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CNP ASSURANCES
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 JUNE 2022

CONTENTS

FIRST-HALF 2022 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

ASSETS

(In € millions)	Notes	30.06.2022	31.12.2021
Goodwill	6	207.6	189.9
Value of In-Force business	6	499.7	532.3
Other intangible assets	6	3,719.3	3,323.4
Total intangible assets		**4,426.6**	**4,045.6**
Investment property	7	4,968.2	2,722.9
Held-to-maturity investments	7	91.7	73.9
Available-for-sale financial assets	7	289,490.9	326,409.1
Securities held for trading	7	105,520.8	108,607.1
Loans and receivables	7	4,091.7	4,159.7
Derivative instruments	7	3,589.4	1,467.5
Insurance investments		**407,752.6**	**443,440.3**
Other investments		**2.3**	**2.4**
Investments in equity-accounted companies		**986.7**	**947.7**
Reinsurers' share of insurance and financial liabilities	8	**20,622.6**	**21,044.9**
Insurance or reinsurance receivables	9	5,431.8	2,640.7
Current tax assets		423.5	589.6
Other receivables		9,493.8	5,358.5
Owner-occupied property and other property and equipment		590.3	517.9
Other non-current assets		2,334.2	2,310.9
Deferred participation asset	8	2,699.5	0.0
Deferred tax assets		1,247.8	300.8
Other assets		**22,221.0**	**11,718.4**
Assets held for sale and discontinued operations	15	**2,053.7**	**0.0**
Cash and cash equivalents		**2,130.0**	**1,803.3**
TOTAL ASSETS		**460,195.5**	**483,002.4**

EQUITY AND LIABILITIES

(In € millions)	Notes	30.06.2022	31.12.2021
Share capital	5	686.6	686.6
Share premium account		1,736.3	1,736.3
Revaluation reserve		288.0	4,295.0
Cash flow hedge reserve		58.5	15.0
Undated subordinated notes reclassified in equity	5	1,881.3	1,881.3
Retained earnings and profit		12,972.7	12,113.1
Profit for the period		748.2	1,552.0
Translation adjustments		(830.4)	(1,145.2)
Equity attributable to owners of the parent		**17,541.1**	**21,134.2**
Non-controlling interests		4,083.7	3,628.7
Total equity		**21,624.8**	**24,762.9**
Insurance liabilities (excluding unit-linked)	8	198,778.1	195,157.7
Insurance liabilities (unit-linked)	8	73,236.2	73,777.9
Insurance liabilities		**272,014.3**	**268,935.6**
Financial liabilities – financial instruments with DPF (excluding unit-linked)	8	96,721.6	99,767.6
Financial liabilities – financial instruments without DPF (excluding unit-linked)	8	537.8	480.7
Financial liabilities – unit-linked financial instruments	8	10,249.1	10,757.3
Financial liabilities		**107,508.6**	**111,005.5**
Derivative financial instruments separated from the host contract		0.0	0.0
Deferred participation reserve	8	3,970.2	31,599.6
Insurance and financial liabilities		**383,493.1**	**411,540.8**
Provisions for liabilities and charges		**311.2**	**297.8**
Subordinated debt		7,523.6	6,942.5
Other financing liabilities		0.0	0.0
Financing liabilities		**7,523.6**	**6,942.5**
Operating liabilities represented by securities		20,042.8	18,806.7
Operating liabilities due to banks		1,384.1	178.7
Liabilities arising from insurance and reinsurance transactions	10	15,173.1	12,957.7
Current taxes payable		136.0	264.2
Current account advances		91.0	82.2
Liabilities towards holders of units in controlled mutual funds		679.8	470.2
Derivative financial instruments with a negative fair value	7	1,639.1	1,704.5
Deferred tax liabilities		155.1	847.6
Miscellaneous payables		5,957.7	4,146.5
Other liabilities		**45,258.9**	**39,458.5**
Liabilities related to assets held for sale and discontinued operations	15	**1,984.0**	**0.0**
TOTAL EQUITY AND LIABILITIES		**460,195.5**	**483,002.4**

CONSOLIDATED INCOME STATEMENT

(In € millions)	Notes	30.06.2022	30.06.2021
Premiums written		20,139.5	16,378.9
Change in unearned premiums reserve		(210.7)	(105.8)
Earned premiums	11	**19,928.9**	**16,273.1**
Revenue from other activities	11	**45.3**	**50.5**
Other operating revenue		**0.0**	**0.0**
Net investment income		3,030.9	2,975.2
Gains and losses on disposal of investments		979.0	466.6
Change in fair value of financial assets at fair value through profit or loss		(5,856.7)	3,847.0
Change in impairment losses on financial instruments		(87.2)	88.0
Investment income before finance costs	12	**(1,934.1)**	**7,376.8**
Income from ordinary activities		**18,040.1**	**23,700.4**
Claims and benefits expenses		(14,060.5)	(20,213.0)
Reinsurance result		0.2	62.1
Expenses of other businesses		(3.0)	(0.3)
Acquisition costs		(2,093.0)	(1,926.1)
Amortisation of Value of In-Force business and distribution agreements		(112.0)	(70.6)
Contract administration expenses		(150.5)	(113.0)
Other recurring operating income and expense, net		(209.7)	(167.5)
Total other recurring operating income and expense, net		**(16,628.4)**	**(22,428.4)**
Recurring operating profit		**1,411.6**	**1,272.0**
Other non-recurring operating income and expense, net		(22.8)	(4.0)
Operating profit		**1,388.8**	**1,267.9**
Finance costs	12	(95.4)	(120.3)
Change in fair value of intangible assets		0.0	0.0
Share of profit of equity-accounted companies		24.9	24.8
Income tax expense	13	(358.5)	(371.0)
Profit (loss) from assets held for sale discontinued operations	15	(60.8)	0.0
Net profit for the period		**899.0**	**801.4**
Non-controlling interests		(150.8)	(111.4)
Net profit attributable to owners of the parent		**748.2**	**690.0**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2022

(In € millions)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Net profit for the period	**748.2**	**150.8**	**899.0**
Other comprehensive income			
Amounts recycled through profit or loss	**(3,648.8)**	**287.2**	**(3,361.7)**
Available-for-sale financial assets	**(4,007.0)**	**(91.9)**	**(4,098.9)**
Change in revaluation reserve during the period	(34,270.5)	(1,506.9)	(35,777.3)
Reclassification of proceeds from disposals to profit or loss	(952.5)	(4.0)	(956.5)
Reclassification of impairment losses to profit or loss	188.2	1.2	189.5
Sub-total including deferred participation and deferred taxes	*(35,034.7)*	*(1,509.7)*	*(36,544.3)*
Deferred participation including deferred taxes	29,418.0	1,385.5	30,803.5
Deferred taxes	1,609.7	32.2	1,641.9
Of which, change in revaluation reserve for non-current assets held for sale	0.0	0.0	0.0
Sub-total net of deferred participation and deferred taxes	*(4,007.0)*	*(91.9)*	*(4,098.9)*
Cash flow hedge reserve	**43.4**	**2.2**	**45.6**
Change in cash flow hedge reserve during the period	135.4	2.2	137.5
Cash flow hedge reserve recycled through profit or loss during the period	(81.1)	0.0	(81.1)
Deferred taxes	(10.9)	0.0	(10.9)
Translation differences	**314.7**	**376.9**	**691.7**
Amounts not recycled through profit or loss	**16.0**	**0.0**	**16.0**
Actuarial gains and losses	16.0	0.0	16.0
Other movements	0.0	0.0	0.0
Total other comprehensive income (expense)	**(3,632.9)**	**287.2**	**(3,345.7)**
TOTAL COMPREHENSIVE INCOME (EXPENSE)	**(2,884.7)**	**438.0**	**(2,446.7)**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2021

(In € millions)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Net profit for the period	**690.0**	**111.4**	**801.4**
Other comprehensive income			
Amounts recycled through profit or loss	**(2.3)**	**163.8**	**161.5**
Available-for-sale financial assets	**(166.5)**	**(35.8)**	**(202.3)**
Change in revaluation reserve during the period	(2,103.4)	(36.3)	(2,139.7)
Reclassification of proceeds from disposals to profit or loss	(613.2)	(11.3)	(624.5)
Reclassification of impairment losses to profit or loss	125.9	0.3	126.3
Sub-total including deferred participation and deferred taxes	*(2,590.6)*	*(47.3)*	*(2,637.9)*
Deferred participation including deferred taxes	2,264.8	(13.2)	2,251.7
Deferred taxes	159.3	24.6	183.9
Of which, change in revaluation reserve for non-current assets held for sale	0.0	0.0	0.0
Sub-total net of deferred participation and deferred taxes	*(166.5)*	*(35.8)*	*(202.3)*
Cash flow hedge reserve	**18.7**	**0.0**	**18.7**
Change in cash flow hedge reserve during the period	55.7	0.0	55.7
Cash flow hedge reserve recycled through profit or loss during the period	(29.9)	0.0	(29.9)
Deferred taxes	(7.2)	0.0	(7.2)
Translation differences	**145.5**	**199.6**	**345.1**
Amounts not recycled through profit or loss	**(4.9)**	**0.0**	**(4.9)**
Actuarial gains and losses	(4.9)	0.0	(4.9)
Other movements	0.0	0.0	0.0
Total other comprehensive income (expense)	**(7.2)**	**163.8**	**156.6**
TOTAL COMPREHENSIVE INCOME	**682.8**	**275.2**	**958.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – FIRST-HALF 2022

(In € millions)	Share capital	Share premium account	Revaluation reserve	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Retained earnings and profit	Translation adjustments	**Equity attributable to owners of the parent**	Non-controlling interests	**Total equity**
Equity at 01.01.2022 – IFRS	**686.6**	**1,736.3**	**4,295.0**	**15.0**	**1,881.3**	**13,665.1**	**(1,145.2)**	**21,134.2**	**3,628.7**	**24,762.9**
- Net profit for the period						748.2		**748.2**	150.8	**899.0**
- Other comprehensive income (expense)			(4,007.0)	43.4	0.0	16.0	314.7	**(3,632.9)**	287.2	**(3,345.7)**
Total comprehensive income (expense) for the period			**(4,007.0)**	**43.4**	**0.0**	**764.1**	**314.7**	**(2,884.7)**	**438.0**	**(2,446.7)**
- Dividends paid						(686.2)		**(686.2)**	(149.4)	**(835.6)**
- Changes in capital/Merger premium								**0.0**		**0.0**
- Subordinated notes, net of tax					0.0	(22.4)		**(22.4)**	0.0	**(22.4)**
- Treasury shares, net of tax						0.0		**0.0**		**0.0**
- Changes in scope of consolidation			0.0			(0.4)		**(0.4)**	166.4	**166.0**
- Other movements			0.0			0.6		**0.6**	(0.1)	**0.5**
Total other transactions with shareholders			**0.0**	**0.0**	**0.0**	**(708.4)**	**0.0**	**(708.4)**	**16.9**	**(691.4)**
Equity at 30.06.2022	**686.6**	**1,736.3**	**288.0**	**58.5**	**1,881.3**	**13,720.9**	**(830.4)**	**17,541.1**	**4,083.6**	**21,624.7**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – FIRST-HALF 2021

(In € millions)	Share capital	Share premium account	Revaluation reserve	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Retained earnings and profit	Translation adjustments	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
Equity at 01.01.2021 – IFRS	**686.6**	**1,736.3**	**4,362.2**	**(15.9)**	**1,881.3**	**13,187.2**	**(1,157.6)**	**20,680.2**	**3,319.2**	**23,999.3**
- Net profit for the period						690.0		**690.0**	111.4	**801.4**
- Other comprehensive income			(166.5)	18.7	0.0	(4.9)	145.5	**(7.2)**	163.8	**156.6**
Total comprehensive income (expense) for the period			**(166.5)**	**18.7**	**0.0**	**685.1**	**145.5**	**682.8**	**275.2**	**958.0**
- Dividends paid						(1,077.5)		**(1,077.5)**	(185.5)	**(1,263.0)**
- Changes in capital/Merger								**0.0**		**0.0**
- Subordinated notes, net of tax					0.0	(21.3)		**(21.3)**	0.0	**(21.3)**
- Treasury shares, net of tax						0.4		**0.4**		**0.4**
- Changes in scope of consolidation			0.0			(0.1)		**(0.1)**	0.1	**0.0**
- Other movements			0.0			17.6		**17.6**	0.0	**17.6**
Total other transactions with shareholders	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**(1,080.8)**	**0.0**	**(1,080.8)**	**(185.4)**	**(1,266.2)**
Equity at 30.06.2021	**686.6**	**1,736.3**	**4,195.7**	**2.9**	**1,881.3**	**12,791.5**	**(1,012.1)**	**20,282.2**	**3,408.9**	**23,691.1**

CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows includes:

- cash flows of fully consolidated companies;
- cash flows arising from Group investments, dividends and other transactions with associates or jointly-controlled entities accounted for by the equity method.

Definition of cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments (sight deposits and other instruments) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

They include units in "ordinary" money market funds but do not include units in dynamic funds that are highly sensitive to changes in market prices, in accordance with the guidelines issued jointly by the French accounting standards setter (*Autorité des Normes Comptables* – ANC) and the French financial markets authority (*Autorité des Marchés Financiers* – AMF) for the application of Regulation (EU) 2017/1131. This approach analyses both the fund prospectus and yield patterns (fund performance, volatility, etc.).

Cash and cash equivalents reported in the statement of cash flows are stated net of bank overdrafts used for cash management purposes.

Definition of cash flows from operating activities

Cash flows from operating activities correspond essentially to the cash flows of the Group's revenue-generating activities.

Definition of cash flows from investing activities

Cash flows from investing activities correspond to cash flows from purchases and sales of investment property and securities, owner-occupied property and equipment and intangible assets.

Definition of cash flows from financing activities

Cash flows from financing activities correspond to all cash flows leading to a change in the amount and components of equity and financing liabilities, as follows:

- share issues and cancellations;
- debt issues and repayments;
- purchases and sales of treasury shares;
- dividends paid to owners of the parent and non-controlling shareholders of subsidiaries.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In € millions)	30.06.2022	30.06.2021
Operating profit before tax	**1,388.8**	**1,267.9**
Gains and losses on disposal of investments	(915.1)	(414.8)
Depreciation and amortisation expense, net	149.6	106.1
Change in deferred acquisition costs	(32.6)	19.1
Impairment losses, net	92.0	(83.4)
Charges to technical reserves for insurance and financial liabilities	(683.8)	6,201.7
Charges to provisions, net	(16.2)	(2.3)
Change in fair value of financial instruments at fair value through profit or loss (other than cash and cash equivalents)	5,782.5	(3,828.8)
Other adjustments	(1,925.7)	(2,099.7)
Dividends received from equity-accounted companies	6.0	3.1
Total adjustments	**2,456.7**	**(99.1)**
Change in operating receivables and payables	(1,105.0)	591.9
Change in securities sold and purchased under repurchase and resale agreements	720.4	71.6
Change in other assets and liabilities	136.1	(17.9)
Income taxes paid, net of reimbursements	(326.4)	25.1
Net cash provided by operating activities	**3,270.7**	**1,839.6**
Acquisitions of subsidiaries and joint ventures, net of cash acquired	(941.3)	0.0
Divestments of subsidiaries and joint ventures, net of cash sold	0.0	0.0
Acquisitions of associates	0.0	(37.1)
Divestments of associates	0.0	0.0
Net cash used by divestments and acquisitions	**(941.3)**	**(37.1)**
Proceeds from the sale of financial assets	55,123.2	36,471.0
Proceeds from the sale of investment properties	21.0	61.3
Proceeds from the sale of other investments	0.0	0.0
Net cash provided by sales and redemptions of investments	**55,144.2**	**36,532.3**
Acquisitions of financial assets	(62,232.8)	(39,005.0)
Acquisitions of investment properties	(316.5)	(139.6)
Acquisitions of other investments	0.0	0.0
Net cash used by acquisitions of investments	**(62,549.3)**	**(39,144.6)**
Proceeds from the sale of property and equipment and intangible assets	2.3	3.4
Purchases of property and equipment and intangible assets	(107.8)	(20.2)
Net cash used by sales and purchases of property and equipment and intangible assets	**(105.5)**	**(16.8)**
Net cash used by investing activities	**(8,451.9)**	**(2,666.2)**

(In € millions)	30.06.2022	30.06.2021
Issuance of equity instruments	0.0	0.0
Redemption of equity instruments	0.0	0.0
Purchases and sales of treasury shares	0.0	0.7
Dividends paid	(839.2)	(1,267.1)
Net cash used by transactions with owners	**(839.2)**	**(1,266.4)**
New borrowings	500.0	594.2
Repayments of borrowings	0.0	0.0
Interest paid on borrowings	(125.0)	(150.1)
Net cash provided by other financing activities	**375.0**	**444.1**
Net cash used by financing activities	**(464.2)**	**(822.2)**
Cash and cash equivalents at beginning of period	**25,200.7**	**19,464.7**
Net cash provided by operating activities	3,270.7	1,839.6
Net cash used by investing activities	(8,451.9)	(2,666.2)
Net cash used by financing activities	(464.2)	(822.2)
Effect of changes in exchange rates	(5.9)	12.0
Effect of changes in accounting policies and other changes[1]	220.4	36.1
Effect of assets held for sale	(152.6)	0.0
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	19,617.2	17,863.9

[1] Effect of “ordinary” money market funds classified as cash equivalents

Reconciliation of cash flows from financing activities to the amounts reported in the financial statements

This table reconciles cash flows from financing activities to the amounts reported in the other financial statements. Other movements correspond to changes in deferred taxes and fair value adjustments to the cash flow hedge reserve recognised directly in equity.

