interest rate changes do not have a significant influence on the fair value, since the rates on these instruments frequently adjust themselves to the market rates;
- short-term assets or liabilities where the redemption value is considered to be close to the market value;
- instruments executed on a regulated market for which the prices are set by the public authorities;
- demand assets and liabilities;
- transactions for which there are no reliable observable data.

5.3.1 INFORMATIONS ON FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

5.3.1.1 Breakdown of financial instruments at fair value by valuation model

Amounts presented below include accruals and prepayments and are net of impairment.

Financial assets at fair value

<i>(in € millions)</i>	Quoted prices in active markets for identical instruments:			
	30/06/2023	level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial assets held for trading	-	-	-	-
Other financial instruments at fair value through profit or loss	192,935	107,956	73,191	11,788
Equity instruments at fair value through profit or loss	29,000	17,455	6,623	4,922
Debt instruments that do not meet SPPI criteria	70,801	39,033	25,166	6,602
Loans and receivables	2,079	-	2,079	-
Debt securities	68,722	39,033	23,087	6,602
Other debt instruments at fair value through profit or loss by nature	3,170	-	3,170	-
Assets representing unit-linked contracts	89,964	51,468	38,232	264
Financial assets at fair value through option result	-	-	-	-
Loans and receivables	-	-	-	-
Fair value securities by option result	-	-	-	-
Financial assets at fair value through equity	177,435	160,039	17,330	66
Equity instruments recognized at fair value through non-recyclable equity	3,383	3,001	316	66
Debt instruments recognized at fair value through recyclable equity	174,052	157,038	17,014	-
Derivatives hedging	634	41	577	16
TOTAL FINANCIAL ASSETS VALOR AT THE RIGHT VALUE	371,004	268,036	91,098	11,870
Transfers from Level 1: Quoted prices in active markets for identical instruments			120	-
Transfers from Level 2: Valuation based on observable data		260		-
Transfers from Level 3: Valuation based on unobservable data		-	-	
TOTAL TRANSFERS TO EACH LEVEL		260	120	-

The above table does not include investment contracts without discretionary participations features, which are financial liabilities under IFRS 9. The change in the balance of these contracts over the period is disclosed in note 5.10.



<i>(in € millions)</i>	31/12/2022	Quoted prices in active markets for identical instruments: level 1	Valuation based on observable data: level 2	Valuation based on unobservable data: level 3
Financial assets held for trading	-	-	-	-
Other financial instruments at fair value through profit or loss	181,500	106,515	63,151	11,834
Equity instruments at fair value through profit or loss	32,760	21,254	6,617	4,889
Debt instruments that do not meet SPPI criteria	66,801	36,594	23,476	6,731
Loans and receivables	2,290	-	2,290	-
Debt securities	64,511	36,594	21,186	6,731
Other debt instruments at fair value through profit or loss by nature	-	-	-	-
Assets representing unit-linked contracts	81,939	48,667	33,058	214
Financial assets at fair value through option result	-	-	-	-
Loans and receivables	-	-	-	-
Fair value securities by option result	-	-	-	-
Financial assets at fair value through equity	175,474	156,274	19,200	-
Equity instruments recognized at fair value through non- recyclable equity	135	-	135	-
Debt instruments recognized at fair value through recyclable equity	175,339	156,274	19,065	-
Derivatives hedging	1,098	213	856	29
TOTAL FINANCIAL ASSETS VALOR AT THE RIGHT VALUE	358,072	263,002	83,207	11,863
Transfers from Level 1: Quoted prices in active markets for identical instruments			763	-
Transfers from Level 2: Valuation based on observable data		-		-
Transfers from Level 3: Valuation based on unobservable data		-	-	
TOTAL TRANSFERS TO EACH LEVEL		-	763	-

5.3.1.2 Change in the balance of financial instruments measured at fair value according to level 3

Financial assets measured at fair value according to level 3


	Total financial assets valued at fair value according to the level 3 <i>(in € millions)</i>	Other financial instruments at fair value through profit or loss						Financial assets at fair value through other comprehensive income		Derivative instruments
		Equity instruments at fair value through profit or loss		Debt instruments that do not meet the conditions of the "SPP" test		Assets backing unit-linked contracts	Other debt instruments at fair value through profit or loss by nature	Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss	
		Equities and other variable income securities and Non-consolidated equity investments	Loans and receivables	Debt securities	Debt securities					
OPENING BALANCE AT 1ST JANUARY 2023	11,863	4,889	-	6,732	-	213	-	-	-	29
Gains or losses during the period (1)	(32)	14	-	(88)	-	5	50	-	-	(13)
Recognised in profit or loss	(82)	14	-	(88)	-	5	-	-	-	(13)
Recognised in other comprehensive income	50	-	-	-	-	-	50	-	-	-
Purchases	2,139	1,210	-	866	-	47	16	-	-	-
Sales	(909)	-	-	(908)	-	(1)	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	(1,212)	(1,212)	-	-	-	-	-	-	-	-
Transfers	21	21	-	-	-	-	-	-	-	-
Transfers to Level 3	21	21	-	-	-	-	-	-	-	-
Transfers from Level 3	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE AT 30TH JUNE 2023	11,870	4,922	-	6,602	-	264	66	-	-	16

	Total financial assets valued at fair value according to the level 3		Other financial instruments at fair value through profit or loss					Financial assets at fair value through other comprehensive income		Derivative instruments
	Equity instruments at fair value through profit or loss	Equities and other variable income securities and Non-consolidated equity investments	Debt instruments that do not meet the conditions of the "SPPI" test		Other debt instruments at fair value through profit or loss by nature	Assets backing unit-linked contracts	Equity instruments at fair value through other comprehensive income that may be reclassified to profit or loss	Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss		
			Loans and receivables	Debt securities						
<i>(in € millions)</i>										
OPENING BALANCE AT 1ST JANUARY 2022	9,771	3,527	-	6,143	-	-	101	-	-	-
Gains or losses during the period (1)	680	266	-	382	-	-	3	-	-	29
Recognised in profit or loss	680	266	-	382	-	-	3	-	-	29
Recognised in other comprehensive income	-	-	-	-	-	-	-	-	-	-
Purchases	5,020	3,165	-	1,744	-	-	112	-	-	-
Sales	(1,961)	(415)	-	(1,544)	-	-	(2)	-	-	-
Issues	-	-	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Changes associated with scope during the period	7	-	-	7	-	-	-	-	-	-
Transfers	(1,654)	(1,654)	-	-	-	-	-	-	-	-
Transfers to Level 3	(1,654)	(1,654)	-	-	-	-	-	-	-	-
Transfers from Level 3	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE 1ST JANUARY 2023	11,863	4,889	-	6,732	-	-	213	-	-	29

(1) This balance includes the gains and losses of the period issued from the assets held on the balance sheet at the closing date for the following amounts:

	30/06/2023	31/12/2022
Gains/ losses for the period from level 3 assets held at the end of the period	(32)	680
Recognised in profit or loss	(82)	680
Recognised in other comprehensive income	50	-





5.4 Credit risk

5.4.1 CHANGES IN THE CARRYING AMOUNTS AND LOSS ALLOWANCES FOR EXPECTED CREDIT LOSSES IN THE PERIOD

Loss allowances for expected credit losses correspond to the depreciations on assets and provisions on off-balance sheet commitments recognised in profit or loss (investment income net of expenses) in respect to credit risk.

The following tables present the reconciliation between the opening and closing balances of loss allowances for expected credit losses recognised in profit or loss and the related carrying amounts, by accounting category and per type of instruments.

5.4.1.1 Assets at amortised cost: Other loans and receivables

	Performing assets						Credit-impaired assets (Stage 3)			Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)									
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance		Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)		
BALANCE AT 31ST DECEMBER 2022	472	-	-	-	-	-	-	472	-	-	472	
Transfer between stages during the period	-	-	-	-	-	-	-	-	-	-	-	
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-	-	-	-	
Return to Stage 2 from Stage 1	-	-	-	-	-	-	-	-	-	-	-	
Transfers to Stage 3 (1)	-	-	-	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	-	-	-	
Total after transfers	472	-	-	-	-	-	-	472	-	-	472	
Changes in gross carrying amounts and loss allowances	-	-	-	-	-	-	-	-	-	-	-	
New production: purchase, granting, origination, ... (2)	-	-	-	-	-	-	-	-	-	-	-	
Derecognition: disposal, repayment, maturity	-	-	-	-	-	-	-	-	-	-	-	
Write-offs	-	-	-	-	-	-	-	-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	-	-	-	
Changes in models credit risk parameters during the period	-	-	-	-	-	-	-	-	-	-	-	
Changes in model / methodology	-	-	-	-	-	-	-	-	-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	
Total	472	-	-	-	-	-	-	472	-	-	472	
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (3)	(29)	-	-	-	-	-	-	(29)	-	-	(29)	
BALANCE AT 30TH JUNE 2023	443	-	-	-	-	-	-	443	-	-	443	
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-	-	-	-	-	-	-	-	-	-	-	

(1) The transfers towards Stage 3 correspond to the outstandings initially classified as Stage 1, which have been downgraded directly to Stage 3, or to Stage 2 then to Stage 3 during the year.

(2) The originations in Stage 2 can include outstandings originated in Stage 1 and reclassified in Stage 2 during the period.

(3) Includes changes in the fair value revaluation of the micro-hedged instruments, the impacts related to the use of the EIR method (especially the amortizations of the premiums / discounts), the changes in related receivables.

5.4.1.2 Assets at amortised cost: Debt securities

	Performing assets						Credit-impaired assets (Stage 3)			Total	
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)								
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance		Gross carrying amount (a)	Loss allowance (b)	Net carrying amount (a) + (b)	
BALANCE AT 31ST DECEMBER 2022	1,482	-	-	-	-	-	-	1,482	-	1,482	
Transfer between stages during the period	-	-	-	-	-	-	-	-	-	-	
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-	-	-	
Return to Stage 2 from Stage 1	-	-	-	-	-	-	-	-	-	-	
Transfers to Stage 3 (1)	-	-	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	-	-	
Total after transfers	1,483	(1)	-	-	-	-	-	1,483	(1)	1,482	
Changes in gross carrying amounts and loss allowances	1,193	1	-	-	-	-	-	1,193	1	-	
New production: purchase, granting, origination, ... (2)	221	(2)	-	-	-	-	-	221	(2)	-	
Derecognition: disposal, repayment, maturity	(5)	5	-	-	-	-	-	(5)	5	-	
Write-offs	-	-	-	-	-	-	-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	(2)	-	-	-	-	-	-	(2)	-	
Changes in models credit risk parameters during the period	-	-	-	-	-	-	-	-	-	-	
Changes in model / methodology	-	-	-	-	-	-	-	-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	-	-	
Other	977	-	-	-	-	-	-	977	-	-	
Total	2,676	-	-	-	-	-	-	2,676	(1)	2,675	
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (3)	(208)	-	-	-	-	-	-	(208)	-	-	
BALANCE AT 30TH JUNE 2023	2,468	-	-	-	-	-	-	2,468	(1)	2,467	
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-	-	-	-	-	-	-	-	-	-	

(1) The transfers towards Stage 3 correspond to the outstandings initially classified as Stage 1, which have been downgraded directly to Stage 3, or to Stage 2 then to Stage 3 during the year.

(2) The originations in Stage 2 can include outstandings originated in Stage 1 and reclassified in Stage 2 during the period.

(3) Includes the changes in the fair value revaluations of micro-hedged instruments, the changes related to the use of the EIR method (particularly the amortization of premiums / discounts).

5.4.1.3 Assets at fair value through other comprehensive income that may be reclassified to profit or loss: Debt securities

	Performing assets						Credit-impaired assets (Stage 3)			Total		
	Assets subject to 12-month ECL (Stage 1)		Assets subject to lifetime ECL (Stage 2)				Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance
	Carrying amount	Loss allowance	Carrying amount	Loss allowance	Carrying amount	Loss allowance						
<i>(in € millions)</i>												
BALANCE AT 31ST DECEMBER 2022	172,899	(118)	2,599	(41)	1	(1)	175,499	(160)				
Transfer between stages during the period	(145)	-	145	(3)	-	-	-	(3)				
Transfer from Stage 1 to Stage 2	(145)	-	145	(3)	-	-	-	(3)				
Return Stage 2 Stage 1	-	-	-	-	-	-	-	-				
Transfer to Stage 3 (1)	-	-	-	-	-	-	-	-				
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-				
Total after transfers	172,754	(118)	2,744	(44)	1	(1)	175,499	(163)				
Changes in gross carrying amounts and loss allowances	(1,305)	13	37	10	-	-	(1,268)	23				
Fair value revaluation during the period	2,620	-	80	-	-	-	2,700	-				
New financial assets: acquisition, granting, origination,... (2)	12,169	(13)	121	(2)	-	-	12,290	(15)				
Derecognition: disposal, repayment, maturity	(12,573)	7	(164)	3	-	-	(12,737)	9				
Write-offs	-	-	-	-	-	-	-	-				
Changes of cash flows resulting in restructuring due to financial difficulties	-	4	-	1	-	-	-	-				
Changes in models credit risk parameters during the period	-	15	-	9	-	-	-	22				
Changes in model / methodology	-	-	-	-	-	-	-	-				
Changes in scope	-	-	-	-	-	-	-	-				
Other	(3,521)	-	-	(1)	-	-	(3,521)	2				
Total	171,449	(105)	2,781	(34)	1	(1)	174,231	(140)				
Changes in carrying amount due to specific accounting assessment methods (with no significant impact on loss allowance) (3)	(13)	-	(26)	-	-	-	(39)	-				
BALANCE AT 30TH JUNE 2023	171,436	(105)	2,755	(34)	1	(1)	174,192	(140)				
Contractual amount outstanding of financial assets written off during the period, that are still subject to enforcement measures	-	-	-	-	-	-	-	-				

(1) The transfers towards Stage 3 correspond to the outstandings initially classified as Stage 1, which have been downgraded directly to Stage 3, or to Stage 2 then to Stage 3 during the year.

(2) The originations in Stage 2 can include outstandings originated in Stage 1 and reclassified in Stage 2 during the period.

(3) Includes impacts relating to the use of the EIR method (including depreciation of premiums / discounts).

5.4.1.4 Guarantee commitments (out of internal operation at Crédit Agricole)

	Performing commitments						Provisioned commitments (Stage 3)		Total	
	Commitments subject to 12-month ECL (Stage 1)		Commitments subject to lifetime ECL (Stage 2)		Provisioned commitments (Stage 3)		Total			
	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment	Loss allowance	Amount of commitment (a)	Loss allowance (b)	Net amount of commitment (a) + (b)	
<i>(in € millions)</i>										
BALANCE AT 31ST DECEMBER 2022	99	-	-	-	-	-	99	-	99	
Transfer between stages during the period	-	-	-	-	-	-	-	-	-	
Transfers from Stage 1 to Stage 2	-	-	-	-	-	-	-	-	-	
Return to Stage 2 from Stage 1	-	-	-	-	-	-	-	-	-	
Transfers to Stage 3 (1)	-	-	-	-	-	-	-	-	-	
Return from Stage 3 to Stage 2 / Stage 1	-	-	-	-	-	-	-	-	-	
Total after transfers	99	-	-	-	-	-	99	-	99	
Changes in commitments and loss allowances										
New commitments given (2)	(4)	-	-	-	-	-	(4)	-	(4)	
End of commitments	-	-	-	-	-	-	-	-	-	
Write-offs	-	-	-	-	-	-	-	-	-	
Changes of cash flows resulting in restructuring due to financial difficulties	-	-	-	-	-	-	-	-	-	
Changes in models credit risk parameters during the period	-	-	-	-	-	-	-	-	-	
Changes in model / methodology	-	-	-	-	-	-	-	-	-	
Changes in scope	-	-	-	-	-	-	-	-	-	
Other	(4)	-	-	-	-	-	(4)	-	(4)	
BALANCE AT 30TH JUNE 2023	95	-	-	-	-	-	95	-	95	

(1) The transfers towards Stage 3 correspond to the commitments initially classified as Stage 1, which have been downgraded directly to Stage 3, or to Stage 2 then to Stage 3 during the year.

(2) The new commitments given in Stage 2 can include commitments originated in Stage 1 reclassified in Stage 2 during the period.

5.4.2 EXPOSURE TO CREDIT RISK AND EVALUATION OF THE CONCENTRATION OF CREDIT RISK

The carrying amounts and commitments are presented net of impairment and provisions.