At 30 June 2022

(In € millions)	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Subordinated debt	Other financing liabilities	Total
31.12.2021	**15.0**	**1,881.3**	**6,942.5**	**0.0**	**8,838.8**
Issue	0.0	0.0	581.1	0.0	**581.1**
Redemption	0.0	0.0	0.0	0.0	**0.0**
Total cash items	**0.0**	**0.0**	**581.1**	**0.0**	**581.1**
Translation adjustments	0.0	0.0	0.0	0.0	**0.0**
Fair value adjustments	31.2	0.0	0.0	0.0	**31.2**
Changes in scope of consolidation	0.0	0.0	0.0	0.0	**0.0**
Other movements	0.0	0.0	0.0	0.0	**0.0**
Total non-cash items	**31.2**	**0.0**	**0.0**	**0.0**	**31.2**
30.06.2022	58.5	1,881.3	7,523.6	0.0	9,463.3

At 30 June 2021

(In € millions)	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Subordinated debt	Other financing liabilities	Total
31.12.2020	**(15.9)**	**1,881.3**	**6,824.2**	**0.0**	**8,689.6**
Issue	0.0	0.0	594.2	0.0	**594.2**
Redemption	0.0	0.0	0.0	0.0	**0.0**
Total cash items	**0.0**	**0.0**	**594.2**	**0.0**	**594.2**
Translation adjustments	0.0	0.0	0.0	0.0	**0.0**
Fair value adjustments	18.5	0.0	29.9	0.0	**48.4**
Changes in scope of consolidation	0.0	0.0	0.0	0.0	**0.0**
Other movements	0.2	0.0	(5.7)	0.0	**(5.5)**
Total non-cash items	**18.7**	**0.0**	**24.2**	**0.0**	**42.9**
30.06.2021	**2.9**	**1,881.3**	**7,442.5**	**0.0**	**9,326.7**

Reconciliation of cash and cash equivalents reported in the consolidated balance

(In € millions)	**30.06.2022**	30.06.2021
Cash and cash equivalents (reported in the consolidated balance sheet)	2,130.0	1,394.9
Operating liabilities due to banks	(1,079.9)	(154.0)
Securities held for trading	18,567.1	16,622.9
TOTAL (REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS)	**19,617.2**	**17,863.9**

Cash and cash equivalents reported in the consolidated statement of cash flows correspond to:

- cash and cash equivalents reported in the consolidated balance sheet under assets;
- operating liabilities due to banks corresponding to short-term bank loans and overdrafts other than financing liabilities, reported in the consolidated balance sheet under liabilities;
- securities held for trading, consisting of money market mutual funds reported in the consolidated balance sheet under “Insurance investments”.

SIGNIFICANT EVENTS OF FIRST-HALF 2022 AND SUBSEQUENT EVENTS

Note 1 Significant events of first-half 2022

€500.0 million Tier 3 subordinated notes issue

On 21 January 2022, CNP Assurances completed a €500.0 million subordinated notes issue. The seven-year notes due 27 January 2029 pay interest at 1.25%.

They qualify as Tier 3 capital under Solvency II.

CNP Assurances acquires a portfolio of over 7,600 housing units from CDC Habitat

On 9 March 2022, CNP Assurances acquired from CDC Habitat a portfolio of over 7,600 affordable housing units of high environmental quality worth €2.4 billion.

Following this acquisition, CNP Assurances holds 85% of the company Lamartine, created for this transaction and managed by Ampère Gestion, a subsidiary of CDC Habitat, which retains 15% of the capital.

The entity has been fully consolidated since June 2022.

CNP Assurances announces the signing of a share purchase agreement with Mediterráneo Vida relating to its subsidiary CNP Partners

On 5 May 2022, CNP Assurances signed an agreement to sell its Spanish life insurance subsidiary CNP Partners to Mediterráneo Vida.

CNP Partners is a life insurance company mainly dedicated to traditional savings products in Spain and Italy in an open model. At 31 December 2021, its premium income and net profit represented 0.75% and 0.01% respectively of the Group’s total.

CNP Partners will continue to be fully consolidated until the sale closes, with all related assets and liabilities recognised in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” at 30 June 2022.

The completion of this transaction remains subject to various conditions precedent, including the obtaining of authorisation from the competent authorities in prudential matters. Subject to these authorisations being obtained, the transaction is expected to be completed in the second half of 2022.

Simplified tender offer for CNP Assurances shares by La Banque Postale

The offer took place during May 2022. At the close of the offer period, La Banque Postale applied to the AMF for the implementation of a squeeze-out procedure to acquire the CNP Assurances shares not tendered to the offer.

At 30 June 2022, La Banque Postale held 99.94% of the capital of CNP Assurances. The remaining shares are held by CNP Assurances in treasury.

Note 2 Subsequent events

CNP Assurances acquires Swiss Life's minority stake in Assuristance, a holding company of Filassistance International

In accordance with the provisions of the shareholders' agreement, CNP Assurances is to acquire Swiss Life France's 34% equity stake in Assuristance, the holding company of Filassistance International.

Subject to obtaining the requisite regulatory approvals, CNP Assurances, which already held 66% of Assuristance's share capital, will become the sole shareholder by autumn 2022.

The acquisition includes a commitment to continue the partnership between Swiss Life France and Filassistance International.

CNP Assurances pursues its international growth strategy and signs an agreement with UniCredit to rationalise the organisation of CNP Assurances' Italian operations

Following its acquisition of Aviva's life insurance businesses in Italy last year, CNP Assurances is pressing ahead with its international growth strategy by signing an agreement with UniCredit, its historical partner, including the following components:

- acquisition by CNP Assurances of UniCredit's 49% stake in CNP Vita Assicura S.p.A. for €500 million, enabling CNP Assurances to increase its stake in CNP Vita Assicura S.p.A to 100%;
- sale of 6.5% of CNP UniCredit Vita S.p.A. ("CUV") to UniCredit for €70 million, with CNP Assurances keeping a controlling stake of 51% in CUV.

This transaction allows CNP Assurances to rationalise the organisation of its Italian operations and pursue its development in the country.

The acquisition price for 49% of CNP Vita Assicura S.p.A will be financed by CNP Assurances using its own resources. The estimated impact on the Group's SCR coverage ratio will be around -1 point.

Completion of the transaction is subject to obtaining the requisite approvals by the competent authorities.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Note 3 Summary of significant accounting policies

CNP Assurances SA, the parent company of the Group, is a *société anonyme* (public limited company) with a Board of Directors, governed by the French Insurance Code (*Code des assurances*). It has fully paid-up share capital of €686,618,477. The Company is registered in the Paris Trade and Companies Register under no. 341 737 062.

The registered office is located at 4, place Raoul-Dautry, 75015 Paris.

The Group's principal business is the writing of personal insurance. CNP Assurances' corporate purpose is to:

- write accidental injury and health insurance;
- write bodily injury insurance covering accident and health risks;
- hold majority interests in insurance companies.

The consolidated financial statements for the six months ended 30 June 2022 include the financial statements of the Company and its subsidiaries, as well as the Group's interests in the results and net assets of jointly-controlled entities and associates. They were approved by the Board of Directors on 27 July 2022.

3.1 Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". As required by IAS 34, the accounting policies applied by the Group to prepare the interim consolidated financial statements were the same as those used for the annual financial statements.

The Group entities all apply Group accounting policies, as presented in these notes. The accounting policies comply with those used to prepare the financial statements for the year ended 31 December 2021, with the exception of the standards, amendments and interpretations listed below, effective for 2022 financial statements.

3.1.1 New accounting standards adopted since 1 January 2022

The amendments to IFRS 3, IAS 16 and IAS 37 and the Annual Improvements to IFRSs 2018-2020 Cycle, applicable for annual reporting periods beginning on or after 1 January 2022, did have a material impact on the Group's consolidated financial statements.

3.1.2 Deferred application of IFRS 9 (IFRS 4 amendment)

The final version of IFRS 9 "Financial Instruments" was published on 24 July 2014 and was adopted by the European Union on 22 November 2016. It is effective for accounting periods beginning on or after 1 January 2018.

However, the Group has elected to apply the option of deferring application until 1 January 2023 (see below).

IFRS 9, which replaces IAS 39 "Financial Instruments", sets down accounting principles and disclosure requirements for financial assets and liabilities.

The final version consolidates the three core phases, i.e., classification and measurement, impairment and hedge accounting.

3.1.2.1 Main provisions of IFRS 9

3.1.2.1.1 Classification and measurement

IFRS 9 introduces a standard approach to classification and measurement of financial assets and contains only three classification categories: amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL).

As far as debt instruments are concerned, the assessment is based around two criteria that determine how a financial asset should be classified and measured:

- the business model that the entity uses for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

IFRS 9 introduces two types of business model for debt instruments that pass the Solely Payments of Principal and Interest (SPPI) test:

- the financial asset is held within a business model whose objective is to collect the contractual cash flows. If this is the case, the financial asset is measured at amortised cost;
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. If so, the financial asset must be measured at FVTOCI.

All other financial assets must be measured at FVTPL. An entity may designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an inconsistency in valuation methods or accounting treatment (sometimes referred to as an accounting mismatch).

Equity instruments are always measured at FVTPL with the exception of those not held for trading. An entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading (including realised gains and losses). Only dividends received from such investments are to be recognised in profit or loss.

IFRS 9 retains the accounting treatment of financial liabilities but adds guidance on certain issues, notably the impact of changes in own credit risk in profit or loss when non-trading financial liabilities are measured at fair value.

3.1.2.1.2 Impairment

IFRS 9 also introduces a new debt instrument impairment model that involves writing off expected credit losses at initial recognition. Under IAS 39, impairment losses were only taken if there was a recognised risk due to the existence of one or more objective indicators of impairment.

Under the new model, assets move through three stages:

- At investment: the entity recognises 12-month expected credit losses and interest income is calculated on the gross carrying amount of the instrument.
- Stage 2: if there has been a significant increase in credit risk since initial recognition, lifetime expected credit losses are recognised, but interest income is still calculated on the gross carrying amount of the asset.
- Stage 3: if a credit event affects the issuer, lifetime expected credit losses are recognised and interest income is calculated on the net carrying amount.

3.1.2.1.3 Hedge accounting

IFRS 9 broadens hedge accounting eligibility criteria in exchange for greater transparency in risk management disclosure.

The new model marks an important change that aligns hedge accounting more closely with risk management and enables entities to disclose these activities more effectively in their financial statements. For example, IFRS 9 allows entities to hedge the risk components of non-financial items and homogeneous groups of items for all types of risk on a net basis.

IFRS 9 changes certain aspects relating to hedging instruments. In particular, changes in the fair value of the time value of an option used as a hedging instrument may be recognised in other comprehensive income (OCI). Eligibility also extends to the forward element of a forward contract or the foreign currency basis spread, thus reducing volatility in the income statement.

The standard also makes hedge effectiveness testing less rigid. Retrospective and prospective testing (using the 80% to 125% “bright line”) is replaced by a single prospective test based on three effectiveness requirements: there is “an economic relationship” between the hedged item and the hedging instrument; the effect of credit risk does not “dominate the value changes” that result from that economic relationship; and the hedge ratio is consistent with the entity’s risk management approach.

3.1.2.2 IFRS 9 transition arrangements under the deferral approach

IFRS 9 was adopted on 22 November 2016 for use in the European Union for accounting periods beginning on or after 1 January 2018. However, the Group has deferred application until 2023 as its activities are predominantly related to insurance.

In light of the publication on 12 September 2016 by the IASB of an amendment to IFRS 4 “Insurance Contracts” describing how insurance undertakings should apply IFRS 9 in conjunction with IFRS 4. This amendment, which was adopted by the European Commission on 3 November 2017, was issued in response to the need to align first-time adoption of IFRS 9 with that of the new insurance standard (IFRS 17), and provided an optional temporary exemption from applying IFRS 9 until 1 January 2021 (the “deferral approach”). An amendment to IFRS 4 published on 25 June 2020 extends the optional temporary exemption from applying IFRS 9 until 1 January 2023.

All traditional insurance companies have the automatic right to apply the deferral approach.

Application of the deferral option enables the Group to continue accounting for financial assets in accordance with IAS 39 until 2023.

CNP Assurances fulfils the eligibility criteria for adopting the deferral approach. As of 31 December 2015, its insurance business represented more than the 90% threshold for applying this approach.

During the deferral period, IFRS 4 requires additional disclosures including the results of “SPPI” testing and the reporting entity’s credit risk exposure.

The SPPI test requires that the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

The additional annual disclosures include:

- the results of SPPI testing for financial assets that are not measured at fair value through profit or loss;
- the credit quality of debt instruments that meet the SPPI test criteria.

3.1.3 Main accounting standards and interpretations approved by the European Union but not yet in force

3.1.3.1 IFRS 17 “Insurance contracts”

IFRS 17 “Insurance Contracts” was published on 18 May 2017, and an amended version was published on 25 June 2020. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. It replaces IFRS 4 for annual reporting periods beginning on or after 1 January 2023 (with comparative information for 2022 to be presented on the same basis).

IFRS 17 will apply to:

- written insurance and reinsurance contracts;
- all reinsurance contracts giving rise to a significant insurance risk;
- investment contracts with a discretionary participation feature.

The new standard requires the insurance component of each contract to be recognised separately from the other components, such as:

- certain embedded derivatives;
- separate investment components;

- other performance obligations, for example a promise to transfer non-insurance goods or services.

These components will be recognised and measured separately in accordance with the standard that would apply to them if they were separate contracts.

When an insurance or reinsurance contract is written, the liability will be measured according to the Building Block Approach (BBA), based on the following blocks:

- discounted present value of future cash flows that relate directly to the fulfilment of the contractual obligations (fulfilment cash flows);
- a risk margin reflecting the uncertainty about the amount and timing of these cash flows;
- a Contractual Service Margin (CSM).

The CSM represents the unearned profit of the group of insurance contracts that the entity will recognise as it provides services in the future. It is included in deferred revenue on the liabilities side of the balance sheet and recognised in income as the services are provided. If the group of insurance contracts is expected to generate a loss, rather than recording a negative CSM, the expected loss is recognised immediately in profit or loss when the contracts are written.

A second model – the Variable Fee Approach (VFA) – is applicable to insurance contracts with direct participation features that contain the following conditions:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the entity expects to pay the policyholder an amount equal to a substantial share of the fair value of returns from the underlying items;
- a substantial proportion of the cash flows the entity expects to pay to the policyholder are expected to vary in line with changes in the fair value of the underlying items.

In addition to the General Model (BBA), IFRS 17 also includes an optional simplified measurement approach – the Premium Allocation Approach (PAA) – which may be applied to:

- all insurance contracts other than those with direct participation features, provided that the PAA produces a measurement of the liability that would not be materially different from that produced applying the BBA;
- contracts with a short duration (coverage period of one year or less).

For the purpose of applying the PPA, the initial liability corresponds to the premiums received at initial recognition and no CSM is calculated. Acquisition costs may be deferred in assets or recognised as an expense.

Under IFRS 17, insurance liabilities will be measured at a more granular level. Specifically, they will be divided into portfolios, as follows:

- each portfolio will comprise contracts subject to similar risks that are managed together. A portfolio will not contain contracts written more than one year apart;
- each portfolio will be divided into three accounting groups when the contracts are initially recognised, for the calculation and tracking of the contractual service margin (CSM). The groups are as follows:
    - contracts that are onerous at initial recognition,
    - contracts that at initial recognition have no significant possibility of becoming onerous,
    - other contracts.

Application of IFRS 17 will have a significant impact on the Group's consolidated financial statements:

- it will modify the presentation of the balance sheet and the notes;
- the consolidated income statement will be renamed the statement of financial performance and will comprise two key indicators:
    - insurance service result, corresponding to insurance revenue less amortisation of the CSM and the risk adjustment, the experience adjustment (difference between expected claims and expenses and paid claims and expenses) and expenses on onerous contracts,
    - investment income or expense;
- it would also lead to a major reorganisation of management processes, including statutory accounting, account closing, management accounting and internal and external reporting systems;

- actuarial modelling tools would also be affected;
- in addition, the internal organisation of accounting processes will need to be adjusted, with the introduction of new measurement, consolidation and reporting processes.