Exposure to credit risk by category of credit risk

Financial assets at amortised cost excluding loans and receivables from customers

	Credit risk rating grades	30/06/2023					31/12/2022				
		Book value					Book value				
		Healthy assets		Assets subject to mature ECL (Stage 2)	Depreciated assets (Stage 3)	Total	Healthy assets		Assets subject to mature ECL (Stage 2)	Depreciated assets (Stage 3)	Total
Assets subject to ECL 12 months (Stage 1)		Assets subject to ECL 12 months (Stage 1)									
<i>(in € millions)</i>											
Financial institutions											
	AAA	86	-	-	-	86	-	-	-	-	86
	AA	247	-	-	247	195	-	-	-	-	195
	A	65	-	-	65	88	-	-	-	-	88
	BBB	30	-	-	30	61	-	-	-	-	61
	BB ou < BB	1	-	-	1	3	-	-	-	-	3
	NR	7	-	-	7	-	-	-	-	-	-
		436	-	-	436	433	-	-	-	-	433
Total Financial Institutions											
Corporate											
	AAA	35	-	-	35	35	-	-	-	-	35
	AA	546	-	-	546	420	-	-	-	-	420
	A	208	-	-	208	186	-	-	-	-	186
	BBB	206	-	-	206	227	-	-	-	-	227
	BB ou < BB	-	-	-	-	-	-	-	-	-	-
	NR	339	-	-	339	368	-	-	-	-	368
		1,334	-	-	1,334	1,236	-	-	-	-	1,236
Total Corporate											
General Administration											
	AAA	-	-	-	-	-	-	-	-	-	-
	AA	799	-	-	799	62	-	-	-	-	62
	A	19	-	-	19	-	-	-	-	-	-
	BBB	323	-	-	323	224	-	-	-	-	224
	BB ou < BB	-	-	-	-	-	-	-	-	-	-
	NR	-	-	-	-	-	-	-	-	-	-
		1,141	-	-	1,141	286	-	-	-	-	286
Total General Administration											
Impairment											
		-	-	-	(1)	-	-	-	-	-	(1)
TOTAL		2,911	-	-	2,910	1,955	-	-	-	-	1,954

Financial assets at fair value through other comprehensive income that may be reclassified to profit or loss

	Credit risk rating grades	30/06/2023				31/12/2022			
		Book value				Book value			
		Healthy assets		Depreciated assets (Stage 3)	Total	Healthy assets		Depreciated assets (Stage 3)	Total
Assets subject to ECL 12 months (Stage 1)	Assets subject to mature ECL (Stage 2)	Assets subject to ECL 12 months (Stage 1)	Assets subject to mature ECL (Stage 2)						
<i>(in € millions)</i>									
Financial institutions									
	AAA	15,078	-	-	15,078	16,966	-	-	16,966
	AA	8,359	-	-	8,359	8,303	17	-	8,320
	A	18,144	130	-	18,274	18,501	110	-	18,611
	BBB	9,020	-	-	9,020	7,818	-	-	7,818
	BB ou < BB	315	4	-	319	189	4	-	193
	NR	-	-	-	-	-	-	-	-
Total Financial Institutions		50,916	134	-	51,050	51,777	131	-	51,908
Corporate									
	AAA	846	-	-	846	887	-	-	887
	AA	16,887	-	-	16,887	17,335	-	-	17,335
	A	18,402	718	-	19,120	18,673	778	-	19,451
	BBB	26,173	856	-	27,029	26,370	714	-	27,083
	BB ou < BB	613	117	-	730	616	159	-	774
	NR	-	-	-	-	-	-	-	-
Total Corporate		62,921	1,691	-	64,612	63,881	1,652	-	65,530
General Administration									
	AAA	1,359	829	-	2,188	1,379	712	-	2,092
	AA	41,082	-	-	41,082	42,659	-	-	42,659
	A	1,040	-	-	1,040	1,032	-	-	1,032
	BBB	13,898	67	-	13,965	12,053	64	-	12,119
	BB ou < BB	115	-	-	115	-	-	-	-
	NR	-	-	-	-	-	(1)	-	(1)
Total General Administration		57,494	896	-	58,390	57,123	775	-	57,901
TOTAL		171,331	2,721	-	174,052	172,781	2,558	-	175,339

5.5 Investments in joint ventures and associates

The Group now measures at fair value through profit or loss, as permitted by IAS 28 as amended by IFRS 17, investments in associates and joint ventures that are underlying items of insurance contracts with direct participation features, in order to avoid accounting mismatches with the measurement of such insurance contracts under IFRS 17.

All investments in associates and joint ventures have hence been revalued at fair value through profit or loss at the date of transition to IFRS 17, being 1 January 2022.

As of 30 June 2023, the investments in associates and joint ventures held by Crédit Agricole Assurances are measured at fair value through profit or loss in accordance with IFRS 9; none of these investments are measured using the equity method.

Financial information of joint ventures and associates measured at fair value through profit or loss

The summary financial information of significant joint ventures and associates of Crédit Agricole Assurances measured at fair value through profit or loss is as follows:

	30/06/2023				
(in € millions)	Interest %	Net asset value	Balance sheet total	Equity value	Result
Joint ventures					
FONCIERE HYPERSUD	51%	11	116	74	43
ARCAPARK SAS	50%	150	167	167	25
SCI EUROMARSEILLE 1	50%	23	64	49	(16)
SCI EUROMARSEILLE 2	50%	7	73	14	(2)
FREY RETAIL VILLEBON	48%	45	161	38	-
SCI RUE DU BAC	50%	173	228	175	3
SCI TOUR MERLE	50%	77	106	55	9
SCI CARPE DIEM	50%	194	226	108	11
SCI ILOT 13	50%	71	79	49	2
SCI 1 TERRASSE BELLINI	33%	73	136	88	9
SCI WAGRAM 22/30	50%	155	319	55	3
SCI ACADEMIE MONTROUGE	50%	77	306	132	3
SAS DEFENSE CB3	25%	12	124	93	9
SCI PAUL CEZANNE	49%	303	178	167	8
TUNELS DE BARCELONA	50%	ND	485	77	21
EUROPEAN MOTORWAY INVESTMENTS 1	60%	292	128	104	4
CIRRUS SCA	20%	273	ND	ND	ND
ELL HOLDCO SARL	49%	271	551	551	-
EUROWATT ENERGIE	75%	ND	-	-	-
FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	80%	ND	ND	ND	ND
IEIH	80%	ND	ND	ND	ND
EF SOLARE ITALIA	30%	ND	ND	ND	ND
URI GmbH	45%	ND	ND	ND	ND
ORDESA SERVICIOS EMPRESARIALES SL	60%	588	ND	ND	ND
JANUS RENEWABLES	50%	ND	ND	ND	ND
ALTALUXCO	50%	413	ND	ND	ND
Associates					
RAMSAY - GENERALE DE SANTE	40%	897	7,004	1,282	44
INFRA FOCH TOPCO	36%	457	3,446	476	119
ALTAREA	25%	508	2,424	939	205
KORIAN	25%	176	14,574	3,868	22
FREY	20%	182	2,051	1,053	129



	30/06/2023				
	Interest %	Net asset value	Balance sheet total	Equity value	Result
<i>(in € millions)</i>					
ICADE	19%	557	18,218	8,685	54
PATRIMOINE ET COMMERCE	20%	53	921	444	48
SCI HEART OF LA DEFENSE	33%	211	1,759	669	117
SAS CRISTAL	46%	56	124	90	7
SCI FONDIS	25%	58	393	77	127
FUTURES ENERGIES INVESTISSEMENTS HOLDING	30%	ND	ND	ND	ND
SEMMARIS	38%	38	ND	ND	ND
CENTRAL SICAF	25%	164	1,222	758	70
PISTO GROUP HOLDING SARL	40%	281	101	9	30
CAVOUR AERO SA	37%	163	369	369	-
FLUXDUNE	25%	227	868	852	-
CASSINI SAS	49%	293	1,713	477	(71)
FUTURES ENERGIES INVESTISSEMENTS HOLDING 2	48%	ND	ND	ND	ND
SARL IMPULSE	38%	869	1,413	1,209	(6)
AGUAS PROFUNDAS SA	35%	584	2,221	1,289	(14)
ADL PARTICIPATIONS	25%	89	546	392	(4)
EDISON RENEWABLES	49%	ND	ND	ND	ND
HORNSEA 2	25%	ND	ND	ND	ND
REPSOL RENOVABLES	13%	ND	ND	ND	ND
ALTAMIRA	23%	ND	ND	ND	ND

	31/12/2022				
	Interest %	Net asset value	Balance sheet total	Equity value	Result
<i>(in € millions)</i>					
Joint ventures					
FONCIERE HYPERSUD	51%	11	116	74	43
ARCAPARK SAS	50%	150	167	167	25
SCI EUROMARSEILLE 1	50%	27	64	49	(16)
SCI EUROMARSEILLE 2	50%	7	73	14	(2)
FREY RETAIL VILLEBON	48%	42	161	38	-
SCI RUE DU BAC	50%	146	228	175	3
SCI TOUR MERLE	50%	57	106	55	9
SCI CARPE DIEM	50%	150	226	108	11
SCI ILOT 13	50%	57	79	49	2
SCI 1 TERRASSE BELLINI	33%	66	136	88	9
SCI WAGRAM 22/30	50%	64	319	55	3
SCI ACADEMIE MONTROUGE	50%	86	306	132	3
SAS DEFENSE CB3	25%	21	124	93	9
SCI PAUL CEZANNE	49%	341	178	167	8
LUXEMBOURG INVESTMENT COMPANY 296 SARL	50%	1	85	84	-

31/12/2022

<i>(in € millions)</i>	Interest %	Net asset value	Balance sheet total	Equity value	Result
TUNELS DE BARCELONA	50%	ND	485	77	21
EUROPEAN MOTORWAY INVESTMENTS 1	60%	278	128	104	4
CIRRUS SCA	20%	314	ND	ND	ND
ELL HOLDCO SARL	49%	271	551	551	-
EUROWATT ENERGIE	75%	ND	-	-	-
FUTURES ENERGIES INVESTISSEMENTS HOLDING 3	80%	ND	ND	ND	ND
IEIH	80%	ND	ND	ND	ND
EF SOLARE ITALIA	30%	ND	ND	ND	ND
URI GmbH	45%	ND	ND	ND	ND
ORDESA SERVICIOS EMPRESARIALES SL	60%	493	ND	ND	ND
JANUS RENEWABLES	50%	ND	ND	ND	ND
ALTALUXCO	50%	412	ND	ND	ND
Associates					
RAMSAY - GENERALE DE SANTE	40%	804	6,788	1,239	118
INFRA FOCH TOPCO	36%	457	3,446	476	119
ALTAREA	25%	632	8,887	3,785	307
KORIAN	25%	267	14,335	3,771	75
FREY	20%	191	2,039	993	111
ICADE	19%	587	18,313	8,860	487
PATRIMOINE ET COMMERCE	20%	47	938	423	45
SCI HEART OF LA DEFENSE	33%	206	1,759	669	117
SAS CRISTAL	46%	68	124	90	7
SCI FONDIS	25%	58	393	77	127
FUTURES ENERGIES INVESTISSEMENTS HOLDING	30%	ND	ND	ND	ND
SEMMARIS	38%	38	ND	ND	ND
CENTRAL SICAF	25%	174	1,222	758	70
PISTO GROUP HOLDING SARL	40%	281	101	9	30
ALTA BLUE	33%	257	699	698	-
CAVOUR AERO SA	37%	163	369	369	-
FLUXDUNE	25%	227	868	852	-
CASSINI SAS	49%	275	1,713	477	(71)
FUTURES ENERGIES INVESTISSEMENTS HOLDING 2	48%	ND	ND	ND	ND
SARL IMPULSE	38%	869	1,413	1,209	(6)
AGUAS PROFUNDAS SA	35%	472	2,221	1,289	(14)
ADL PARTICIPATIONS	25%	89	546	392	(4)
EDISON RENEWABLES	49%	ND	ND	ND	ND
HORNSEA 2	25%	ND	ND	ND	ND
REPSOL RENOVABLES	13%	ND	ND	ND	ND
ALTAMIRA	23%	ND	ND	ND	ND



5.6 Equity

Share capital at 30th June 2023

At 30th June 2023, equity and voting rights broke down as follows:

Shareholders	Shares outstanding	% of capital	% of voting rights
Crédit Agricole S.A.	149,040,366	99.99	100
Other	1	0.01	-
TOTAL	149,040,367	100.00	100

As of 30th June 2023, the share capital of Crédit Agricole Assurances amounts to 1,490,403,670 euros composed of 149,040,367 ordinary shares of 10 euros of par value and have been fully paid up.

Dividends

On 02 May 2023, the General Meeting approved the payment of a global dividend totaling €1,599 million relating to the 2022 financial year, or €10.73 per share.

	2022	2021	2020	2019	2018
Net dividend per share	10.73	9.27	7.35	8.89	7.99

Dividends paid during the year

The amounts related to dividends are shown in the statement of changes in equity. They amount to €899 million in the first half of 2023 (corresponding to the balance of the dividend for the 2022 financial year, which takes into account the interim dividend of €700 million decided by the Board of Directors on September 27, 2022 and paid at the end of September 2022).

5.7 Provisions for risks and charges

<i>(in € millions)</i>	31/12/2022 restated	Changes in scope	Allocation	Reversals not used	Reversals used	Foreign exchange differences	Other changes	30/06/2023
Employee retirement and similar benefits	69	-	2	(1)	-	-	-	70
Insurance litigation	3	-	-	-	-	-	-	3
Other litigations	16	-	-	-	-	-	-	16
Other risks	6	-	12	-	-	-	-	18
TOTAL	94	-	14	(1)	-	-	-	107

<i>(in € millions)</i>	01/01/2022 restated	Changes in scope	Allocation	Reversals not used	Reversals used	Foreign exchange differences	Other changes	31/12/2022 restated
Employee retirement and similar benefits	78	-	7	(5)	-	-	(12)	69
Insurance litigation	4	-	1	(1)	-	-	-	3
Other litigations	16	-	13	(15)	-	-	1	16
Other risks	5	-	4	(2)	(1)	-	-	6
TOTAL	104	-	26	(24)	(1)	-	(11)	94

5.8 Financing debts

5.8.1 SUBORDINATED DEBTS

<i>(in € millions)</i>	Currency	30/06/2023	31/12/2022
Fixed-term subordinated debt	EUR	4,534	4,510
Perpetual subordinated debt	EUR	109	107
TOTAL	EUR	4,643	4,617

5.8.2 FINANCING EXPENSES

<i>(in € millions)</i>	30/06/2023	30/06/2022
Redeemable subordinated notes	(64)	(62)
Perpetual subordinated notes	(2)	(24)
Other financing expenses	(7)	(7)
FINANCING EXPENSES	(73)	(93)

5.9 Insurance and reinsurance contracts

The carrying amounts of portfolios of insurance contracts issued and reinsurance contracts held, broken down according to their position on the balance sheet and detailed according to their components, are disclosed in the following table.

<i>(in € millions)</i>	30/06/2023				
	Life France	Property and casualty France	International	Intragroup	Total
Insurance contracts issued	301,537	4,902	39,988	(7,149)	339,278
Insurance contracts issued that are assets	-	-	-	-	-
<i>Remaining coverage</i>	-	-	-	-	-
<i>Incurred claims</i>	-	-	-	-	-
<i>Assets for insurance acquisition cash flows</i>	-	-	-	-	-
Insurance contracts issued that are liabilities	301,537	4,902	39,988	(7,149)	339,278
<i>Remaining coverage</i>	296,082	25	39,625	(7,229)	328,503
<i>Incurred claims</i>	5,455	4,877	363	80	10,775
<i>Assets for insurance acquisition cash flows</i>	-	-	-	-	-
Reinsurance contracts held	(158)	(719)	(7,187)	7,151	(913)
Reinsurance contracts held that are assets	(247)	(719)	(7,221)	7,151	(1,036)
<i>Remaining coverage</i>	(149)	(168)	(7,138)	7,143	(312)
<i>Incurred claims</i>	(98)	(551)	(83)	8	(724)
Reinsurance contracts held that are liabilities	89	-	34	-	123
<i>Remaining coverage</i>	114	-	34	-	148
<i>Incurred claims</i>	(25)	-	-	-	(25)
Investment contracts without discretionary participation features	2,475	-	692	-	3,167

	31/12/2022				
	Life France	Property and casualty France	International	Intragroup	Total
<i>(in € millions)</i>					
Insurance contracts issued	293,511	4,913	41,661	(8,886)	331,199
Insurance contracts issued that are assets	-	-	-	-	-
<i>Remaining coverage</i>	-	-	-	-	-
<i>Incurred claims</i>	-	-	-	-	-
<i>Assets for insurance acquisition cash flows</i>	-	-	-	-	-
Insurance contracts issued that are liabilities	293,511	4,913	41,661	(8,886)	331,199
<i>Remaining coverage</i>	287,184	34	41,333	(8,870)	319,681
<i>Incurred claims</i>	6,327	4,879	328	(16)	11,518
<i>Assets for insurance acquisition cash flows</i>	-	-	-	-	-
Reinsurance contracts held	(178)	(683)	(8,909)	8,885	(885)
Reinsurance contracts held that are assets	(226)	(683)	(8,953)	8,885	(977)
<i>Remaining coverage</i>	(176)	(32)	(8,880)	8,862	(226)
<i>Incurred claims</i>	(50)	(651)	(73)	23	(751)
Reinsurance contracts held that are liabilities	48	-	44	-	92
<i>Remaining coverage</i>	101	-	44	-	145
<i>Incurred claims</i>	(53)	-	-	-	(53)
Investment contracts without discretionary participation features	2,465	-	774	-	3,239

Reconciliations from the opening to the closing balances of the carrying amounts of contracts within the scope of IFRS 17 are disclosed in notes 5.9.1 and 5.9.2.