The effects of applying IFRS 17 are currently being analysed by the Group. IFRS 9 “Financial Instruments” replaces IAS 39 as from the same dates and the effects of applying these two new standards are being analysed jointly.

IFRS 17 was adopted by the European Union (EU) on 19 November 2021. The EU provides an optional exemption from applying the annual cohort requirement. If the exemption is used, this must be disclosed in the notes to the financial statements.

3.1.3.2 Amendments to the following standards

The amendments to IAS 1 and IAS 8 published on 12 February 2021 will be applicable from 1 January 2023.

3.1.4 Main standards and interpretations published but not yet approved by the European Union

The published amendments to IAS 1 “Presentation of Financial Statements: Classification of Liabilities as Current or Non-current”, IAS 12 and IFRS 17 – Comparative Information, are applicable to financial periods beginning on or after 1 January 2023.
The Group is currently studying the potential impact of the amendments not applicable from 1 January 2022.

3.2 Basis of preparation of the consolidated financial statements

The consolidated financial statements are presented in millions of euros, rounded up or down to the nearest decimal.

They have been prepared according to the cost model, except for (i) insurance assets and liabilities and assets and liabilities related to investment contracts with a discretionary participation feature (DPF) which are measured in accordance with Group accounting policies, and (ii) financial assets at fair value through profit or loss (financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss), available-for-sale financial assets, investment property held in unit-linked portfolios and derivative instruments separated from their host contracts, which are measured using the fair value model.

Non-current assets and groups of assets held for sale are measured at the lower of their carrying amount and their fair value less costs to sell, with the exception of deferred tax assets, assets generated by employee benefits, financial assets, investment property measured at fair value, biological assets and assets arising under insurance contracts, all of which are measured using their own specific valuation basis.

The preparation of financial statements in accordance with IFRSs requires the use of estimates and assumptions that have an impact on the application of accounting policies and on the reported amounts of assets and liabilities, income and expenses. The main balance sheet headings concerned by such estimates and assumptions include goodwill (particularly with regard to impairment testing), the Value of In-Force business, assets measured at fair value not quoted in an active market, insurance-related assets and liabilities (technical reserves, deferred participation assets and deferred participation reserves) and deferred taxes.

These estimates and the underlying assumptions are based on past experience, regulatory information, generally accepted actuarial principles and other factors considered reasonable under the circumstances and they are subject to sensitivity analyses when this is required by regulations or when such tests back up the assumptions made by the Group.

They serve as the basis for the exercise of judgement in determining the carrying amounts of assets and liabilities which cannot be obtained directly from other sources. Actual values may be different from these estimates. Estimates and the underlying assumptions are reviewed at regular intervals.

The effects of changes in accounting estimates are recognised in the period in which the change occurs.

The accounting policies described below have been applied consistently to all periods presented in the consolidated financial statements.

They have been applied uniformly by all Group entities.

SCOPE OF CONSOLIDATION

Note 4 Scope of consolidation

4.1 Scope of consolidation and associated companies

The consolidated financial statements include the financial statements of subsidiaries, jointly-controlled entities and associates. Other than the regulatory capital requirements of the insurance subsidiaries, the Group does not have any restrictions limiting its access to assets or settling the liabilities of the entities within its scope of consolidation.

Subsidiaries

A subsidiary is an entity controlled by the Company. Control is a function of three elements: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and the ability to use power over the investee to affect the amount of the investor's returns.

Power results from existing rights that give the current ability to direct an investee's relevant activities. The rights that confer power may differ depending on the investee's purpose and design, structure, the nature of its relevant activities or the way in which decisions about the investee are taken. It is generally voting or similar rights that give an investor power, either individually or in combination with other arrangements. If contractual arrangements have a bearing on the relevant activities, they need to be analysed to determine whether rights held are sufficient to confer power. In circumstances where it is difficult to determine whether an investor's rights are sufficient to give it power over an investee, it may be necessary to consider evidence of whether it has the practical ability to direct the relevant activities unilaterally.

Exposure or rights to variable returns from involvement with the investee are assessed based on the investor's returns from existing arrangements which have the potential to vary as a result of the investee's performance. An investor assesses whether returns from an investee are variable and how variable those returns are on the basis of the substance of the arrangement and regardless of the legal form of the returns.

Control results not merely from power over the investee and exposure to variable returns, but from the ability to use power over the investee to affect the amount of the investor's returns from its involvement with the investee. Thus, an investor with decision-making rights must determine whether it is acting as a principal or an agent.

Subsidiaries are fully consolidated.

New subsidiaries are consolidated from the date when control is acquired. Divested subsidiaries are consolidated up to the date when control is relinquished.

The materiality of these non-controlling interests is assessed based on the percentage interest in the share capital of the subsidiary, as well as their impact on the consolidated financial statements.

Jointly-controlled entities (joint arrangements)

A jointly-controlled entity is a contractual arrangement whereby the Group and one or more other parties exercise joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. There are two types of joint arrangement:

- joint operations: a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. Each joint operator accounts for the assets, liabilities, revenues and expenses relating to its interest in the joint operation and in accordance with the applicable IFRSs;
- joint ventures: a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Each joint venturer recognises its interest in the joint venture as an investment using the equity method.

The consolidated financial statements include the Group's interest in the joint venture, recognised using the equity method, from or up to the date when the Group exercises or ceases to exercise joint control.

Associates

An associate is an entity over which the Group has significant influence. Significant influence is defined as the power to participate in the financial and operating policy decisions of the associate.

It is presumed to be exercised when the Group holds at least 20% of the associate's voting rights, directly or indirectly. However, this is only one of the criteria used, and the existence or absence of significant influence may be determined on the basis of other factors, regardless of the percentage of voting rights held. Other indicators of significant influence include representation on the Board of Directors or equivalent governing body of the associate and material transactions between CNP Assurances and the associate.

The consolidated financial statements include the Group's share of the net assets and profits of associates, recognised using the equity method, from or up to the date when the Group exercises or ceases to exercise significant influence.

If the Group's share of an associate's losses is equal to or greater than the carrying amount of its investment in the entity concerned, the investment is reduced to zero and recognition of the Group's share of future losses is discontinued, unless the Group has incurred legal or constructive obligations to bear a portion of future losses or to make payments on behalf of the associate.

This exemption, provided for in paragraph 18 of IAS 28, is used on a case-by-case basis when the value of an investment in a company over which the Group exercises significant influence is determined on the basis of participatory contracts (see Note 8.2).

4.2 Business combinations and other changes in scope of consolidation

Business combinations in which the Group acquires control of one or more businesses are recognised using the purchase method.

Business combinations carried out prior to 1 January 2010 are recognised in accordance with the accounting principles used to prepare the financial statements for the year ended 31 December 2009. Non-controlling interests (also known as minority interests) are measured at the Group's proportionate share in the acquiree's net revalued assets, while adjustments to contingent consideration are treated as an adjustment to the cost of the combination.

Business combinations that took place after 1 January 2010 are recognised and measured in accordance with revised IFRS 3. Consideration transferred (acquisition cost) is measured at the acquisition-date fair value of the assets transferred, liabilities incurred and equity interests issued by the buyer. The acquiree's identifiable assets and liabilities are generally measured at fair value at the acquisition date. Costs directly attributable to the business combination are expensed as incurred.

Any excess of the consideration transferred over the Group's proportionate share in the net fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. Non-controlling interests may be measured at fair value (full goodwill method) on a case-by-case basis.

Goodwill is calculated at the date control is obtained and is not adjusted after the end of the measurement period. No additional goodwill is recognised on subsequent acquisitions of non-controlling interests.

Acquisitions and disposals of non-controlling interests are recognised directly in equity.

If the consideration transferred is lower than the Group's proportionate share in the net assets of the acquiree measured at fair value, the difference is recognised directly in profit or loss for the period.

The initial accounting for a business combination must be completed within 12 months of the acquisition date. This timeline applies to the measurement of identifiable assets and liabilities, consideration transferred and non- controlling interests. In principle, any adjustments made after the measurement period affecting financial assets or liabilities are recognised in profit or loss, unless they concern errors whose correction leads to an adjustment of the purchase price allocation.

4.3 Intragroup transactions

All transactions and balances between fully consolidated companies and all intragroup income and expenses are eliminated in full. Losses resulting from the impairment of an asset transferred in an intragroup transaction are not eliminated.

4.4 Foreign currency translation into the Group's presentation currency

The functional currency of subsidiaries, in which the majority of transactions are denominated, is their local currency.

Assets and liabilities of international operations – mainly international subsidiaries and independent branches – including goodwill and fair value adjustments recorded on consolidation, are translated into euros, i.e., the Group's presentation currency, at the closing exchange rate.

Income and expenses of international operations are translated at the exchange rate on the transaction date. For practical reasons, the average exchange rate for the period is used as the rate on the transaction date for currencies that have been subject to only limited fluctuations during the period.

Translation differences between the exchange rates used to translate assets and liabilities, and those used to translate income and expenses are recognised separately in equity as a translation adjustment.

4.5 Consolidated companies and percentage of voting rights

Company	Consolidation method	Country/City	Business	30.06.2022 % rights	30.06.2022 % interest	31.12.2021 % rights	31.12.2021 % interest
1. Strategic subsidiaries							
CNP Assurances	Full	France/Paris	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Caution	Full	France/Paris	Insurance	100.00%	100.00%	100.00%	100.00%
Arial CNP Assurances	Equity method	France/Mons-en-Baroeul	Insurance	40.00%	40.00%	40.00%	40.00%
MFPrévoyance SA	Full	France/Paris	Insurance	100.00%	100.00%	100.00%	100.00%
Assuristance	Equity method	France/Paris	Insurance	66.00%	66.00%	66.00%	66.00%
Filassistance International	Equity method	France/Paris	Insurance	66.00%	66.00%	66.00%	66.00%
CNP Assurances Compañia de Seguros	Full	Argentina/Buenos Aires	Insurance	76.47%	76.47%	76.47%	76.47%
CNP SA de Capitalización y Ahorro p/ fines determinados	Full	Argentina/Buenos Aires	Insurance	65.38%	50.00%	65.38%	50.00%
CNP Assurances Latam Holding Ltda	Full	Brazil/Brasilia	Holding co.	100.00%	100.00%	100.00%	100.00%
CREDICOOP Compañia de Seguros de Retiro SA(1)	Equity method	Argentina/Buenos Aires	Insurance	29.82%	29.82%		
Provincia Seguros de Vida SA(1)	Equity method	Argentina/Buenos Aires	Insurance	40.00%	40.00%		
CNP Seguros Holding Brasil SA	Full	Brazil/Brasilia	Holding co.	51.75%	51.75%	51.75%	51.75%
CNP Participações Securitarias Brasil Ltda	Full	Brazil/Brasilia	Holding co.	100.00%	51.75%	100.00%	51.75%
Caixa Seguradora SA	Full	Brazil/Brasilia	Insurance	100.00%	51.75%	100.00%	51.75%
CNP Capitalização SA	Full	Brazil/Brasilia	Savings	51.00%	26.39%	51.00%	26.39%
CNP Consórcio SA Administradora de Consórcios(2)	Full	Brazil/Brasilia	Other	100.00%	51.75%	100.00%	51.75%
Youse Tecnologia e Assistencia EM Seguros Ltda(3)	Full	Brazil/Brasilia	Other	100.00%	51.75%	100.00%	51.75%
Caixa Seguradora Especializada EM Saúde SA	Full	Brazil/São Paulo	Insurance	100.00%	51.75%	100.00%	51.75%
Companhia de Seguros Previdencia Do Sul-Previsul	Full	Brazil/São Paulo	Insurance	100.00%	51.75%	100.00%	51.75%
Wiz Soluçoes e Corretagem de Seguros SA	Equity method	Brazil/Brasilia	Brokerage	25.00%	12.94%	25.00%	12.94%
Odonto Empresas Convênios Dentários Ltda	Full	Brazil/São Paulo	Insurance	100.00%	51.75%	100.00%	51.75%
CNP Seguros Participações em Saúde Ltda(4)	Full	Brazil/Brasilia	Holding co.	100.00%	51.75%	100.00%	51.75%
CNP UniCredit Vita	Full	Italy/Milan	Insurance	57.50%	57.50%	57.50%	57.50%
CNP Vita Assicurazione	Full	Italy/Milan	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Vita Assicura	Full	Italy/Milan	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Partners	Full	Spain/Madrid	Insurance	100.00%	100.00%	100.00%	100.00%
Montparvie V	Full	France/Paris	Holding co.	100.00%	100.00%	100.00%	100.00%
CNP Cyprus Insurance Holdings	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprus Properties	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprus Tower Ltd	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Zois	Full	Greece/Athens	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Praktoriaki	Full	Greece/Athens	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Cyprialife	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Asfalistiki	Full	Cyprus/Nicosia	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Luxembourg	Full	Luxembourg	Insurance	100.00%	100.00%	100.00%	100.00%
CNP Santander Insurance Life Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%

Company	Consolidation method	Country/City	Business	30.06.2022 % rights	30.06.2022 % interest	31.12.2021 % rights	31.12.2021 % interest
CNP Santander Insurance Europe Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Santander Insurance Services Ireland Ltd	Full	Ireland/Dublin	Insurance	51.00%	51.00%	51.00%	51.00%
CNP Europe Life	Full	Ireland/Dublin	Insurance	100.00%	100.00%	100.00%	100.00%
Sogestop K	Full	France/Paris	Holding co.	100.00%	100.00%	100.00%	100.00%
Holding XS 1 SA	Full	Brazil/Brasilia	Holding co.	51.00%	40.00%	51.00%	40.00%
XS5 Administradora de consorcios SA	Equity method	Brazil/Brasilia	Other	50.01%	25.00%	50.01%	25.00%
XS2 Vida e Previdência SA	Full	Brazil/Brasilia	Insurance	100.00%	40.00%	100.00%	40.00%
Caixa Vida e Previdência	Full	Brazil/Brasilia	Insurance	100.00%	40.00%	100.00%	40.00%
CNP Assurances Participações Ltda	Full	Brazil/Brasilia	Holding co.	100.00%	100.00%	100.00%	100.00%
2. Mutual fund units							
Univers CNP 1 FCP	Full	France/Paris	Mutual fund	100.00%	100.00%	100.00%	100.00%
CNP Ostrum ISR Obli 12 Mois	Full	France/Paris	Mutual fund	98.32%	98.32%	98.59%	98.59%
CNP Assur Trésorerie Plus	Full	France/Paris	Mutual fund	98.12%	98.12%	98.12%	98.12%
Ecureuil Profil 90	Full	France/Paris	Mutual fund	56.69%	56.69%	56.86%	56.86%
Vivaccio ISR actions	Full	France/Paris	Mutual fund	100.00%	100.00%	100.00%	100.00%
OPCVM Caixa Seguradora SA	Full	Brazil/Brasilia	Mutual fund	100.00%	51.75%	100.00%	51.75%
OPCVM CNP Capitalização SA(5)	Full	Brazil/Brasilia	Mutual fund	100.00%	26.39%	100.00%	26.39%
OPCVM Caixa Vida e Previdência	Full	Brazil/Brasilia	Mutual fund	100.00%	40.00%	100.00%	40.00%
OPCVM CNP Consórcio SA(6)	Full	Brazil/Brasilia	Mutual fund	100.00%	51.75%	100.00%	51.75%
OPCVM Holding Caixa Seguros Holding SA	Full	Brazil/Brasilia	Mutual fund	100.00%	51.75%	100.00%	51.75%
3. Property companies and others							
AEP3 SCI	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
CIMO	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
AEP4 SCI	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
SICAC	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
CNP Immobilier	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
Issy Coeur de Ville (ICV)	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
Assurimmeuble	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI MTP Invest	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI AEW Imcom 1	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI AEP247	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
LBP Actifs Immo	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
SAS Alleray	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
OPCI Raspail	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
Outlet Invest	Full	France/Paris	Real estate	100.00%	100.00%	100.00%	100.00%
SCP Lamartine Euros(1)	Full	France/Paris	Real estate	100.00%	100.00%		
SCP Lamartine Monitoring Holding(1)	Full	France/Paris	Real estate	100.00%	100.00%		
SCI Lamartine(1)	Full	France/Paris	Real estate	85.00%	85.00%		

Company	Consolidation method	Country/City	Business	30.06.2022 % rights	30.06.2022 % interest	31.12.2021 % rights	31.12.2021 % interest
Fundo De Investimento Imobiliario Renda Corporativa Angico – FII	Full	Brazil/São Paulo	Real estate	100,00%	48,81%	100,00%	48,81%
Assurbail Patrimoine	Full	France/Paris	Real estate	100,00%	100,00%	100,00%	100,00%
Ecureuil Vie Développement	Equity method	France/Paris	Brokerage	49,00%	49,00%	49,00%	49,00%
Coentreprise de Transport d'Electricité(7)	FV	France/Paris	Energy	20,00%	20,00%	20,00%	20,00%
Infra-Invest	Full	Luxembourg	Infrastructure	100,00%	100,00%	100,00%	100,00%
Infra-Invest Holding	Full	France/Paris	Infrastructure	100,00%	100,00%	100,00%	100,00%
Infra-Invest France	Full	France/Paris	Infrastructure	100,00%	100,00%	100,00%	100,00%
Holding d'Infrastructures Gazières (sub scope)	Equity method	France/Paris	Energy	53,00%	53,00%	53,00%	53,00%

(1) Companies consolidated for the first time
(2) Caixa Consórcios SA Administradora de Consórcios is now called CNP Consórcio SA Administradora de Consórcios
(3) Caixa Seguros Assessoria e Consultoria Ltda is now called Youse Tecnologia e Assistencia EM Seguros Ltda
(4) Caixa Seguros Participações em Saúde Ltda is now called CNP Seguros Participações em Saúde Ltda
(5) OPCVM Caixa Capitalização SA is now called OPCVM CNP Capitalização SA
(6) OPCVM Caixa Consórcios is now called OPCVM CNP Consórcio SA
(7) The investment in Coentreprise de Transport d'Electricité (CTE) is mainly in representation of participatory contracts. For this reason, the Group has chosen to use the exemption from applying the equity method provided for in paragraph 18 of IAS 28 and to measure the CTE shares at fair value through profit or loss

ANALYSIS OF THE MAIN COMPONENTS OF THE BALANCE SHEET

Note 5 Equity

Components of equity

Equity includes share capital, retained earnings, unrealised gains and losses from remeasurement at fair value of available-for-sale financial assets net of tax and shadow accounting adjustments, adjustments to the capitalisation reserve and subordinated debt instruments classified in equity due to the discretionary nature of interest payments (see Note 5.4).