These reconciliations show, for each operating segment, how the net carrying amounts of insurance contracts issued and reinsurance contracts held, respectively, changed during the period because of cash flows and of income and expenses recognised in profit or loss and in OCI.

A first reconciliation (by type of liabilities) analyses separately the changes in the liability for remaining coverage and in the liability for incurred claims, and reconciles these changes with the items of the income statement and the statement of profit or loss and other comprehensive income.

A second reconciliation (by contract valuation component) analyses separately, for contracts that are not measured under the PAA model, the changes in the estimates of the present value of the future cash flows, the risk adjustment for non-financial risk and the contractual service margin.

A reconciliation of the carrying amounts of investment contracts without discretionary participation features, which are measured in accordance with IFRS 9, is disclosed in note 5.10.

5.9.1 RECONCILIATION FROM THE OPENING TO THE CLOSING BALANCE OF CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED

5.9.1.1 Reconciliation from the opening to the closing balance of carrying amounts of insurance contracts issued by type of liabilities

	30/06/2023										31/12/2022			
	Liability for remaining coverage		Liability for incurred claims				Liability for remaining coverage		Liability for incurred claims					
	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	TOTAL	Excl. loss component	Loss component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	TOTAL		
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	319,590	91	6,445	4,940	133	331,199	365,157	98	7,083	4,600	118	377,056		
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	(473)	-	395	(1)	-	(79)		
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	319,590	91	6,445	4,940	133	331,199	365,630	98	6,688	4,601	118	377,135		
Insurance revenue	(6,915)	-	-	-	-	(6,915)	(13,195)	-	-	-	-	(13,195)		
Insurance service expenses	943	11	2,334	2,254	-	5,542	1,756	(7)	4,277	4,566	24	10,618		
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	(11)	2,429	2,352	34	4,804	-	(34)	4,347	4,625	53	8,991		
Amortisation of insurance acquisition cash flows	943	-	-	-	-	943	1,758	-	-	-	-	1,758		
Changes in fulfillment cash flows relating to the liability for incurred claims	-	-	(95)	(98)	(34)	(227)	-	-	(70)	(59)	(29)	(158)		
Losses on onerous groups of contracts and reversals of such losses	-	22	-	-	-	22	-	27	-	-	-	27		
Insurance service result	(5,972)	11	2,334	2,254	-	(1,373)	(11,437)	(7)	4,277	4,566	24	(2,577)		
Insurance finance income or expenses	9,380	-	48	63	2	9,493	(45,439)	1	(2)	(349)	(8)	(45,797)		
Total changes recognised in profit or loss and other comprehensive income	3,408	11	2,382	2,317	2	8,120	(56,876)	(6)	4,275	4,217	16	(48,374)		
Investment components	(14,648)	-	14,648	-	-	-	(23,194)	-	23,194	-	-	-		
Other changes	(198)	3	16	(4)	(1)	(184)	373	(1)	(125)	4	(1)	250		
Cash flows in the period	20,246	-	(17,776)	(2,327)	-	143	34,130	-	(27,982)	(3,881)	-	2,267		
Premiums received for insurance contracts issued	21,298	-	-	-	-	21,298	35,771	-	-	-	-	35,771		
Insurance acquisition cash flows	(1,052)	-	-	(7)	-	(1,059)	(1,641)	-	-	(14)	-	(1,655)		
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components	-	-	(17,776)	(2,320)	-	(20,096)	-	-	(27,982)	(3,867)	-	(31,849)		
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	328,398	105	5,715	4,926	134	339,278	319,590	91	6,445	4,940	133	331,199		
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-	-	-		
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	328,398	105	5,715	4,926	134	339,278	319,590	91	6,445	4,940	133	331,199		

(In € millions)

5.9.1.2 Reconciliation from the opening to the closing balance of carrying amounts of insurance contracts issued by contract valuation component

	30/06/2023			31/12/2022				
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL
OPENING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	300,700	3,521	21,770	325,991	348,856	3,339	20,069	372,264
Opening carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	(1,012)	390	543	(79)
Opening carrying amounts of portfolios of insurance contracts issued that are liabilities	300,700	3,521	21,770	325,991	349,868	2,949	19,526	372,343
Changes that relate to future service	(3,124)	251	2,897	24	(4,353)	562	3,815	24
Changes in estimates that adjust the contractual service margin	(1,284)	65	1,219	-	(1,778)	272	1,506	-
Changes in estimates that do not adjust the contractual service margin	14	1	-	15	6	2	-	8
Effects of contracts initially recognised in the period	(1,854)	185	1,678	9	(2,581)	288	2,309	16
Changes that relate to current service	204	(152)	(1,126)	(1,074)	(37)	(239)	(2,178)	(2,454)
Contractual service margin recognised in profit or loss to reflect the transfer of services	-	-	(1,126)	(1,126)	-	-	(2,178)	(2,178)
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	-	(152)	-	(152)	-	(239)	-	(239)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	204	-	-	204	(37)	-	-	(37)
Changes that relate to past service	(95)	-	-	(95)	(64)	(7)	-	(71)
Changes in fulfillment cash flows relating to incurred claims	(95)	-	-	(95)	(64)	(7)	-	(71)
Insurance service result	(3,015)	99	1,771	(1,145)	(4,454)	316	1,637	(2,501)
Insurance finance income or expenses	9,382	15	31	9,428	(45,368)	(134)	62	(45,440)
Total changes recognised in profit or loss and other comprehensive income	6,367	114	1,802	8,283	(49,822)	182	1,699	(47,941)
Other changes	(171)	(1)	(6)	(178)	246	-	2	248
Cash flows in the period	(10)	-	-	(10)	1,420	-	-	1,420
Premiums received for insurance contracts issued	18,448	-	-	18,448	30,395	-	-	30,395
Insurance acquisition cash flows	(682)	-	-	(682)	(993)	-	-	(993)
Incurred claims paid and other insurance service expenses paid for insurance contracts issued, excluding insurance acquisition cash flows – including investment components	(17,776)	-	-	(17,776)	(27,982)	-	-	(27,982)
CLOSING NET CARRYING AMOUNTS OF INSURANCE CONTRACTS ISSUED	306,886	3,634	23,566	334,086	300,700	3,521	21,770	325,991
Closing carrying amounts of portfolios of insurance contracts issued that are assets	-	-	-	-	-	-	-	-
Closing carrying amounts of portfolios of insurance contracts issued that are liabilities	306,886	3,634	23,566	334,086	300,700	3,521	21,770	325,991

5.9.2 RECONCILIATION FROM THE OPENING TO THE CLOSING BALANCE OF CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD

5.9.2.1 Reconciliation from the opening to the closing balance of carrying amounts of reinsurance contracts held by type of assets

	30/06/2023										31/12/2022													
	Assets for remaining coverage			Assets for incurred claims				Assets for remaining coverage			Assets for incurred claims													
	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	TOTAL	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	TOTAL	Excl. loss-recovery component	Loss-recovery component	Contracts not measured under PAA	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	TOTAL						
<i>(in € millions)</i>																								
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	76	5	104	676	24	885	72	9	240	450	17	788	221	5	51	676	24	977	139	9	240	450	17	855
Opening carrying amounts of portfolios of reinsurance contracts held that are assets																								
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	(145)	-	53	-	-	(92)	(67)	-	-	-	-	(67)	(145)	-	53	-	-	(92)	(67)	-	-	-	-	(67)
Allocation of the premiums paid	(351)					(351)	(762)					(762)	(351)					(351)	(762)					(762)
Amounts recovered from the reinsurer	-	(1)	135	111	(2)	243	1	(4)	363	555	8	923	-	(1)	135	111	(2)	243	1	(4)	363	555	8	923
Amounts recovered for claims and other expenses incurred in the period	-	-	65	103	2	170	1	-	369	551	12	933	-	-	65	103	2	170	1	-	369	551	12	933
Changes in fulfilment cash flows relating to the assets for incurred claims			70	8	(4)	74			(6)	4	(4)	(6)			70	8	(4)	74			(6)	4	(4)	(6)
Changes in the loss-recovery component relating to onerous underlying contracts		(1)				(1)		(4)				(4)		(1)				(1)		(4)				(4)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held	(3)	-	-	-	-	(3)	2	-	-	-	-	2	(3)	-	-	-	-	(3)	2	-	-	-	-	2
Income or expenses related to reinsurance contracts held	(354)	(1)	135	111	(2)	(111)	(759)	(4)	363	555	8	163	(354)	(1)	135	111	(2)	(111)	(759)	(4)	363	555	8	163
Insurance finance income or expenses related to reinsurance contracts held	8	-	1	10	-	19	(167)	-	(6)	(27)	(1)	(201)	8	-	1	10	-	19	(167)	-	(6)	(27)	(1)	(201)
Total changes recognised in profit or loss and other comprehensive income	(346)	(1)	136	121	(2)	(92)	(926)	(4)	357	528	7	(38)	(346)	(1)	136	121	(2)	(92)	(926)	(4)	357	528	7	(38)
Investment components	(4)		3	1		-	(11)		9	2		-	(4)		3	1		-	(11)		9	2		-
Other changes	7	(1)	(20)	37	1	24	70	-	(117)	(98)	-	(145)	7	(1)	(20)	37	1	24	70	-	(117)	(98)	-	(145)
Cash flows for the period	428		(99)	(233)	-	96	871		(385)	(206)		280	428		(99)	(233)	-	96	871		(385)	(206)		280
Premiums paid for reinsurance contracts held	428					428	871					871	428					428	871					871
Amounts recovered from the reinsurer – including investment components			(99)	(233)		(332)			(385)	(206)		(591)			(99)	(233)		(332)			(385)	(206)		(591)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD	161	3	124	602	23	913	76	5	104	676	24	885	309	3	99	602	23	1,036	221	5	51	676	24	977
Closing carrying amounts of portfolios of reinsurance contracts held that are assets																								
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	(148)	-	25	-	-	(123)	(145)	-	53	-	-	(92)	(148)	-	25	-	-	(123)	(145)	-	53	-	-	(92)

5.9.2.2 Reconciliation from the opening to the closing balance of carrying amounts of reinsurance contracts held by contract valuation component

	30/06/2023			31/12/2022				
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	Contractual service margin	TOTAL
OPENING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD				130				316
Opening carrying amounts of portfolios of reinsurance contracts held that are assets	(226)	105	251	130	(45)	124	237	383
Opening carrying amounts of portfolios of reinsurance contracts held that are liabilities	75	48	99	222	50	122	211	(67)
	(301)	57	152	(92)	(95)	2	26	-
Changes that relate to future service								
Changes in estimates that adjust the contractual service margin	(87)	3	84	-	(48)	21	27	-
Changes in estimates that do not adjust the contractual service margin	(88)	2	86	-	(24)	18	6	-
Changes in estimates that do not adjust the contractual service margin	-	-	-	-	-	-	-	-
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin	-	-	-	-	-	-	-	-
Effects of contracts initially recognised in the period	1	1	(2)	-	(24)	3	21	-
Changes that relate to current service								
Contractual service margin recognised in profit or loss to reflect services received	5	(7)	(104)	(106)	(3)	(18)	(26)	(47)
Reversals of the loss-recovery component excluded from the allocation of premiums paid	-	-	(104)	(104)	-	-	(26)	(26)
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	(7)	(7)	-	(7)	-	(18)	-	(18)
Experience adjustments, excluding amounts relating to the risk adjustment for non-financial risk	5	-	5	5	(3)	-	-	(3)
Changes that relate to past service								
Changes in fulfilment cash flows relating to incurred claims	70	-	70	70	(5)	-	-	(5)
Changes in fulfilment cash flows relating to incurred claims	70	-	70	70	(5)	-	-	(5)
Effect of changes in the risk of non-performance by the issuer of reinsurance contracts held								
Income or expenses from reinsurance contracts held	(3)	(4)	(20)	(39)	(54)	3	1	(50)
Insurance finance income or expenses related to reinsurance contracts held	2	3	5	10	(160)	(22)	11	(171)
Total changes recognised in profit or loss and other comprehensive income								
Other changes	(13)	(1)	(15)	(29)	(214)	(19)	12	(221)
Cash flows in the period	9	(2)	(4)	3	(50)	-	2	(48)
Premiums paid for reinsurance contracts held	12	-	-	12	83	-	-	83
Amounts recovered from the reinsurer – including investment components	111	-	-	111	464	-	-	464
Amounts recovered from the reinsurer – including investment components	(99)	-	-	(99)	(381)	-	-	(381)
CLOSING NET CARRYING AMOUNTS OF REINSURANCE CONTRACTS HELD				116				130
Closing carrying amounts of portfolios of reinsurance contracts held that are assets	(218)	102	232	116	(226)	105	251	222
Closing carrying amounts of portfolios of reinsurance contracts held that are liabilities	110	45	84	239	75	48	99	(92)
	(328)	57	148	(123)	(301)	57	152	-

(in € millions)



5.9.3 TRANSITION AMOUNTS

Applying the transition provisions of IFRS 17, the changes in accounting policies resulting from the application of IFRS 17 shall be applied using a full retrospective approach at the transition date, if practicable. Under the full retrospective approach, the Group shall at the transition date (1 January 2022):

- identify, recognise and measure each group of insurance contracts as if IFRS 17 had always applied;
- identify, recognise and measure any assets for insurance acquisition cash flows as if IFRS 17 had always applied (except it is not required to apply their recoverability assessment before the transition date);
- derecognise any existing balances that would not exist had IFRS 17 always applied;
- recognise any resulting net difference in equity.

If, and only if, a retrospective application of the standard is impracticable for the measurement of a group of insurance contracts or an asset for insurance acquisition cash flows, the Group is allowed to apply either of the two alternative approaches provided by the transition provisions of the standard (modified retrospective approach or fair value approach).

At the transition date, being 1 January 2022, the Group applied the full retrospective approach to measure the most recent property and casualty insurance contracts (measured according to the PAA model), as well as the pensions insurance contracts of the general fund of Crédit Agricole Assurances Retraite.

The Group had recourse to the modified retrospective approach to measure the other groups of insurance contracts recognised at the transition date. The Group did not resort to the fair value approach. For the groups of contracts concerned, the Group judged that the application of the full retrospective approach was impracticable because of the unavailability of all information required for a full retrospective application of the standard (as regards data collected, but also hypotheses or estimates that would have been made during preceding periods).

The objective of the modified retrospective approach (MRA) is to achieve the closest outcome to full retrospective application possible using reasonable and supportable information available without undue cost or effort.

To this end, this approach contains a list of modifications in several fields; it is permitted to use each of these modifications only to the extent that reasonable and supportable information needed to apply a full retrospective approach is not available on this point.

The main modifications of the modified retrospective approach to which the Group resorted to measure certain groups of contracts at the transition date are the following:

- the identification of groups of insurance contracts and the determination of contracts meeting the definition of insurance contracts with discretionary participation features using information available at the transition date;
- the exemption from the requirement to divide groups so that they do not include contracts issued more than one year apart;

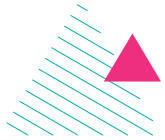
- the determination of the CSM (or the loss component) for groups of insurance contracts without direct participation features at the transition date, notably:
 - the estimation of the future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that are known to have occurred between the date of initial recognition and the transition date;
 - the determination of the discount rates that applied at the date of initial recognition, via the use of a yield curve estimated at the date corresponding to the average age of the contracts in the group;
 - the determination of the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment for non-financial risk at the transition date by the expected release of risk before the transition date;
 - the use of discount rates that apply at the date of initial recognition as determined above to calculate interests accreted on the CSM;
 - the determination of the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date.
- the determination of the CSM (or the loss component) for groups of insurance contracts with direct participation features at the transition date, by calculating a proxy for the total CSM for all services to be provided under the group of contracts (fair value of the underlying items minus fulfilment cash flows at that date, and adjusted for amounts charged to the policyholders before that date, for amounts paid before that date that would not have varied based on the underlying items, for the change in the risk adjustment for non-financial risk caused by the release from risk before that date, and for insurance acquisition cash flows incurred before the transition date that are allocated to the group) and by deducting from the latter the amount of CSM that relates to services provided before that date;
- the determination, in case the OCI option is applied, of the cumulative amount of insurance finance income or expenses recognised in equity at the transition date:
 - for groups of insurance contracts without direct participation features: either by using discount rates that apply at the date of initial recognition as determined above, or by determining it as nil;
 - for groups of insurance contracts with direct participation features for which the entity holds the underlying items: by determining it as equal to the cumulative amount recognised in equity on the underlying items.