Capital management

Under European insurance directives, the Group is required to comply with certain Minimum Capital Requirements at the level of the Company and of each of its European insurance subsidiaries, as well as at the consolidated level.

At 30 June 2022, the insurance subsidiaries and the Group as a whole complied with these minimum Solvency Capital Requirements.

Compliance with these requirements is regularly monitored, primarily through the Own Risk and Solvency Assessments (ORSA) conducted at Group level and at the level of the insurance subsidiaries in accordance with Solvency II. This information and the solvency capital calculations are reported to France's insurance supervisor (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR).

Treasury shares

The Group may acquire treasury shares via the liquidity contract set up for the purpose of stabilising the CNP Assurances share price or allocating shares under employee share grant plans (see Note 15.2.2). Treasury shares are recorded as a deduction from equity in the IFRS accounts.

5.1 Ownership structure

Shareholder	Number of shares	% interest
La Banque Postale[1]	686,244,403	99.94%
CNP Assurances (treasury shares)	374,074	0.06%
TOTAL	**686,618,477**	**100.00%**

[1] 99.94% ownership following the success of the simplified tender offer initiated by La Banque Postale

5.2 Number of shares

Issued capital	Ordinary shares	
	30.06.2022	31.12.2021
Number of shares outstanding at the beginning of the period	686,618,477	686,618,477
Shares issued during the period	0	0
Number of shares outstanding at the end of the period	**686,618,477**	**686,618,477**

5.3 Undated subordinated notes reclassified in equity

Subordinated notes for which the contractual clauses do not stipulate any obligation to repay the nominal amount or pay any compensation are classified as equity instruments. All other dated and undated debt instruments, especially those with a repayment schedule, are classified as financing liabilities in accordance with IAS 32.

(In € millions)	Issuance date	30.06.2022 Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**1 881,3**
CNP Assurances	June 2004	Tec 10 +10 bps, capped at 9%	€	300,0
	March 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	€	225,0
	March 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	€	23,8
	June 2005	7% until June 2010, then 10-year CMS +30 bps	€	75,0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bps (including 100 bps step-up at call date)	€	160,0
	December 2006	3-month Euribor +95 bps until 20 December 2026, then 3-month Euribor +195 bps	€	108,0
	November 2014	4% until November 2024, then reset at the 5-year fixed swap rate +410 bps	€	493,6
	June 2018	4.75% until 2028, then reset at the 5-year fixed swap rate +391.4 bps	€	496,0
TOTAL				**1 881,3**

(In € millions)	Issuance date	31.12.2021 Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**1 881,3**
CNP Assurances	June 2004	Tec 10 +10 bps, capped at 9%	€	300,0
	March 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	€	225,0
	March 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	€	23,8
	June 2005	7% until June 2010, then 10-year CMS +30 bps	€	75,0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bps (including 100 bps step-up at call date)	€	160,0
	December 2006	3-month Euribor +95 bps until 20 December 2026, then 3-month Euribor +195 bps	€	108,0
	November 2014	4% until November 2024, then reset at the 5-year fixed swap rate +410 bps	€	493,6
	June 2018	4.75% until 2028, then reset at the 5-year fixed swap rate +391.4 bps	€	496,0
TOTAL				**1 881,3**

Note 6 Intangible assets

6.1 Intangible assets by category

(In € millions)	30.06.2022				
	Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	618.5	0.0	(410.9)	0.0	207.6
Value of In-Force business	822.1	(183.0)	(139.4)	0.0	499.7
Carrying amount of distribution agreements	3,968.4	(362.2)	0.0	0.0	3,606.2
Software	423.7	(316.2)	0.0	0.0	107.5
Internally-developed software	179.4	(115.5)	0.0	0.0	63.9
Other software	244.3	(200.7)	0.0	0.0	43.5
Other	19.4	(13.7)	(0.1)	0.0	5.7
TOTAL	**5,852.0**	**(875.1)**	**(550.3)**	**0.0**	**4,426.6**

(In € millions)	31.12.2021				
	Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	598.3	0.0	(408.4)	0.0	189.9
Value of In-Force business	847.7	(156.6)	(158.8)	0.0	532.3
Carrying amount of distribution agreements	3,464.8	(260.5)	0.0	0.0	3,204.4
Software	405.8	(296.8)	0.0	0.0	109.0
Internally-developed software	171.2	(107.7)	0.0	0.0	63.5
Other software	234.6	(189.1)	0.0	0.0	45.4
Other	24.4	(14.3)	(0.1)	0.0	10.1
TOTAL	**5,341.0**	**(728.1)**	**(567.3)**	**0.0**	**4,045.6**

6.2 Goodwill

Goodwill is equal to the difference between the acquisition cost to the buyer and the fair value of the corresponding identifiable assets and liabilities. Negative goodwill is recognised directly in profit or loss.

Positive goodwill is:

- recognised in intangible assets when it arises on the acquisition of entities consolidated by the full consolidation method;
- included in investments accounted for using the equity method when it arises on the acquisition of an entity accounted for using the equity method;
- recognised in the local currency of the acquiree and translated into euros at the closing exchange rate when it arises on the acquisition of an international entity (outside the eurozone).

For impairment testing purposes, goodwill recognised when control is obtained is allocated to cash-generating units (CGUs) or groups of CGUs likely to benefit from the synergies developed within the scope of the business combination resulting from the acquisition. A CGU is defined as the smallest group of identifiable assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Group identifies CGUs by entity or group of similar entities.

When goodwill is positive, it is stated in the balance sheet at cost less any accumulated impairment losses. It is no longer amortised but tested for impairment:

- each year on the same date, usually close to the reporting date; or
- more frequently if events or changing market conditions indicate that it may be impaired since it was last tested for impairment.

An impairment loss is recognised if the recoverable amount of the CGU to which the goodwill has been allocated is less than its carrying amount. The recoverable amount is defined as the higher of its fair value less costs to sell and value in use.

Value in use is generally calculated by the Group as the present value of expected future cash flows from existing portfolios and new business. Projected future revenues are estimated by taking the embedded Value of In-Force insurance policies and financial instruments, and the Value of New Business.

Expected future cash flows are based on the assumption that the business will continue over the long-term and that relations with banking partners will be pursued beyond the renewal date of current agreements, as well as on forecasts that have been validated by the Board of Directors and extrapolated in line with the growth rates generally used within the industry for the businesses concerned, and using conservatively estimated discount rates in line with the weighted average cost of capital. The terminal values of subsidiaries do not assume growth to infinity.

When preparing interim financial statements, the Group performs impairment tests if any single indicator of impairment exceeds the threshold above which an impairment loss is deemed to have occurred.

The Group uses the following indicators proposed under IAS 36 that have been tailored to acquisitions carried out in the insurance sector:

Internal indicators:

- material deterioration in the actual versus budgeted operating results of the CGU;
- prolonged, material deterioration in the value of new business;
- the amount of funds required during and after the acquisition of the CGU in order to keep the business going is considerably higher than initially budgeted for;
- sharp deterioration in the volume of In-Force business (over at least a two-year period).

External indicators:

- local regulatory developments likely to adversely impact the value of the CGU;
- significant economic developments likely to lead to a sharp, prolonged fall in investment yields.

6.2.1 Goodwill by company

(In € millions)	Original goodwill	**Net goodwill at 30.06.2022**	Net goodwill at 31.12.2021
Groupe CNP Seguros Holding	389.9	117.2	100.7
CNP UniCredit Vita	366.5	0.0	0.0
CNP Partners	7.2	0.0	0.0
CNP Cyprus Insurance holdings	81.6	34.8	34.8
CNP Santander Insurance	54.4	54.4	54.4
SCI Lamartine	1.3	1.3	
TOTAL	**900.9**	**207.6**	**189.9**

At 30 June 2022, there were no indications of impairment.

6.2.2 Changes in goodwill for the period

(In € millions)	30.06.2022	31.12.2021
Carrying amount at the beginning of the period	**189.9**	**188.9**
Goodwill recognised during the period(1)	1.3	0.0
Translation adjustments on gross goodwill(2)	16.5	1.0
Other movements	0.0	0.0
Impairment losses recognised during the period	0.0	0.0
Translation adjustment on movements during the period	0.0	0.0
Carrying amount at the end of the period	**207.6**	**189.9**

(1) Acquisition of 85% of SCI Lamartine
(2) Translation adjustments on goodwill for the Brazilian companies CNP Seguradora and Previsul

6.3 Value of In-Force business and distribution agreements

The fair value of insurance contracts and financial instruments with a discretionary participation feature acquired in a business combination or a separate transaction is split into two components, as follows:

- a liability measured in accordance with the Group's accounting policies for insurance contracts and financial instruments with a discretionary participation feature;
- an intangible asset ("Value of In-Force business") representing the difference between the fair value of these contracts and the amount described above.

The Value of In-Force business corresponding to purchased insurance portfolios is generally amortised by the effective interest method over the portfolios' remaining life.

The value of a distribution agreement represents the future cash flows expected to result from new business relating to a partner network falling within the scope of such an agreement. These intangible assets are estimated based on the terms and conditions specific to each agreement, and are amortised over the term of the agreement taking into account a residual value where appropriate.

6.3.1 Value of In-Force business

(In € millions)	Original value	Carrying amount at 30.06.2022	Carrying amount at 31.12.2021
Groupe CNP Seguros Holding	123.5	1.0	1.0
CNP UniCredit Vita	175.3	0.0	0.0
CNP Partners	24.0	0.0	0.4
CNP Assurances Compañia de Seguros	0.9	0.0	0.0
CNP Cyprus Insurance holdings	44.4	6.9	7.2
MFPrévoyance SA	8.3	0.0	0.0
CNP Santander Insurance	14.7	0.3	0.4
Groupe CNP Vita Assicura	523.4	491.5	523.4
TOTAL	**914.4**	**499.7**	**532.3**

6.3.2 Changes in the Value of In-Force business

(In € millions)	30.06.2022	31.12.2021
Gross amount at the beginning of the period	**847.7**	**325.6**
Newly-consolidated companies	0.0	523.4
Translation adjustments	7.9	0.5
Other movements	0.0	(1.8)
Non-current assets held for sale and discontinued operations	(33.5)	0.0
Gross amount at the end of the period	**822.1**	**847.7**
Accumulated amortisation and impairment at the beginning of the period	**(315.4)**	**(313.4)**
Translation adjustments	(7.7)	(0.5)
Amortisation for the period	(32.5)	(2.0)
Other movements	0.0	0.5
Non-current assets held for sale and discontinued operations	33.2	0.0
Accumulated amortisation and impairment at the end of the period	**(322.4)**	**(315.3)**
CARRYING AMOUNT AT THE END OF THE PERIOD	**499.7**	**532.3**

6.3.3 Distribution agreements

The value of distribution agreements (VDA) is recognised in intangible assets at cost less accumulated amortisation and impairment. In addition to being amortised, these assets are tested for impairment:

- for the preparation of the interim and annual financial statements;
- more frequently if events or changing market conditions indicate that it may be impaired since it was last tested for impairment.

An impairment loss is recognised if the VDA's value in use is lower than its carrying amount.

Value in use is generally calculated as the discounted present value of expected future cash flows from new business.

Expected future cash flows are based on the assumption that the business will continue over the long-term and that relations with banking partners will be pursued over the life of the current agreements. Forecast cash flows validated by the Board of Directors are projected using the growth rates generally applied by the market for the businesses concerned and discount rates aligned with the weighted average cost of capital.

(In € millions)	30.06.2022	31.12.2021
Gross amount at the beginning of the period	**3,464.8**	**3,434.2**
Translation adjustments	503.5	30.6
Other movements	0.0	0.0
Gross amount at the end of the period	**3,968.4**	**3,464.8**
Accumulated amortisation and impairment at the beginning of the period	**(260.5)**	**(118.1)**
Amortisation for the period	(79.5)	(141.1)
Translation adjustments	(22.2)	(1.3)
Other movements	0.0	0.0
Accumulated amortisation and impairment at the end of the period	**(362.2)**	**(260.5)**
CARRYING AMOUNT AT THE END OF THE PERIOD	**3,606.2**	**3,204.4**

At 30 June 2022, no impairment losses were recorded on VDAs.

XS2 Vida e Previdência SA

The value of the distribution agreement was initially recognised in intangible assets at cost for €3,579 million, in 2021. It is being amortised by the straight-line method over the 25-year life of the agreement (ending in February 2046). At 30 June 2022, its net carrying amount was €3,364 million.

At 30 June 2022, expected future cash flows were derived from business projections for the period 2022-2031. Beyond 2031, growth assumptions were determined on a product-by-product basis.

CNP Santander Insurance

The gross value of the distribution agreement was initially recognised at cost for €387 million and is being amortised by the straight-line method over the 20-year life of the agreement (2015-2034). At 30 June 2022, its net carrying amount was €242 million.

The asset's value in use is calculated based on its net present value (NPV) extrapolated over the remaining life of the distribution agreement (i.e., until 2034) without taking into account any growth assumptions. The comparative net book value includes recognised earn-out payments.

Note 7 Insurance investments

Classification

Financial assets are allocated among the following four categories, based on the type of portfolio, the type of financial assets, the specific features of certain financial assets and prioritised application of the criteria defining each category:

- financial assets at fair value through profit or loss, corresponding to assets held for trading and assets designated at the outset as being at fair value through profit or loss in accordance with the fair value option. Financial assets allocated to this category include assets backing unit-linked liabilities, assets with an embedded derivative that is separable from the host contract, assets of consolidated mutual funds and derivative instruments;
- held-to-maturity investments, corresponding to fixed-income securities that the Group has the positive intention and ability to hold to maturity. This classification is applied restrictively to certain bonds, held mainly by the Group's Brazilian subsidiary;
- loans and receivables, corresponding to non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than assets classified as held for trading or available-for-sale;
- available-for-sale financial assets, corresponding to assets that are not held with the firm intention of being sold but which the Group may decide to sell, for example to meet its liquidity needs. This classification is applied to assets not classified in any of the above three categories.

Recognition

Financial assets are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recorded on the transaction date.

Financial assets are initially recognised at fair value. The carrying amount includes directly attributable transaction costs, except in the case of financial assets at fair value through profit or loss.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or the asset is transferred in a transaction that transfers substantially all the risks and rewards of ownership of the financial asset.

Valuation method

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently measured at fair value.

Changes in fair value of available-for-sale financial assets are recognised in other comprehensive income, taking into account the impact on liabilities arising from insurance contracts and financial instruments with a discretionary participation feature (DPF) (in accordance with the shadow accounting principle, see Note 8.2) and the deferred tax effect.

Changes in fair value of financial assets at fair value through profit or loss are recognised directly in profit or loss, taking into account the impact on liabilities arising from insurance contracts and financial instruments with DPF (in accordance with the shadow accounting principle, see Note 8.2) and the deferred tax effect.

Loans and receivables and held-to-maturity investments are measured at amortised cost by the effective interest method. Commissions and fees paid or received, directly attributable transaction costs, and all other premiums or discounts are recognised in the income statement over the expected life of the instrument.

Mutual funds and non-trading property companies are fully consolidated (in accordance with IFRS 10) or accounted for by the equity method (in accordance with IAS 28). The level of control of mutual funds is assessed separately for each fund based on the following criteria:

- the relationship between the principal and the agent;
- the Group's power over the fund manager;
- the Group's exposure to variable returns, as assessed by applying a specific threshold.

The item "Liabilities towards holders of units in controlled mutual funds" consists of non-controlling interests in fully consolidated mutual funds. Units in mutual funds are measured using the fund's most recently published net asset value. The underlying financial assets are reported in the consolidated balance sheet under "Insurance investments" based on their contribution to the fund's net asset value.

The fair value of financial instruments for which there is no active market is estimated using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Impairment

Financial assets other than those measured at fair value through profit or loss are tested for impairment at each reporting date. A financial asset has been impaired if there is objective evidence of impairment based on one or a number of events whose impact on the asset's estimated future cash flows may be reliably determined.

Assets measured at amortised cost and debt instruments available for sale

For debt instruments held to maturity or available for sale, an impairment loss related to their fair value is recognised in the income statement if future cash flows are unlikely to be entirely recoverable due to the existence of one or more objective indicators of impairment.

However, downgrading by a rating agency or widening credit spreads do not in themselves constitute objective evidence of impairment. One or a combination of the following factors would constitute objective evidence of impairment:

- a credit event as defined by the International Swaps and Derivatives Association (ISDA), namely bankruptcy of the entity in question, failure to pay, or a reorganisation;
- knowledge of material financial difficulties being experienced by the counterparty that amount to a recognised risk, even in instances where the counterparty has not actually defaulted;
- the existence of certain facilities that would not have been granted to the counterparty in the absence of financial difficulties.

Available-for-sale equity instruments

At each reporting date, available-for-sale equity instruments are reviewed to determine whether there is any objective evidence that they are impaired. This is considered to be the case when there is:

- a prolonged decline in fair value: the market price is less than the average carrying amount over the three years preceding the reporting date; or
- a significant decline in fair value: the market price at the reporting date represents less than 50% of the average carrying amount.

When objective evidence of impairment is detected, the cumulative unrealised loss previously recorded directly in equity is recognised in profit or loss.

Moreover, in all cases where these thresholds have not been exceeded but the market price represents less than 70% of the average carrying amount over the previous six months, the Group systematically tests all equity instruments on an asset-by-asset basis to ascertain whether or not an impairment loss needs to be recognised.

This approach is based on both the materiality of the decline in fair value and the intrinsic underlying features of the valuation for each asset.

Any subsequent decline in fair value is recognised in profit or loss as an impairment expense.

A similar method is employed for unlisted variable-income securities.

Reversals of impairment losses

Available-for-sale financial assets

Impairment losses recognised in the income statement on available-for-sale equity instruments are reversed through profit or loss when the instrument is derecognised.

If the fair value of an available-for-sale debt instrument increases in a subsequent period due to new circumstances, e.g., an improvement in the counterparty's credit rating, the impairment loss is reversed in profit or loss.

Loans and receivables, held-to-maturity investments

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account, provided that the reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The impairment loss is reversed in profit or loss.

Structured entities

CNP Assurances' business involves investing in different types of financial assets both in policyholder and own-fund portfolios as part of asset allocation and financial risk diversification strategies.

Under IFRS 12, structured entities are entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. In the Group's case, mutual funds and asset-backed security funds fulfil the criteria for classification as structured entities.

Details of CNP Assurances' investments in non-consolidated structured entities are disclosed in Note 7.2.4 of the annual financial statements, in compliance with paragraph 26 of IFRS 12 (*"An entity shall disclose qualitative and quantitative information about its interests in unconsolidated structured entities, including, but not limited to, the nature, purpose, size and activities of the structured entity and how the structured entity is financed."*).

7.1 Investment property

Investment property is property (land or building) held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business.

The Group has elected to measure investment property using the cost model, as allowed by IAS 40, except for properties held in unit-linked portfolios which are measured at fair value.

Details of the fair values of properties measured using the cost model are also disclosed in these notes to the financial statements. Fair value corresponds to the probable realisable value of properties and shares in unlisted property companies. It is determined on the basis of five-year valuations performed by a qualified expert recognised by the ACPR. In the period between two five-year valuations, fair value is estimated at each year-end and the amounts obtained are certified by a qualified expert.

Impairment

At the end of each reporting period, properties are assessed to determine whether there is any indication that they may be impaired. One such indicator is a loss of over 20% of the building's value measured against cost. If there is evidence of impairment, CNP Assurances estimates the recoverable amount of the building concerned.

The recoverable amount of a property is the higher of its value in use and its market price less costs to sell, as determined by annual independent valuations of the Group's entire property portfolio.

The purpose of this note is to show depreciation and impairment losses recognised/reversed during the period through profit or loss in respect of property and the captions impacted by the movements.

It presents:

- the gross carrying amount and accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period;
- a reconciliation of the carrying amounts of investment property at the beginning and end of the period, showing (i) additions; (ii) disposals; (iii) depreciation; (iv) impairment losses recognised and reversed during the period; (v) the net exchange differences arising on the translation of the financial statements into a different presentation currency, and on translation of an international transaction into the presentation currency of the reporting entity; (vi) transfers to and from inventories and owner-occupied property and (vii) other changes;
- the fair value of investment properties held in unit-linked portfolios.

Carrying amount of investment property *(In € millions)*	**30.06.2022**	31.12.2021
Investment property measured by the cost model		
Gross value	2,851.9	925.8
Accumulated depreciation	(259.7)	(246.2)
Accumulated impairment losses	(9.7)	(6.4)
Carrying amount	**2,582.5**	**673.2**
Investment property measured by the fair value model		
Gross value	2,385.7	2,049.7
TOTAL INVESTMENT PROPERTY	**4,968.2**	**2,722.9**

Investment property at amortised cost *(In € millions)*	**30.06.2022**	31.12.2021
Carrying amount at the beginning of the period	**673.2**	**705.7**
Acquisitions	22.5	58.3
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	1,919.8	0.0
Disposals	(14.6)	(77.1)
Depreciation for the period	(11.0)	(15.2)
Impairment losses recognised during the period	(3.4)	(3.5)
Impairment losses reversed during the period	0.1	1.1
Translation adjustments	2.9	0.2
Other movements	0.0	3.7
Non-current assets held for sale and discontinued operations	(6.9)	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**2,582.5**	**673.2**

Investment property measured by the fair value model *(In € millions)*	30.06.2022	31.12.2021
Carrying amount at the beginning of the period	**2,049.7**	**1,705.2**
Acquisitions	294.0	365.9
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	0.0	0.0
Disposals	(5.8)	(35.5)
Net gains arising from remeasurement at fair value	47.7	14.1
Translation adjustments	0.0	0.0
Other movements	0.0	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**2,385.7**	**2,049.7**

As explained in the description of significant accounting policies, investment properties backing linked liabilities are measured at fair value, while other investment properties are measured using the cost model.

7.2 Investments by category

The following tables show the fair value of securities held by the Group, by category and intended holding period.

7.2.1 Investments at 30 June 2022

(In € millions)		Impairment	Carrying amount	Impairment	Carrying amount
Assets at fair value through profit or loss	Fixed-rate bonds		10,886.2		10,228.8
	Variable-rate bonds		28,222.1		25,078.2
	TCNs (money market securities)		1,016.9		778.0
	Equities		5,987.9		6,847.3
	Investment funds		54,782.7		60,825.5
	Share in non-trading property companies		1,705.7		1,690.9
	Other (including lent securities and repos)		2,919.2		3,158.4
	Total		**105,520.8**		**108,607.1**
Derivative instruments	Derivative instruments (positive fair value)		3,589.4		1,467.5
	Derivative instruments (negative fair value)		(1,639.1)		(1,704.5)
	Total		**1,950.3**		**(237.0)**
Available-for-sale financial assets	Fixed-rate bonds	(5.4)	145,776.6	(5.4)	168,265.8
	Variable-rate bonds	(1.0)	27,150.0	(14.1)	26,335.2
	TCNs (money market securities)	0.0	6,112.7	0.0	3,478.8
	Equities	(1,717.0)	17,246.5	(1,706.3)	22,435.1
	Investment funds	(519.8)	55,080.3	(444.6)	64,966.0
	Share in non-trading property companies	(538.2)	11,495.5	(527.4)	11,133.4
	Non-voting loan stock	(5.0)	642.2	(5.0)	547.2
	Other (including lent securities and repos)	0.0	25,987.0	0.0	29,247.6
	Total	**(2,786.4)**	**289,490.9**	**(2,702.8)**	**326,409.1**
Held-to-maturity investments	Fixed-rate bonds		0.0		0.0
	Variable-rate bonds		91.7		73.9
	Other (including lent securities and repos)		0.0		0.0
	Total		**91.7**		**73.9**
Loans and receivables	Loans and receivables	(37.3)	4,091.7	(37.3)	4,159.7
	Total	**(37.3)**	**4,091.7**	**(37.3)**	**4,159.7**
Investment property	Investment property at amortised cost	(9.7)	2,582.5	(6.4)	673.2
	Investment property measured by the fair value model		2,385.7		2,049.7
	Total	**(9.7)**	**4,968.2**	**(6.4)**	**2,722.9**
TOTAL		**(2,833.3)**	**406,113.5**	**(2,746.5)**	**441,735.7**

Traditional savings and unit-linked portfolios at fair value through profit or loss at 30 June 2022

	Carrying amount		
(In € millions)	Unit-Linked	Traditional savings	Total
Fixed-rate bonds	5,914.9	4,971.3	10,886.2
Variable-rate bonds	22,955.3	5,266.8	28,222.1
TCNs (money market securities)	0.0	1,016.9	1,016.9
Equities	1,430.1	4,557.8	5,987.9
Investment funds	45,610.6	9,172.2	54,782.7
Shares in non-trading property companies and investment property(1)	4,045.9	45.5	4,091.3
Other	2,859.7	59.6	2,919.2
TOTAL	**82,816.4**	**25,090.1**	**107,906.4**

(1) Investment properties and shares in non-trading property companies are reported together in an amount of €2,385.7 million

Derivative instruments with a positive fair value are recorded as assets and those with a negative fair value are recorded as liabilities.

Traditional savings and unit-linked portfolios at fair value through profit or loss at 31 December 2021

	Carrying amount		
(In € millions)	Unit-Linked	Traditional savings	Total
Fixed-rate bonds	4,851.9	5,376.9	10,228.8
Variable-rate bonds	19,952.0	5,126.2	25,078.2
TCNs (money market securities)	0.0	778.0	778.0
Equities	1,770.2	5,077.1	6,847.3
Investment funds	51,019.4	9,806.1	60,825.5
Shares in non-trading property companies and investment property(1)	3,699.9	40.8	3,740.6
Other	2,967.0	191.4	3,158.4
TOTAL	**84,260.3**	**26,396.5**	**110,656.9**

(1) Investment properties and shares in non-trading property companies are reported together in an amount of €2,049.7 million for 2021

Derivative instruments with a positive fair value are recorded as assets and those with a negative fair value are recorded as liabilities.

7.2.2 Reconciliation of insurance investments in the balance sheet to investments analysed in Note 7.2.1

(In € millions)	30.06.2022	31.12.2021
Analysis of investments	406,113.5	441,735.7
Balance sheet – Liabilities – Derivative instruments (negative fair value)	(1,639.1)	(1,704.5)
Balance sheet – Assets – Insurance investments	407,752.6	443,440.3
VARIANCE	**0.0**	**0.0**

7.3 Measurement of assets recognised at fair value

A financial instrument is considered as traded in an active market when quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and these prices represent actual and regularly occurring market transactions conducted on an arm's length basis. The main criteria used in determining whether or not a market is active is how recent the quoted prices actually are as well as the liquidity of the securities traded. The market in question will be considered inactive if one or more of the following indicators is observed: a sharp fall in the number of transactions, a major increase in settlement costs or volatility, or a rapid widening in Z-spreads.

In the case of financial instruments whose price is not quoted in an active market (i.e., no price is quoted or a price is quoted but the market does not qualify as active, as is the case for certain structured products), fair value prices are estimated using valuation techniques. These are based on:

- prices not freely available provided upon demand by the arrangers or pricing services, or prices provided by an external agency that are freely available but where the market on which the assets are traded is not always active;
- internal models that maximise the use of observable market data to measure financial assets.

Structured product valuation principles

The aim of the valuation techniques is to obtain estimated values that approximate the economic value of a position using prices and rates corresponding to the underlying assets or benchmark interest rates and other indices. The prices quoted by the arrangers correspond to the estimated amount that a buyer would be willing to pay to purchase the asset. Actual prices could be significantly different from these estimates, due to various factors such as credit spreads, market liquidity, the size of the position, financing costs, and hedging costs and risks.

The valuation techniques used:

- make maximum use of market inputs;
- incorporate all factors that market participants would consider in setting a price; and
- are consistent with accepted Banks methodologies for pricing financial instruments.

The prices established by the counterparties are obtained in principle every month, in particular following the signature of a liquidity letter. The valuations communicated by the counterparties correspond to an economic value of the securities.
The CNP Assurances Group verifies the reliability of these data from an evaluation whenever possible (estimated future cash flows for example), or questions counterparties as to the methodologies used if necessary. The values of the counterparties examined so far have been confirmed by the CNP Assurances Group, which ensures both the quality of the counterparty valuation methods and the quality of the ratings of the issues and the absence of a credit incident.

Fair value hierarchies

Financial instruments are classified in three categories based on the fair value hierarchy, as follows:

Level 1: financial instruments measured using quoted prices in active markets.

The fair value of most financial instruments held by the Group is determined based on the quoted market price, whenever quoted prices are readily and regularly available and represent actual and regularly occurring market transactions conducted on an arm's length basis. The active market for such transactions is the market in which the most recent prices were quoted along with the largest volumes of transactions. The following financial assets are measured at their quoted market price:

- equities, measured on the basis of quoted prices on their reference market;
- mutual fund units, measured at their net asset value;
- bonds, EMTNs, BMTNs: for each instrument, the value is determined based on the most recent quoted prices available on the stock exchange, from brokers, trading rooms or trading platforms, the ICMA Price Service (average prices) or BGN (average prices excluding highs and lows), taking into account liquidity factors in the choice of market;
- BTAN treasury notes, at the prices quoted under the Banque de France's centralised quotation system;
- derivatives listed on an organised market.

Level 2: financial instruments measured by standard valuation techniques using mainly observable inputs.

These include:

- certain structured products measured using a valuation model and market parameters;
- derivative instruments purchased over-the-counter that are measured using a valuation model and mainly market parameters;
- TCN money-market securities other than BTANs that are no longer listed and are measured based on the zero coupon price curve plus a spread;
- investment property measured based on prices recorded for similar recent transactions or the rental value of equivalent-type properties;
- any other over-the-counter financial instruments.

Structured products held by the Group consist of financial instruments for which income is indexed to indices, baskets of equities, hedge funds, interest rates and credits. They may also comprise embedded derivatives that can modify the structure of revenues or repayments.

The Group uses valuations of its complex products prepared internally, or by an external valuer, acting as a delegate. They include structured products and derivative instruments used for hedging purposes. Due to their complexity, the valuation process involves using sophisticated models and methods, generally based on a probabilistic approach.

Overall, these two product categories are valued using market models and the market data required for each model at the calculation date (see table below).

Structured products	Models/Methods
Interest-rate linked structured notes	4-Factor Libor Market Model (LMM) Hybrid Equity Black-FX Model Hull-White One-Factor Model
Equity linked structured notes	Dupire model Heston model Dupire hybrid equation – Hull-White One-Factor Model
Inflation-indexed complex structured products	Jarrow-Yildirim model

Asset class	Financial instruments	Models/Methods
Interest rate derivatives	**Interest rate swaps**	Future cash flows discounted using bi-curve model
	Swaps with an embedded option	Black model
	Caps/floors	SABR smile model
		Hull-White One-Factor Model (stochastic volatility)
		CMS replication
Inflation derivatives	**Inflation swap**	Black model
		SABR smile model
Credit derivatives	**CDS options**	Black-Scholes formula (Markit volatilities)
Equity derivatives	**Floors**	Heston model calibrated across the SX5E's entire implicit volatility surface and Black-Scholes using historical volatility for the EMTXGC and QW1M funds
	CAC and SX5E puts	Black-Scholes model with volatility surface developed based on option prices quoted on Bloomberg
Currency derivatives	**JPY swaps (with currency option at each swaplet)**	FX Basket (FXBA) model with Black-Scholes (Reuters volatilities)
Funds	**Fund options (Quattro)**	Black Basket model with historical volatility

Level 3: financial instruments measured using mainly unobservable inputs (heuristic data, statistical data, etc.). These are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date.