At the transition date, the Group did not apply the modified retrospective approach or the fair value approach to identify and measure assets for insurance acquisition cash flows.

5.9.3.1 Reconciliation from the opening to the closing balance of the contractual service margin – Insurance contracts issued

A reconciliation from the opening to the closing balance of the CSM of insurance contracts issued by transition approach is disclosed in the following table:

	30/06/2023				31/12/2022				TOTAL
	Insurance contracts recognised at the transition date				Insurance contracts recognised at the transition date				
	Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied	Insurance contracts recognised after the transition date	Insurance contracts to which the full retrospective approach has been applied	Insurance contracts to which the modified retrospective approach has been applied	Insurance contracts to which the fair value approach has been applied	Insurance contracts recognised after the transition date	
<i>(in € millions)</i>									
OPENING CONTRACTUAL SERVICE MARGIN	856	18,848	-	2,066	771	19,298	-	-	20,069
<i>Opening contractual service margin of portfolios of insurance contracts issued that are assets</i>	-	-	-	-	-	543	-	-	543
<i>Opening contractual service margin of portfolios of insurance contracts issued that are liabilities</i>	856	18,848	-	2,066	771	18,755	-	-	19,526
Changes that relate to future service	57	1,283	-	1,557	133	1,517	-	2,165	3,815
<i>Changes in estimates that adjust the contractual service margin</i>	57	1,283	-	(121)	133	1,517	-	(144)	1,506
<i>Effects of contracts initially recognised in the period</i>				1,678				2,309	2,309
Changes that relate to current service	(24)	(884)	-	(118)	(47)	(2,027)	-	(104)	(2,178)
<i>Contractual service margin recognised in profit or loss to reflect the transfer of services</i>	(24)	(884)	-	(118)	(47)	(2,027)	-	(104)	(2,178)
Insurance service result	33	299	-	1,439	86	(510)	-	2,061	1,637
Insurance finance income or expenses	-	28	-	3	-	57	-	5	62
Total changes recognised in profit or loss and other comprehensive income	33	327	-	1,442	86	(453)	-	2,066	1,699
Other changes	-	(6)	-	-	(1)	3	-	-	2
CLOSING CONTRACTUAL SERVICE MARGIN	889	19,169	-	3,508	856	18,848	-	2,066	21,770
<i>Closing contractual service margin of portfolios of insurance contracts issued that are assets</i>	-	-	-	-	-	-	-	-	-
<i>Closing contractual service margin of portfolios of insurance contracts issued that are liabilities</i>	889	19,169	-	3,508	856	18,848	-	2,066	21,770



5.9.3.2 Insurance revenue

An analysis of insurance revenue (for insurance contracts issued) by transition approach is disclosed in note 6.1.

5.9.3.3 Reconciliation from the opening to the closing balance of the contractual service margin – Reinsurance contracts held

A reconciliation from the opening to the closing balance of the CSM of reinsurance contracts held by transition approach is disclosed in the following table:

	30/06/2023						31/12/2022			
	Reinsurance contracts recognised at the transition date			Reinsurance contracts recognised after the transition date	TOTAL	Reinsurance contracts recognised at the transition date			Reinsurance contracts recognised after the transition date	TOTAL
	Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been applied	Reinsurance contracts to which the fair value approach has been applied			Reinsurance contracts to which the full retrospective approach has been applied	Reinsurance contracts to which the modified retrospective approach has been applied	Reinsurance contracts to which the fair value approach has been applied		
<i>(in € millions)</i>	-	245	-	6	251	-	237	-	-	237
OPENING CONTRACTUAL SERVICE MARGIN										
Opening contractual service margin of portfolios of reinsurance contracts held that are assets	-	94	-	5	99	-	211	-	-	211
Opening contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	151	-	1	152	-	26	-	-	26
Changes that relate to future service	-	84	-	-	84	-	6	-	21	27
Changes in estimates that adjust the contractual service margin	-	84	-	2	86	-	6	-	-	6
Increase in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin	-	-	-	-	-	-	-	-	-	-
Effects of contracts initially recognised in the period	-	(106)	-	(2)	(2)	-	-	-	21	21
Changes that relate to current service	-	(106)	-	2	(104)	-	(11)	-	(15)	(26)
Contractual service margin recognised in profit or loss to reflect services received	-	(106)	-	2	(104)	-	(11)	-	(15)	(26)
Reversals of the loss-recovery component excluded from the allocation of premiums paid	-	-	-	-	-	-	-	-	-	-
Income or expenses from reinsurance contracts held	-	(22)	-	2	(20)	-	(5)	-	6	1
Insurance finance income or expenses related to reinsurance contracts held	-	5	-	-	5	-	10	-	1	11
Total changes recognised in profit or loss and other comprehensive income	-	(17)	-	2	(15)	-	5	-	7	12
Other changes	-	(5)	-	1	(4)	-	3	-	(1)	2
CLOSING CONTRACTUAL SERVICE MARGIN	-	223	-	9	232	-	245	-	6	251
Closing contractual service margin of portfolios of reinsurance contracts held that are assets	-	77	-	7	84	-	94	-	5	99
Closing contractual service margin of portfolios of reinsurance contracts held that are liabilities	-	146	-	2	148	-	151	-	1	152



5.10 Investment contracts without discretionary participation features

<i>(in € millions)</i>	30/06/2023	31/12/2022
Opening carrying amount	3,239	3,821
Contributions received	13	253
Benefits paid	(172)	(160)
Investment return from underlying assets	90	(667)
Asset management fees charged	(1)	(4)
Other changes	(2)	(4)
Closing carrying amount	3,167	3,239

NOTE 6 Notes to the income statement

6.1 Insurance revenue

An analysis of the insurance revenue recognised in the period is disclosed in the following table:

<i>(in € millions)</i>	30/06/2023	30/06/2022
Changes in the liability for remaining coverage	3,492	3,405
<i>Insurance service expenses incurred during the period</i>	2,203	2,254
<i>Change in the risk adjustment for non-financial risk</i>	154	136
<i>Contractual service margin recognised in profit or loss because of the transfer of insurance contract services in the period</i>	1,127	998
<i>Other amounts (including experience adjustments for premium receipts)</i>	8	17
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	616	498
Insurance revenue from contracts not measured applying the PAA	4,108	3,903
Insurance revenue from contracts measured applying the PAA	2,806	2,603
INSURANCE REVENUE	6,914	6,506
of which Insurance contracts to which the modified retrospective approach has been applied	3,324	4,181
of which Insurance contracts to which the fair value approach has been applied	-	-

6.2 Investment income net of investment expenses

<i>(in € millions)</i>	30/06/2023	30/06/2022 restated
Investment income	3,913	4,247
Dividends	871	763
Dividends received on equity instruments at fair value through profit or loss	778	760
Dividends received on equity instruments recognized in non-recyclable equity	93	3
Of which dividends on instruments derecognised during the period	-	-
Interest products	2,661	3,022
Interest income on financial assets at amortized cost	59	93
Interest income on financial assets at fair value through equity	1,952	2,195
Accrued and overdue interest on hedging instruments	139	146
Other interests and similar products	511	588
Other investment income	381	462
Investment expenses	(394)	(498)
Interest expenses	(51)	(42)
Interest expense on financial liabilities at amortized cost	-	-
Accrued and overdue interest on hedging instruments	-	-
Other interest and similar expenses	(51)	(42)
Commission expenses	(36)	(39)
Other expenses of investments	(307)	(417)
Capital gains and losses on disposal of investments net of reversals of depreciation and amortization	(81)	2
Net capital gains and losses on financial assets at amortized cost	-	-