This category includes CNP Assurances' investments in unlisted companies and certain asset-backed securities.

Unlisted securities are measured using information not available on an active market. The main valuation techniques are the market multiples method, comparisons with recent market transactions and the discounted dividends method, corresponding to the techniques commonly used to manage these instruments.

In addition, some complex structured securities, and for which valuation is obtained through the counterparty, are classified in this category.

7.3.1 Valuation methods at 30 June 2022

(In € millions)	**Level 1: last available quotation of assets quoted in an active market**	**Level 2: estimated market value using valuation model based on observable market inputs**	**Level 3: estimated market value using valuation model not based solely on observable market inputs**	**Total**
Financial assets at fair value through profit or loss*	94,033.2	12,857.9	2,219.1	**109,110.2**
Available-for-sale financial assets	248,947.2	18,939.7	21,604.0	**289,490.9**
TOTAL FINANCIAL ASSETS	**342,980.3**	**31,797.5**	**23,823.2**	**398,601.0**
Investment property at amortised cost	0.0	3,772.2	0.0	**3,772.2**
Investment property measured by the fair value model	0.0	2,385.7	0.0	**2,385.7**
TOTAL INVESTMENT PROPERTY	**0.0**	**6,157.9**	**0.0**	**6,157.9**
Financial liabilities at fair value through profit or loss				**0.0**
Financial liabilities – financial instruments without DPF (excluding unit-linked)	537.8	0.0	0.0	**537.8**
Financial liabilities (linked liabilities) – financial instruments without DPF	2,802.7	0.0	0.0	**2,802.7**
Derivative financial instruments with a negative fair value	0.0	1,639.1	0.0	**1,639.1**
TOTAL FINANCIAL LIABILITIES	**3,340.5**	**1,639.1**	**0.0**	**4,979.6**

* Includes derivative financial instruments with a positive fair value

7.3.2 Valuation methods at 31 December 2021

(In € millions)	Level 1: last available quotation of assets quoted in an active market	Level 2: estimated market value using valuation model based on observable market inputs	Level 3: estimated market value using valuation model not based solely on observable market inputs	Total
Financial assets at fair value through profit or loss*	98,631.8	9,383.5	2,059.4	**110,074.7**
Available-for-sale financial assets	292,822.2	15,347.9	18,238.9	**326,409.1**
TOTAL FINANCIAL ASSETS	**391,454.0**	**24,731.4**	**20,298.4**	**436,483.7**
Investment property at amortised cost	0.0	1,860.2	0.0	**1,860.2**
Investment property measured by the fair value model	0.0	2,049.7	0.0	**2,049.7**
TOTAL INVESTMENT PROPERTY	**0.0**	**3,910.0**	**0.0**	**3,910.0**
Financial liabilities at fair value through profit or loss				**0.0**
Financial liabilities – financial instruments without DPF (excluding unit-linked)	480.7	0.0	0.0	**480.7**
Financial liabilities (linked liabilities) – financial instruments without DPF	3,234.6	0.0	0.0	**3,234.6**
Derivative financial instruments with a negative fair value	0.0	1,703.9	0.6	**1,704.5**
TOTAL FINANCIAL LIABILITIES	**3,715.3**	**1,703.9**	**0.6**	**5,419.8**

* Includes derivative financial instruments with a positive fair value

The Group’s derivative instruments are collateralised and the counterparty risk is therefore limited. In addition, the credit value adjustment (“CVA”) is not material, due to the nature of the Group’s forward financial instruments and the calculation base.

7.3.3 Reconciliation of movements for the period in securities measured using a valuation model not based solely on observable market inputs

(In € millions)	30.06.2022												
	Opening carrying amount	Newly-consolidated companies	Acquisition	Maturity	Transfers to level 3 (additions)	Transfers from level 3 (disposals)	Impact of sales of securities at fair value through profit or loss	Impact of sales of available-for-sale financial assets	Remeasurement at fair value through equity	Remeasurement at fair value through profit or loss	Impairment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	2,059.4	0.0	37.7	(7.9)	26.2	(72.1)	(36.8)	0.0	0.0	212.7	0.0	0.0	2,219.1
Available-for-sale financial assets	18,238.9	0.0	4,225.9	(678.0)	343.4	(108.3)	0.0	(136.5)	(270.0)	0.0	(12.8)	1.5	21,604.0
TOTAL FINANCIAL ASSETS	**20,298.4**	**0.0**	**4,263.5**	**(685.9)**	**369.6**	**(180.3)**	**(36.8)**	**(136.5)**	**(270.0)**	**212.7**	**(12.8)**	**1.5**	**23,823.2**
Investment property measured by the fair value model	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investment property at amortised cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL INVESTMENT PROPERTY	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL FINANCIAL LIABILITIES	**0.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**(0.6)**	**0.0**	**0.0**	**0.0**

(In € millions)	31.12.2021												
	Opening carrying amount	Newly-consolidated companies	Acquisition	Maturity	Transfers to level 3 (additions)	Transfers from level 3 (disposals)	Impact of sales of securities at fair value through profit or loss	Impact of sales of available-for-sale financial assets	Remeasurement at fair value through equity	Remeasurement at fair value through profit or loss	Impairment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	2,103.7	21.6	160.4	(156.1)	49.8	(17.7)	(98.9)	0.0	0.0	(3.4)	0.0	0.0	2,059.4
Available-for-sale financial assets	11,005.9	3,685.8	4,324.8	(1,258.4)	0.0	(283.1)	0.0	(421.9)	1,177.1	0.0	8.7	0.1	18,238.9
TOTAL FINANCIAL ASSETS	**13,109.6**	**3,707.4**	**4,485.3**	**(1,414.5)**	**49.8**	**(300.8)**	**(98.9)**	**(421.9)**	**1,177.1**	**(3.4)**	**8.7**	**0.1**	**20,298.4**
Investment property measured by the fair value model	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investment property at amortised cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL INVESTMENT PROPERTY	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL FINANCIAL LIABILITIES	**0.0**	**0.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.6**

7.4 Derivative instruments

A derivative is a financial instrument or other contract within the scope of IAS 39 with all three of the following characteristics:

a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (the "underlying");

b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and

c) it is settled at a future date.

Derivative instruments are classified as financial assets or liabilities at fair value through profit or loss except for instruments designated as hedges whose effectiveness can be demonstrated.

Embedded derivatives are separated from their host contract and recognised as derivative instruments when the following three conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid (combined) contract is not measured at fair value with changes in fair value recognised in profit or loss.

If the Group is unable to measure the embedded derivative separately either at acquisition or at a subsequent financial reporting date, the entire combined contract is treated as a financial asset or financial liability at fair value through profit or loss.

The following table analyses derivative instruments recorded in assets (positive fair value) and in liabilities (negative fair value) by maturity:

	30.06.2022											
	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due in ≥ 15 years		Total	
(In € millions)	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-
Swap	1.3	(42.8)	12.6	(505.3)	165.4	(127.2)	24.4	(89.7)	69.4	(114.7)	273.0	(879.7)
Cap/floor	8.4	(107.2)	1,508.2	(314.4)	465.8	0.0	122.1	0.0	0.0	0.0	2,104.4	(421.6)
Equity	522.4	(81.1)	675.0	(256.7)	14.5	0.0	0.0	0.0	0.0	0.0	1,212.0	(337.8)
TOTAL	**532.1**	**(231.1)**	**2,195.7**	**(1,076.5)**	**645.7**	**(127.2)**	**146.5**	**(89.7)**	**69.4**	**(114.7)**	**3,589.4**	**(1,639.1)**

	31.12.2021											
	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due in ≥ 15 years		Total	
(In € millions)	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-
Swap	3.1	(25.0)	9.5	(418.3)	60.1	(155.4)	28.0	(81.9)	46.4	(190.3)	147.1	(870.9)
Cap/floor	28.3	(22.6)	289.5	(140.6)	130.7	(16.4)	53.9	(26.9)	0.0	0.0	502.3	(206.5)
Equity	141.5	(73.4)	664.4	(553.6)	12.2	(0.1)	0.0	0.0	0.0	0.0	818.2	(627.2)
TOTAL	**172.9**	**(121.1)**	**963.4**	**(1,112.5)**	**203.0**	**(171.9)**	**81.9**	**(108.8)**	**46.4**	**(190.3)**	**1,467.5**	**(1,704.5)**

7.5 Derivative instruments qualifying for hedge accounting

Derivatives designated as hedging instruments are accounted for in accordance with IAS 39 if they are part of a designated hedging relationship as defined by the standard.

For all hedging instruments, the Group documents the hedging relationship and the risk management objective and strategy for undertaking the hedge.

Cash flow hedge accounting consists of recognising the effective portion of changes in the fair value of the derivative in equity. The gain or loss on the ineffective portion of the hedge is immediately recognised in profit or loss. The cumulative gains or losses recognised in equity are recycled to the income statement over the period in which the hedged item impacts profit or loss. If the hedging instrument expires, is sold or no longer qualifies for hedge accounting, cumulative gains or losses recognised in equity are recycled to the income statement either immediately or as and when the transaction initially hedged is completed.

The fair values of derivatives designated as hedging instruments are as follows:

	Cash flow hedge reserve at 30.06.2022				
(In € millions)	**Notional amount**	**Change in cash flow hedge reserve during the period**	**Cash flow hedge reserve recycled through profit or loss during the period**	**Deconsolidated companies**	**Deferred taxes**
Currency derivatives	1,140.6	123.1	(81.1)	0.0	(10.9)
Interest rate derivatives	300.0	14.4	0.0	0.0	0.0
Total	**1,440.6**	**137.5**	**(81.1)**	**0.0**	**(10.9)**

	Cash flow hedge reserve at 31.12.2021				
(In € millions)	Notional amount	Change in cash flow hedge reserve during the period	Cash flow hedge reserve recycled through profit or loss during the period	Deconsolidated companies	Deferred taxes
Currency derivatives	1,052.9	105.5	(63.7)	0.0	(10.9)
Interest rate derivatives	0.0	0.0	0.0	0.0	0.0
Total	**1,052.9**	**105.5**	**(63.7)**	**0.0**	**(10.9)**

Derivatives designated as hedging instruments comprise currency swaps, purchased currency options and interest rate swaps.

a. Currency swaps

Derivatives designated as hedging instruments consist of two currency swaps hedging the impact of exchange rate fluctuations on:

- annual interest payments on two subordinated notes issues denominated in foreign currency (US dollars only);
- the issue-date and redemption-date nominal amounts of each of these issues.

The transactions concerned are as follows:

- the first is on US dollar-denominated subordinated notes issued in January 2016 and hedges interest payments on the notes through to 22 January 2029 against fluctuations in the dollar-euro exchange rate;
- the second is on US dollar-denominated subordinated notes issued on 7 April 2021 and hedges payments on the notes through to 7 April 2031 against fluctuations in the dollar-euro exchange rate.

These derivatives are eligible for cash flow hedge accounting, as described below. No amount was recognised in profit or loss for any ineffective portion of the hedges at 30 June 2022 or 31 December 2021.

b. Purchased currency options

At 30 June 2022, the Group did not hold any purchased currency options qualifying for hedge accounting.

c. Interest rate swaps

Interest rate swaps are derivative contracts through which interest rates are swapped in order to reduce the volatility of interest payments on long-term debt.

The transaction concerned is a long-term borrowing subscribed in 2022 and hedges interest payments through to 30 September 2032 against fluctuations in the interest rate.

7.6 Credit risk

7.6.1 Analysis of the bond portfolio at 30 June 2022 by issuer rating

Rating *(In € millions)*	Bond portfolio at fair value	%
AAA	13,485.2	5.5%
AA	98,220.4	40.1%
A	53,050.6	21.6%
BBB	50,526.4	20.6%
< BBB	25,583.4	10.4%
Not Rated	4,278.0	1.7%
TOTAL	**245,144.0**	**100.0%**

7.6.2 Analysis of the bond portfolio at 31 December 2021 by issuer rating

Rating *(In € millions)*	Bond portfolio at fair value	%
AAA	12,474.7	4.7%
AA	112,772.8	42.8%
A	58,232.7	22.1%
BBB	56,452.7	21.4%
< BBB	19,840.2	7.5%
Not Rated	3,893.0	1.5%
TOTAL	**263,666.1**	**100.0%**

7.7 Classification of sovereign debt by issuer country

	30.06.2022			31.12.2021		
List of countries *(in € millions)*	**Gross exposure – carrying amount***	**Gross exposure Fair value**	**Net exposure Fair value**	Gross exposure – carrying amount*	Gross exposure *Fair value*	Net exposure Fair value
France	79,879.0	75,624.6	7,796.6	79,235.7	86,089.4	8,415.0
Brazil	21,387.3	21,269.8	1,700.0	17,334.5	17,227.0	1,407.7
Italy	15,192.3	13,406.6	1,250.3	14,523.5	15,267.4	989.7
Spain	10,640.7	9,942.8	1,226.9	10,657.6	11,517.5	1,360.5
Belgium	6,372.3	5,520.3	635.8	8,392.4	8,798.9	811.5
Germany	5,147.2	4,656.2	360.5	3,886.7	4,177.0	303.2
Portugal	727.5	687.2	97.3	409.4	437.9	73.4
Austria	613.4	587.3	132.0	502.6	549.3	34.3
Canada	468.0	449.6	54.9	468.5	488.1	59.6
Poland	262.7	249.3	60.7	359.5	375.7	69.6
Romania	171.6	124.5	8.2	175.4	175.4	10.3
Netherlands	146.0	143.5	19.4	139.1	151.2	13.5
Mexico	124.0	99.2	6.5	108.3	108.4	6.3
Cyprus	111.5	106.7	50.4	105.9	110.8	53.0
Ireland	97.7	80.7	4.6	206.8	208.1	26.1
Greece	8.2	9.3	0.1	8.2	11.0	0.1
United Kingdom	1.6	2.2	0.0	1.6	2.6	0.0
Other	8,163.0	7,456.2	916.4	6,208.4	6,574.2	797.7
TOTAL	**149,514.1**	**140,416.2**	**14,320.9**	**142,724.0**	**152,269.8**	**14,431.5**

* Carrying amount, including accrued coupon

Virtually all of the securities concerned are classified as available-for-sale financial assets.
At 30 June 2022, the fair value of sovereign debt stood at €140.4 billion. After taking into account equity interests and deferred taxes, the net exposure of CNP Assurances (including non-controlling interests) was €14.3 billion.

The calculation of net exposure has been standardised at Group level and reflects both the current market environment and policies concerning deferred participation. Calculating net exposure from gross exposure takes account of the impacts of deferred taxes and deferred participation based on shadow accounting principles, as well as the exclusion of assets held to cover linked liabilities. In accordance with these principles, a change in the deferred participation reserve is recorded to offset unrealised gains or losses on financial assets taking into account contractual participation obligations and the Group's policyholder bonus policy (see Note 8.2). The relatively low weighting of contracts with a guaranteed yield and the Group's ability to allocate losses on financial assets to policyholders over the long term, reinforces the validity of this approach to presenting the impact of net exposure.

The apparent 10.2% ratio of "net exposure" to "gross exposure" therefore reflects the deferred tax impact (factor of approximately 72.1% corresponding to the impact of the weighted average tax rate on the Group's entities) and a deferred participation impact (14.1% factor, supplementing the effective participation rate taking into account the exclusion of assets held in unit-linked funds, which corresponds to shareholders' entitlements to unrealised gains or losses).

The combination of these two impacts (taxes and deferred participation) results in a net exposure to gross exposure ratio of 10.2% (72.1% multiplied by 14.1%).

The difference between gross and net exposure does not necessarily represent the loss that would be borne by policyholders. The recoverability of successive losses on sovereign debt is limited by the following:

- the Group's ability to lower the discretionary participation it pays to policyholders. In France, the estimated minimum guaranteed interest rate was approximately 0.16% at 31 December 2021 for a projected DPF rate of around 0.91% at that date (latest available data);
- unrealised gains, especially on property (€5.4 billion) and on equities (€12.4 billion). These amounts would be taken into account when testing any deferred participation assets for recoverability.

In the absence of an incurred loss, no other sovereign debt securities have been impaired.

Note 8 Insurance and financial liabilities

8.1 Contract classification

Contracts recognised and measured in accordance with IFRS 4 include:

- insurance contracts (see definition below) that cover a risk for the insured. Examples include personal risk contracts, pension contracts, property and casualty contracts and unit-linked savings contracts with a guaranteed element;
- financial instruments with DPF, comprising both traditional savings contracts with DPF and unit-linked contracts including a traditional savings component with DPF.

Financial instruments without DPF are recognised and measured in accordance with IAS 39. This category corresponds to unit-linked savings contracts that do not have any traditional savings component or guaranteed element.

Contracts that do not fulfil the criteria for classification as either insurance contracts or financial instruments without DPF fall within the scope of:

- IFRS 15, when they correspond to the provision of services; or
- IAS 19, for contracts taken out in connection with benefit plans in favour of Group employees.

8.2 Insurance contracts and financial instruments with DPF

Insurance contracts and financial instruments with DPF are accounted for in accordance with Group accounting policies, as well as with the specific provisions of IFRS 4 concerning shadow accounting and liability adequacy tests. At each reporting date, the Group assesses whether its recognised insurance liabilities net of its insurance assets (deferred participation asset plus other insurance-related intangible assets) are adequate, using current estimates of future cash flows under the insurance contracts and financial instruments with DPF.

Insurance contracts

Contracts under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder or another beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder or beneficiary are classified as insurance contracts.

Insurance risk is a risk other than a financial risk. Financial risk is the risk of a possible future change in one or more variables such as a specified interest rate, financial instrument price, commodity price, foreign exchange rate or other variable. In the case of a non-financial variable, if the variable is not specific to a party to the contract, the risk is financial; otherwise it is an insurance risk. Surrender risk, extension risk or the risk of higher-than-expected administrative expenses are not insurance risks, unless they are risks originally incurred by the policyholder that are transferred to the Group under an insurance contract.

For each group of contracts with similar characteristics, the significance of the insurance risk is assessed based on a single representative contract. Under this approach, the insurance risk may be considered significant although the probability of the group of contracts generating a loss that has a material adverse effect on the financial statements is remote due to the pooling of risks.

Financial instruments with DPF

Contracts that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as financial instruments when they give rise to a financial asset or liability. Contracts are qualified as financial instruments with DPF when they incorporate a contractual or regulatory entitlement to receive, as a supplement to guaranteed benefits, additional benefits:

- that are likely to be a significant portion of the total contractual benefits;
- whose amount or timing is contractually at the Group's discretion; and
- that are contractually based on the performance of a specified pool of contracts or a specified type of contract, or realised and/or unrealised investment returns on a specified pool of assets held by the Group, or the profit or loss of the Company, fund or other entity that issues the contract.

Hybrid contracts

Certain contracts written by the Group comprise both an insurance component and a deposit component. These two components are unbundled only when the deposit component can be measured separately and, under the Group's accounting policies, the rights and obligations arising from the deposit component would not be recognised if the contract was not unbundled. The insurance component of an unbundled contract is accounted for under IFRS 4 and the deposit component under IAS 39.

In line with the policy described above, the components of traditional savings contracts written by the Group are not unbundled.

> Life insurance and savings contracts

Premiums

Premiums on contracts in force during the period are recognised in revenue. In the case of group policies that include death insurance, the recognised amount is adjusted to include the estimated earned portion of premiums not yet written.

Technical and mathematical reserves

Reserves for contracts with death cover include the portion of premiums written but not earned during the reporting period.

Mathematical reserves for traditional savings contracts correspond to the difference between the present value of the respective commitments of the Group and the policyholder.

Life premium reserves are determined using a discount rate that is equal to or less than the conservatively estimated forecast yield on the assets backing the liabilities.

Insurance liabilities are discounted at a rate that is equal to or less than the contractual rate, using regulatory mortality tables or internal experience-based tables if these are more conservative. The discount rate applied to annuities takes into account the effects of a fall in interest rates when the contractual rate is considered too high compared with the expected yield from reinvested premiums.

The general contract administration expense reserve, mentioned in Article R. 343-3.4 of the French Insurance Code, is designed to cover the insurer's commitment to administer its policies for as long as they remain in force. It is determined by the method and using the assumptions specified in Article 142-6 of ANC Regulation 2015-11.

The reserve corresponds to a prospective estimate of contract administration expenses that will not be covered by the premium and investment income loading. It is calculated by group of contracts with similar characteristics, based mainly on policyholder profiles, contract terms and experience-based assumptions concerning, for example, costs, surrenders and investment income. The estimation process includes a financial assessment of the options affecting administration expenses for certain contracts.

At 30 June 2022, the general administration expense reserve for savings and pensions contracts amounted to €254.9 million.

When policyholders are entitled to participate in surplus underwriting profits and investment income in addition to the guaranteed minimum yield, any surplus not paid during the period is accumulated in the policyholder surplus reserves.

This reserve also includes the deferred policyholders' participation resulting from the use of shadow accounting.

An outstanding claims reserve is set up to cover claims and benefits outstanding at the reporting date.

Mathematical reserves for unit-linked contracts are determined by reference to the assets backing the linked liabilities. Gains and losses arising from the remeasurement of these assets at fair value are recognised in profit or loss, to offset the impact of changes in the related technical reserves.

Reserves for guaranteed yields are determined using the Black & Scholes method.

> Disability, accident and health insurance

Premiums are recognised net of taxes and estimated cancelled premiums.

Earned premiums for the period are adjusted for:

- estimated earned premiums not yet written at the period-end;
- the change in the unearned premium reserve (corresponding to the portion of premiums written during the period that relates to the next period).

A reserve is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums.

The escalating risks reserve for term creditor insurance business amounted to €211.6 million at 30 June 2022. This reserve is calculated prospectively and covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation uses regulatory valuation rates of interest and takes into account experience-based biometric risk assumptions (incidence of death and disability risk, and/or disability persistency risk) and behavioural assumptions (surrenders) based on historical data for the portfolio concerned.

The escalating risk reserve for lifetime long-term care contracts totalled €441.5 million at 30 June 2022. This reserve also covers the difference between the present values of the respective future commitments of the insurer and the insured. The calculation takes into account experience-based biometric risk assumptions (incidence of long-term care risk and persistency risk) based on historical data for the portfolio concerned, regulatory mortality tables and a discount rate determined by reference to the structure of the asset portfolio held to cover these commitments.

Claims are recognised in the period in which they are incurred. The amount recorded covers both reported claims and estimated claims incurred but not reported (IBNR).

Claims reserves are based on the estimated cost of settling the claims, net of any forecast recoveries.

A deferred participation reserve is recorded for participating contracts, based on shadow accounting principles.

A reserve is also recorded for claims handling expenses.

> Liability adequacy test

In drawing up its annual and interim financial statements, the Group assesses whether its recognised insurance liabilities, net of its insurance assets (deferred participation asset, deferred acquisition costs and insurance-related intangible assets), are adequate, based on current estimates of future cash flows under its insurance contracts and financial instruments with DPF. The test is performed using asset-liability management models, by applying a stochastic approach to estimate liabilities according to a wide range of scenarios. The models take into account embedded derivatives (policyholder surrender options, guaranteed yields, etc.), administrative costs and decisions made by management in response to economic and financial conditions. The test determines the economic value of insurance liabilities corresponding to the average of the stochastic trajectories. Similar-type contracts are grouped together when performing the test and the results are analysed at entity level: if the sum of the surrender value and deferred participation (asset or liability), less related deferred acquisition costs and related intangible assets, is less than the fair value of the recognised insurance liability, the shortfall is recognised in profit or loss. At 30 June 2022, the liability adequacy test did not show that the carrying amount of insurance liabilities was inadequate.

> Shadow accounting

Shadow accounting procedures are designed to address the risk of an artificial imbalance between assets and liabilities valued using different valuation models. When the measurement of liabilities, deferred acquisition costs or the Value of In-Force business is directly affected by realised gains and losses on assets, a deferred participation reserve is recorded in insurance liabilities to offset the unrealised gains or losses in financial assets. Deferred participation is accounted for in the same way as the underlying, i.e., by adjusting either profit or the revaluation reserve.

The deferred participation reserve is determined by multiplying fair value adjustments to assets by the estimated participation rate corresponding to the contractual obligations associated with each portfolio. The estimated participation rate takes into account regulatory and contractual participation clauses, as well as the Group's profit- taking programme and policyholder bonus policy. Participation rates applied to unrealised gains and losses for shadow accounting purposes are the same as the rates applied to consolidation adjustments for the purpose of determining deferred participation.

The portion of gains or losses attributable to policyholders is determined based on the terms of participating contracts. Shadow accounting is not applied to non-participating contracts that fall outside the scope of regulations requiring payment of a guaranteed minimum participating dividend.

The amount of deferred participation calculated for each entity under shadow accounting principles is recognised either in liabilities as a deferred participation reserve or in assets as a deferred participation asset.

> Testing deferred participation assets for recoverability

Deferred participation assets are tested for recoverability to ensure that the amount calculated based on the participation rates estimated as described previously and in accordance with the going concern principle, is recoverable out of future actual or unrealised profits and will not result in liability inadequacy vis-à-vis the Group's economic obligations. Recoverability testing uses the same methods as liability adequacy testing described above and testing is performed at the level of each group of contracts in order to factor portfolio segregation arrangements into the assessment.

Pursuant to the recommendation of the French National Accounting Board (*Conseil National de la Comptabilité* – CNC) of 19 December 2008 concerning the recognition of deferred participation assets in the consolidated accounts of insurance companies, the recoverability of these amounts is enhanced by the Group's conservative assessment of its ability to continue to hold its assets. In particular, no future retained fund flows have been taken into account. Moreover, the Group has demonstrated the recoverability of the deferred participation assets using unprecedented surrender rates.

At 30 June 2022, there were no issues as regards recoverability.

> Reinsurance

Outward reinsurance

Premiums, claims and technical reserves are stated before reinsurance. Ceded amounts are recognised under the "Reinsurance result" line item of the income statement.

If there is objective evidence that these reserves are impaired, as a result of an event that occurred after initial recognition, the carrying amount of the asset is reduced by recording an impairment loss in the income statement. For reinsurance assets secured by collateral, the estimated discounted cash flows from the asset take into account cash flows from the sale of the collateral, net of the estimated cost of obtaining execution of the guarantee, regardless of whether or not such sale is considered probable.

Inward reinsurance

Inward reinsurance contracts give rise to a significant insurance risk and are therefore accounted for in the same way as insurance contracts.

8.3 Financial instruments without DPF (IAS 39)

Financial instruments without DPF are initially recorded at fair value. Loading on premiums is recognised in "Revenue from other activities".

Unit-linked contracts are subsequently measured at fair value, with changes in fair value recognised in profit or loss.

Traditional savings investment contracts are subsequently measured at fair value, corresponding to their surrender value.

8.4 Deferred participation asset/reserve

The adjustments made in application of IFRS 4 lead to the recognition of deferred policyholder participation in assets or liabilities.

There are two types of deferred participation:

8.4.1 Unconditional participation

All differences in the calculation base of future rights between the separate financial statements and the consolidated financial statements are recognised in the deferred participation reserve.

This applies in particular to policyholder rights in positive and negative fair value adjustments and restatements of the separate financial statements of Group entities. Their amount is adjusted using a method that is consistent with the initial measurement and the pattern of recognition in profit or loss of fair value adjustments and restatements.

8.4.2 Conditional participation

This corresponds to the difference in rights between the separate and consolidated financial statements, whose payment depends on a management decision or the occurrence of an event.

These rights are recognised only when the event or management decision is highly probable. Conditional participation also arises from the application of the shadow accounting technique described in Note 8.2.

8.5 Analysis of insurance and financial liabilities at 30 June 2022

The following tables show the sub-classifications of insurance liabilities that require separate disclosure under IFRS:

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**8,169.2**	**7,674.4**	**494.8**
Unearned premium reserves	1,155.0	1,139.5	15.5
Outstanding claims reserves	5,280.2	4,878.3	401.9
Bonuses and rebates (including claims equalisation reserve on group business maintained in liabilities)	25.7	25.1	0.6
Other technical reserves	1,708.3	1,631.5	76.8
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**263,845.1**	**247,038.4**	**16,806.7**
Unearned premium reserves	2,204.1	2,203.3	0.8
Life premium reserves	249,186.0	232,886.5	16,299.5
Outstanding claims reserves	3,477.3	3,199.6	277.6
Policyholder surplus reserves	8,644.8	8,428.0	216.8
Other technical reserves	333.0	321.1	11.9
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**104,168.1**	**101,096.0**	**3,072.1**
Life premium reserves	94,180.4	91,366.7	2,813.7
Outstanding claims reserves	2,439.2	2,334.5	104.7
Policyholder surplus reserves	7,548.5	7,394.9	153.6
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**3,340.5**	**3,091.5**	**249.0**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**3,970.2**	**3,970.2**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	**383,493.1**	**362,870.5**	**20,622.6**
Deferred participation asset	**2,699.5**	**2,699.5**	**0.0**

8.6 Analysis of insurance and financial liabilities at 31 December 2021

(In € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**7,945.6**	**7,437.1**	**508.4**
Unearned premium reserves	952.7	936.7	16.0
Outstanding claims reserves	5,305.6	4,884.3	421.4
Bonuses and rebates (including claims equalisation reserve on group business maintained in liabilities)	23.6	23.0	0.6
Other technical reserves	1,663.6	1,593.2	70.4
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**260,990.1**	**243,926.7**	**17,063.4**
Unearned premium reserves	2,028.9	2,028.2	0.7
Life premium reserves	248,016.0	231,360.4	16,655.5
Outstanding claims reserves	3,199.6	2,984.1	215.5
Policyholder surplus reserves	7,316.1	7,135.9	180.2
Other technical reserves	353.8	342.4	11.5
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**107,290.3**	**104,095.5**	**3,194.8**
Life premium reserves	97,949.0	95,007.1	2,941.9
Outstanding claims reserves	2,212.6	2,110.7	101.9
Policyholder surplus reserves	7,128.7	6,977.8	150.9
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**3,715.3**	**3,436.9**	**278.4**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**31,599.6**	**31,599.6**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	411,540.8	390,495.9	21,044.9
Deferred participation asset	**0.0**	**0.0**	**0.0**

Note 9 Insurance and reinsurance receivables

This note discloses details of insurance and reinsurance receivables at 30 June 2022 and at 31 December 2021.

(In € millions)	30.06.2022	31.12.2021
Earned premiums not yet written	3,509.2	1,577.4
Other insurance receivables	1,730.7	857.9
Reinsurance receivables	191.9	205.5
TOTAL	**5,431.8**	**2,640.7**
Of which, doubtful receivables	7.4	7.1

Note 10 Liabilities arising from insurance and reinsurance transactions

This note discloses details of insurance and reinsurance liabilities at 30 June 2022 and at 31 December 2021.

(In € millions)	30.06.2022	31.12.2021
Cash deposits received from reinsurers	10,779.1	11,185.2
Liabilities arising from insurance transactions	3,765.9	989.6
Liabilities arising from reinsurance transactions	625.0	779.0
Deferred acquisition costs	3.1	4.0
TOTAL	**15,173.1**	**12,957.7**

ANALYSIS OF THE MAIN COMPONENTS OF THE INCOME STATEMENT

Note 11 Premium income

Premium income comprises:

- earned premiums;
- loading on premiums on financial instruments without DPF (IAS 39), reported under "Revenue from other activities".

Service contracts
Contracts that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as service contracts when they do not give rise to any financial asset or liability. In accordance with IFRS 15, revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided that the transaction's outcome can be estimated reliably.