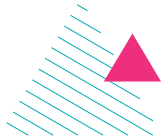


<i>(in € millions)</i>	30/06/2023	30/06/2022 restated
Gains from derecognition of financial assets at amortized cost	-	-
Losses from derecognition of financial assets at amortized cost	-	-
Net gains and losses on debt instruments recognized in recyclable equity	(80)	2
Net gains and losses on the sale of hedging instruments	(1)	-
Net capital gains and losses on investment properties	-	-
Fair value change in investments recognized at fair value through profit or loss	3,351	(15,137)
Fair value change in financial assets held for trading	-	-
Fair value change in equity instruments	208	(2,812)
Fair value change of debt instruments that do not meet SPPI criteria	1,147	(3,926)
Fair value change of other debt instruments through profit or loss by nature	10	-
Fair value change in assets representing unit-linked contracts	2,667	(8,255)
Fair value change in financial assets at fair value through option income	-	-
Fair value change of transaction derivative instruments	(380)	(398)
Result of hedge accounting	-	2
Net gains and losses on financial assets reclassification	-	-
Gains and losses on reclassification of financial assets at amortized cost	-	-
Gains and losses on reclassification of financial assets at fair value equity	-	-
Change in fair value of investment properties	(301)	252
Change in impairments on investments	15	-
Change in impairments on healthy assets (Stage 1 and Stage 2)	16	1
Stage 1: Losses estimated at the amount of credit losses expected for the next 12 months	9	-
Debt instruments recognized at fair value through recyclable equity	8	-
Debt instruments carried at amortized cost	1	-
commitments	-	-
Stage 2: Losses Measured at the Expected Lifetime Credit Losses	7	1
Debt instruments recognized at fair value through recyclable equity	7	1
Debt instruments carried at amortized cost	-	-
Commitments	-	-
Change in impairments on impaired assets (Stage 3)	-	-
Debt instruments recognized at fair value through recyclable equity	-	-
Debt instruments carried at amortized cost	-	-
Commitments	-	-
Changes in depreciation on investment properties	(1)	(1)
Changes in impairments on other assets	-	-
TOTAL INVESTMENT INCOME NET OF INVESTMENT EXPENSES	6,804	(11,386)

6.3 Insurance finance income or expenses

The following table presents an analysis of the total amount of insurance finance income or expenses and of investment income net of investment expenses recognised in profit or loss and in OCI during the period:

	30/06/2023			30/06/2022		
	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL
<i>(in € millions)</i>						
INVESTMENT RETURN ON ASSETS	8,853	888	9,741	(36,360)	(3,444)	(39,804)
Investment income net of investment expenses recognised in profit or loss	6,339	504	6,843	(10,483)	(887)	(11,370)
Investment income	3,600	305	3,905	3,885	354	4,239
Investment expenses	(381)	(9)	(390)	(462)	(31)	(493)
Gains and losses on disposal of investments net of reversals of impairment and amortisation	(76)	1	(75)	3	-	3
Change in fair value of investments recognised at fair value through profit or loss	3,184	204	3,388	(13,908)	(1,211)	(15,119)
Change in impairment of investments	12	3	15	(1)	1	-
Gains and losses on investments recognised in other comprehensive income	2,514	384	2,898	(25,877)	(2,557)	(28,434)
Gains and losses on debt instruments measured at fair value through other comprehensive income that will be reclassified to profit or loss	2,366	408	2,774	(25,877)	(2,554)	(28,431)
Gains and losses on equity instruments measured at fair value through other comprehensive income that will not be reclassified to profit or loss	148	(24)	124	-	(3)	(3)
INSURANCE FINANCE INCOME OR EXPENSES	(9,391)	(82)	(9,473)	36,230	333	36,563
Insurance finance income or expenses recognised in profit or loss	(6,455)	(93)	(6,548)	10,318	74	10,392
Insurance finance income or expenses from insurance contracts issued recognised in profit or loss	(6,455)	(117)	(6,572)	10,318	49	10,367
<i>Effect of unwinding of the discount rate</i>		(152)	(152)		(16)	(16)
<i>Effect of changes in interest rates and other financial assumptions</i>		50	50		509	509
Insurance finance income or expenses for contracts with direct participation features	(9,391)		(9,391)	36,282		36,282
Disaggregation option	2,936	(15)	2,921	(25,964)	(444)	(26,408)
Amount recognised in profit or loss applying the risk mitigation option	-		-	-		-
Exchange differences on changes in the carrying amount of insurance contracts issued recognised in profit or loss	-	-	-	-	-	-
Insurance finance income or expenses from reinsurance contracts held recognised in profit or loss		24	24		25	25
<i>Effect of unwinding of the discount rate</i>		26	26		4	4



	30/06/2023			30/06/2022		
	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL	Insurance contracts with direct participation features	Other contracts and own funds	TOTAL
<i>(in € millions)</i>						
<i>Effect of changes in interest rates and other financial assumptions</i>		(6)	(6)		(164)	(164)
<i>Disaggregation option</i>		4	4		185	185
<i>Exchange differences on changes in the carrying amount of reinsurance contracts held recognised in profit or loss</i>		-	-		-	-
Insurance finance income or expenses recognised in other comprehensive income	(2,936)	11	(2,925)	25,912	259	26,171
Insurance finance income or expenses from insurance contracts issued recognised in other comprehensive income	(2,936)	15	(2,921)	25,912	444	26,356
<i>Insurance finance income or expenses recognised in other comprehensive income that will be reclassified to profit or loss</i>	(2,694)	15	(2,679)	25,964	444	26,408
<i>Insurance finance income or expenses recognised in other comprehensive income that will not be reclassified to profit or loss</i>	(242)		(242)	(52)		(52)
Insurance finance income or expenses from reinsurance contracts held recognised in other comprehensive income		(4)	(4)		(185)	(185)
<i>Insurance finance income or expenses related to reinsurance contracts held recognised in other comprehensive income</i>		(4)	(4)		(185)	(185)
CHANGES IN VALUE OF INVESTMENT CONTRACTS WITHOUT DISCRETIONARY PARTICIPATION FEATURES	-	(87)	(87)	-	584	584

The composition and the fair value of financial assets underlying insurance contracts with direct participation features are disclosed in the following table:

<i>(in € millions)</i>	30/06/2023	31/12/2022
Investment property	10,696	10,219
Financial investments	255,806	249,608
<i>Financial assets at fair value through profit or loss (excluding unit-linked)</i>	94,076	90,688
<i>Financial assets held for trading</i>	-	-
<i>Other financial assets at fair value through profit or loss</i>	94,076	90,688
<i>Financial assets at fair value through other comprehensive income</i>	161,303	158,496
<i>Debt instruments at fair value through other comprehensive income that may be reclassified to profit or loss</i>	158,902	158,496
<i>Equity instruments at fair value through other comprehensive income that will not be reclassified to profit or loss</i>	2,401	-
<i>Financial assets at amortised cost</i>	427	424
<i>Loans and receivables from customers</i>	-	-
<i>Other loans and receivables</i>	427	424
<i>Debt securities</i>	-	-
Unit-linked financial investments	88,616	80,134
Derivative instruments and separated embedded derivatives	633	1,017
Investments in associates and joint ventures	9,020	8,844
Total underlying items for insurance contracts with direct participation features	364,771	349,822

6.4 Tax expenses

<i>(in € millions)</i>	30/06/2023	30/06/2022 restated
Current tax expenses	(136)	(74)
Deferred tax expenses	(147)	(82)
TOTAL TAX EXPENSES	(283)	(156)

**PricewaterhouseCoopers Audit**

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This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditors' review report on the interim condensed consolidated "financial statements"

Period from January 1st, 2023 to June 30th, 2023

To the chief Executive Officer,

At your request and in our capacity as Statutory Auditors of Crédit Agricole Assurances, we have reviewed the accompanying interim condensed consolidated "financial statements" for the period from January 1st, 2023 to June 30th, 2023.

Your Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated "financial statements" on June 30th, 2023 based on information available. Our role is to express a conclusion on these interim condensed consolidated "financial statements" based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement.

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

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

Neuilly-sur-Seine and Paris - La Défense, August 4th, 2023

The statutory auditors

PricewaterhouseCoopers Audit

Mazars

Gérard Courreges Agnès Hussherr

Olivier Leclerc Jean Latorzeff

STATEMENT OF THE PERSON RESPONSIBLE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

I hereby certify that, to my knowledge, the consolidated financial statements have been prepared in accordance with the applicable accounting standards and give a true

and fair view of the financial position and results of the Company and all entities included in the consolidated group over the relevant period.

Paris, 4th August 2023

Philippe Dumont, Chief Executive Officer





ASSURANCES

Crédit Agricole Assurances, société anonyme
au capital de 1 490 403 670 euros

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