11.1 Earned premiums and revenue from other activities

Business segment and contract type *(In € millions)*	**30.06.2022**	30.06.2021
Insurance contracts	**17,806.0**	**13,833.0**
□ Life	16,503.5	12,550.3
Pure premiums	15,601.7	11,742.0
Loading	901.7	808.3
□ Non-life	1,302.5	1,282.7
Pure premiums	845.9	866.1
Loading	456.6	416.6
Financial instruments with DPF	**2,122.9**	**2,440.0**
Pure premiums	2,112.0	2,427.7
Loading	10.9	12.3
Earned premiums	**19,928.9**	**16,273.1**

Revenue from other activities *(In € millions)*	**30.06.2022**	30.06.2021
Financial instruments without DPF	**5.9**	**13.2**
Premium loading on financial instruments without DPF (IAS 39)	3.2	9.8
Loading on technical reserves for financial instruments without DPF	2.7	3.4
IFRS 15	**38.0**	**36.0**
Other activities	**1.4**	**1.3**
TOTAL	**45.3**	**50.5**

11.2 Reconciliation to reported premium income

(In € millions)	**30.06.2022**	30.06.2021
Earned premiums	19,928.9	16,273.1
Premium loading on financial instruments without DPF (IAS 39)	3.2	9.8
TOTAL	**19,932.1**	**16,282.9**

11.3 Premium income by partner

(In € millions)	**30.06.2022**	30.06.2021
La Banque Postale	4,000.0	3,977.9
BPCE	3,087.3	3,270.4
CNP Patrimoine	1,693.8	1,737.2
Companies and local authorities	614.4	611.4
Provident institute	125.7	156.8
Financial institutions	512.2	522.9
Mutual insurers	235.5	246.3
Amétis	102.7	132.8
International subsidiaries	9,533.3	5,609.6
Other	27.3	17.7
TOTAL PREMIUM INCOME	**19,932.1**	**16,282.9**

11.4 Premium income by business segment

(In € millions)	**30.06.2022**	30.06.2021
Savings	**12,922.7**	**10,225.4**
Pensions	**3,697.0**	**2,940.0**
Personal Risk	825.2	746.9
Term creditor insurance	2,172.0	2,041.6
Health insurance	165.1	177.9
Property & Casualty	150.0	151.0
Sub-total Personal Risk and other	**3,312.3**	**3,117.4**
Other business segments	**0.0**	**0.0**
TOTAL PREMIUM INCOME	**19,932.1**	**16,282.9**

11.5 Premium income by company

(In € millions)	**30.06.2022**	30.06.2021
CNP Assurances	10,304.2	10,584.4
Groupe CNP Seguros Holding	316.0	304.2
Groupe Caixa Vida e Previdência	3,570.7	2,680.7
CNP UniCredit Vita	2,009.6	1,762.6
Groupe CNP Santander Insurance	374.5	372.5
Groupe CNP Vita Assicura	2,734.2	0.0
CNP Luxembourg	331.7	247.2
CNP Partners	73.9	119.3
Groupe CNP Cyprus Insurance	97.5	91.6
MFPrévoyance SA	69.9	68.0
CNP Caution	38.9	44.0
CNP Assurances Compañía de Seguros	11.0	8.5
TOTAL PREMIUM INCOME	**19,932.1**	**16,282.9**

11.6 Premium income by country

	Under IFRS	
(In € millions)	**30.06.2022**	30.06.2021
France	10,398.8	10,673.2
Brazil	3,886.7	2,984.9
Italy	4,822.2	1,891.7
Luxembourg	331.7	247.2
Germany	239.9	229.8
Cyprus	96.0	89.9
Spain	64.2	70.7
Poland	37.0	40.4
Norway	11.6	11.7
Austria	12.6	10.8
Denmark	6.7	9.9
Argentina	11.0	8.5
Portugal	1.3	1.4
Other	12.4	12.8
TOTAL PREMIUM INCOME	**19,932.1**	**16,282.9**

11.7 Direct and inward reinsurance premiums

(In € millions)	**30.06.2022**	30.06.2021
Direct business premiums	18,522.8	14,798.9
Inward reinsurance premiums	1,409.3	1,484.0
TOTAL PREMIUM INCOME	**19,932.1**	**16,282.9**

Note 12 Investment income

12.1 Investment income and expense

This note discloses the main income, expenses, profits and losses generated by financial assets and liabilities that have been recognised in profit or loss or directly in equity for first-half 2022 and first-half 2021.

(In € millions)		30.06.2022	30.06.2021
Available-for-sale financial assets	Income from debt securities	122.8	77.5
	Interest income	1,788.9	1,936.4
	Income from other financial assets	1,075.2	1,002.9
	Capital gains and losses on disposals	848.8	407.2
	Impairment	(83.9)	89.8
	Net income from available-for-sale financial assets	**3,751.8**	**3,513.8**
Held-to-maturity investments	Income from debt securities	0.0	0.0
	Interest income	8.6	19.6
	Other income & charges	0.0	0.0
	Impairment	0.0	0.0
	Net income from held-to-maturity investments	**8.6**	**19.6**
Loans and receivables	Interest income	24.7	36.5
	Other income	0.0	(0.5)
	Impairment	0.0	0.0
	Net income from loans and receivables	**24.7**	**36.0**
Financial assets at fair value through profit or loss	Profit (loss) on securities held for trading	(7,669.1)	4,164.6
	Profit (loss) on derivative instruments held for trading and hedging	1,952.9	(325.9)
	Capital gains and losses on disposals	129.6	74.1
	Net income (expense) from financial assets at fair value through profit or loss	**(5,586.6)**	**3,912.8**
Investment property	Rent and other revenue	27.3	28.1
	Fair value adjustments	52.4	11.0
	Capital gains and losses on disposals	0.6	(14.0)
	Net income from investment property	**80.3**	**25.1**
Other investment expenses		**(212.7)**	**(130.2)**
Dilution gain		**0.0**	**0.0**
TOTAL INVESTMENT INCOME (EXPENSE)		**(1,934.1)**	**7,377.1**
Interest on subordinated debt at amortised cost		(107.4)	(126.4)
Interest on subordinated debt at fair value		0.0	0.0
Finance costs – Cash flow hedges		12.6	6.0
Total finance costs		**(94.8)**	**(120.4)**
TOTAL INVESTMENT INCOME (EXPENSE) NET OF FINANCE COSTS		**(2,028.8)**	**7,256.7**

Reconciliation of investment income and expenses to the amounts reported in the income statement

(In € millions)	**30.06.2022**	30.06.2021
Investment income before finance costs	(1,934.1)	7,377.1
Finance costs	(94.8)	(120.4)
TOTAL	**(2,028.8)**	**7,256.7**

12.2 Impairment

This note discloses the nature and amount of impairment losses on financial assets recognised in profit or loss, by significant category of financial assets.

(In € millions)	**30.06.2022**	30.06.2021
Fixed-rate bonds	0.0	0.0
Variable-rate bonds	0.0	0.0
TCNs (money market securities)	0.0	0.0
Equities	(66.0)	(35.2)
Equity investment funds	(26.1)	(0.4)
Non-voting loan stock	0.0	0.0
Other (including mutual fund units)	(97.3)	(90.7)
Available-for-sale financial assets	**(189.5)**	**(126.3)**
Held-to-maturity investments	**0.0**	**0.0**
Loans and receivables	**0.0**	**0.0**
Total impairment expense	**(189.5)**	**(126.3)**
Fixed-rate bonds	0.0	0.0
Variable-rate bonds	13.1	0.0
TCNs (money market securities)	0.0	0.0
Equities	55.0	201.8
Equity investment funds	2.5	3.6
Non-voting loan stock	0.0	0.0
Other (including mutual fund units)	34.9	14.0
Available-for-sale financial assets	**105.6**	**219.4**
Held-to-maturity investments	**0.0**	**0.0**
Loans and receivables	**0.0**	**0.0**
Total impairment reversals	**105.6**	**219.4**
NET CHANGE IN IMPAIRMENT PROVISIONS	**(83.9)**	**93.1**

Note 13 Income tax expense

French tax group

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The main companies in the tax group are CNP Assurances and its subsidiaries CNP Caution, CICOGE SA (property investment company), SAS THEEMIM, AEP 3, AEP 4, Assur-immeuble, Pyramides 2, Ecureuil Vie Investment, 270 Investment, US Real Estate EVJ, US Real Estate 270, Pial 34, Passage du Faidherbe, Alleray, Yellowalto, FPIP, Lyfe, Sogestop K, Foncière HID, Pierre et Surene, 23-25 Marignan, 36 Marbeuf, 46 Kleber, 46 Kleber Holding, Infra Invest France, Neuilly Pilot, Ybry pont Neuilly, Geosud, Friedensallee, Montparvie IV, Montparvie V, QIS France, Youse Home, SAS Le Square, CNP retraite, Sogestop L and MFPrevoyance.

The companies in the tax group have signed agreements with CNP Assurances, which is liable towards the French Treasury for the payment of the tax due by the tax group. These agreements specify how the total tax liability is allocated among the tax group members, and stipulate that any unallocated balance will be borne by CNP Assurances.

Current and deferred taxes

Income tax expense reported in the income statement includes both current and deferred taxes.

Deferred taxes are recognised on temporary differences between the carrying amount of assets and liabilities and their tax base. In accordance with IAS 12, a deferred tax liability is recognised for all taxable temporary differences between the carrying amount and tax base of investments in subsidiaries, associates and branches and interests in joint arrangements, except where the following conditions are met:

- CNP Assurances, as the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset at the level of each taxable entity or tax group. Deferred tax assets and liabilities arising from changes in asset values and from the recognition of deferred participation are calculated and tracked separately.

Deferred tax assets are recognised for tax losses carried forward when it is probable that sufficient taxable profit will be available to permit their realisation. Net deferred tax assets resulting from the offsetting of deferred tax assets and liabilities are recognised when sufficient taxable profit can be expected to be generated to permit their realisation. Deferred tax assets and liabilities are not discounted.

The following table discloses the main components of income tax expense.

(In € millions)	**30.06.2022**	30.06.2021
Current tax	322.9	353.2
Deferred tax	35.6	17.8
INCOME TAX EXPENSE	**358.5**	**371.0**
Profit for the period	899.0	801.4
Tax rate	28.51%	31.64%
INCOME TAX EXPENSE	**358.5**	**371.0**

Note 14 Segment information

In accordance with IFRS 8, the Group's reportable business segments are based on the internal reporting system approved by the Group's Executive Committee, regarded as the chief operating decision-maker as defined by IFRS 8.
The choice of geographical segmentation is based on a multi-criteria organisation linked to the Group's strategic priorities (geography, activities, networks) and the allocation of goodwill to mainly geographical cash-generating units. It has been adopted in order to present geographic segments as the Group's operating segments based on the definitions in IFRS 8 paragraphs 8 and 10.

The three geographic segments are:

- France;
- Latin America;
- Europe excluding France.

The Group's internal reporting system is based on the following indicators:

- premium income and revenue from other activities: earned premiums and revenue from other activities, including non-controlling interests and ceded premiums. Premium income and revenue from other activities is an indicator of underwriting volume is an indicator of underwriting volume;
- total revenue: net insurance revenue plus revenue from own fund portfolios, including non-controlling interests but net of ceded premiums. It is the margin before deducting administrative expenses;
- net insurance revenue: sum of insurance loading, underwriting results and reinsurance results, net of commission paid to distribution partners, including non-controlling interests but net of ceded premiums. It is the margin generated by the insurance business before deducting administrative costs;
- administrative costs: costs of administering and managing insurance contracts, excluding commissions paid to the distribution networks. This indicator includes non-controlling interests;
- earnings before interest and taxes (EBIT): attributable net profit before finance costs, income tax expense, non-controlling and equity-accounted interests, fair value adjustments and net gains (losses), non-recurring items. This indicator includes non-controlling interests and is gross of income tax expense. It is the margin generated by the insurance business after deducting administrative costs;
- underlying attributable profit: attributable net profit before income tax expense, non-recurring items, fair value adjustments and net gains (losses). This indicator is calculated net of non-controlling interests and is gross of income tax expense. It is the margin after finance costs and non-controlling and equity-accounted interests.

14.1 Income statement by business segment – First-half 2022

(In € millions)	France	Latin America	Europe excl. France	Total IFRS
Premium income*	10 398,8	3 897,7	5 635,6	19 932,1
Total revenue	**1 582,7**	**496,7**	**288,7**	**2 368,1**
Administrative expenses	(318,6)	(75,7)	(99,6)	(493,9)
EBIT	**1 264,1**	**421,0**	**189,1**	**1 874,2**
Finance costs				(95,4)
Share of profit of equity-accounted companies				14,8
Non-controlling interests				(323,4)
Recurring profit attributable to owners of the parent				**1 470,2**
Income tax expense				(389,2)
Profit (loss) from discontinued operations, after tax				(60,8)
Fair value adjustments and net gains				19,8
Non-recurring items				(291,8)
Profit attributable to owners of the parent				**748,2**

* A reconciliation of earned premiums to premium income is presented in Note 11

RECONCILIATION OF EBIT TO OPERATING PROFIT

(In € millions)	30.06.2022
EBIT	**1,874.2**
Mark-to-market adjustments and amortisation of intangible assets	(81.9)
Non-recurring items	(393.4)
Net impact of equity-accounted entities	(10.0)
Operating profit	**1,388.9**

14.2 Income statement by business segment – First-half 2021

(In € millions)	France	Latin America	Europe excl. France	Total IFRS
Premium income*	10,673.2	2,993.4	2,616.2	16,282.9
Total revenue	**1,412.9**	**395.9**	**166.0**	**1,974.7**
Administrative expenses	(304.9)	(59.8)	(63.1)	(427.8)
EBIT	**1,108.0**	**336.1**	**102.8**	**1,546.9**
Finance costs				(120.3)
Share of profit of equity-accounted companies				4.7
Non-controlling interests				(232.9)
Recurring profit attributable to owners of the parent				**1,198.4**
Income tax expense				(335.7)
Fair value adjustments and net gains				(16.9)
Non-recurring items				(155.8)
Profit attributable to owners of the parent				**690.0**

* A reconciliation of earned premiums to premium income is presented in Note 11

RECONCILIATION OF EBIT TO OPERATING PROFIT

(In € millions)	30.06.2021
EBIT	**1,546.9**
Mark-to-market adjustments and amortisation of intangible assets	(41.3)
Non-recurring items	(217.6)
Net impact of equity-accounted entities	(20.1)
Operating profit	**1,267.9**

OTHER SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

Note 15 Other significant accounting policies and disclosures

15.1 Foreign currency balances

The individual Group entities translate foreign currency transactions into the entity's functional currency at the exchange rate on the transaction date. For practical reasons, the last available exchange rate for the month preceding the transaction date is used as the rate on the transaction date for currencies that have been subject to only limited fluctuations during the period.

At each reporting date, monetary balance sheet items (excluding available-for-sale financial assets) are translated using the closing rate, and the resulting exchange differences are recognised in profit or loss unless hedge accounting is used as described in Note 7.5.

Non-monetary assets and liabilities measured using the cost model are translated into euros at the exchange rate on the transaction date, while non-monetary assets and liabilities measured using the fair value model are translated at the exchange rate on the date of remeasurement at fair value. When a gain or loss on a non-monetary item is recognised in other comprehensive income, e.g., when a non-monetary asset is classified as available-for-sale, the difference arising on translation of the item is also recognised in other comprehensive income. Similarly, when a gain or loss on a non-monetary item is recognised directly in profit or loss, the translation difference is also recognised in profit or loss.

15.2 Employee benefit obligations

Employee benefit obligations are recognised in full in the balance sheet in accordance with IAS 19, except for share grants which are recognised and measured in accordance with IFRS 2.

Short-term benefits are benefits that are expected to be settled in full within 12 months of the end of the annual reporting period in which the employees render the related services. They therefore consist mainly of wages, social security contributions, profit-sharing and bonuses, paid annual leave and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services).

15.2.1 Employee benefit plans

Time-savings accounts and employee retirement savings plans

A time-savings account system has been set up for CNP Assurances' employees, entitling them to save up their rights to paid leave or to monetise these rights immediately or at a future date.

Internal agreements stipulate that rights accumulated in the time-savings account may be credited to a PERCO employee retirement savings plan and qualify for a matching employer contribution.

Post-employment benefits

Post-employment benefits include:
(a) pension plans;
(b) other post-employment benefits.
They are classified as defined contribution or defined benefit plans based on their main terms.

Defined benefit pension plan

The annuity and financial risks arising from the retirement of plan participants are covered by an insurance policy.

Obligations under defined benefit plans and the related costs are measured by the projected unit credit method. The amount recognised in the balance sheet for pension obligations corresponds to the difference between the projected benefit obligation and the fair value of the plan assets.

The actuarial assumptions used to measure defined benefit obligations vary depending on economic conditions in the country in which the plan has been set up.

Pension plans in the international entities

Several defined contribution plans and a limited number of defined benefit plans have been set up throughout the different Group entities.

Length-of-service awards payable to employees on retirement and jubilees

Obligations for the payment of length-of-service awards and jubilees are measured by the projected unit credit method and recognised as a liability.

Discount rate

The discount rate corresponds to the yield on investment grade corporate bonds that are traded in an active market (or the government bond rate if no active market exists) with maturities that match the duration of the benefit obligation.

Accounting treatment

Assets of funded plans are segregated and managed separately from the Group's assets, and any funding surplus or deficit is recognised in the balance sheet.

Liabilities under unfunded plans are recognised in the balance sheet.

The Group recognises gains and losses on post-employment defined benefit plans in other comprehensive income. Actuarial gains and losses on other long-term benefits are recognised directly in profit or loss.

Actuarial losses recognised in current profit for defined-benefit plans comprise two elements:

- current service cost and past service cost;
- interest cost (reflecting the unwinding of any discounting to present value) less the expected return on plan assets.

15.2.2 Share-based payment

Accounting treatment of employee share grants

The shares held for allocation when the share grants vest are recorded as a deduction from equity. The difference between the average cost of the shares and their fair value at the grant date is recognised in equity, with no impact on profit or loss. The cost of the employee services received in exchange for the grants is measured by reference to the fair value of the shares, in accordance with IFRS 2, and is recognised in employee benefits expense over the vesting period, with a corresponding adjustment to equity. The cost recognised in profit or loss takes into account the estimated number of grantees at each reporting date and the cost of managing the shares.

15.3 Acquisition costs and operating expenses

Underwriting expenses are presented by function:

- claim and benefit handling expenses include the costs of the departments responsible for paying claims, endowments and periodic benefits and processing surrenders;
- acquisition costs include all selling, distribution and administrative expenses incurred for the acquisition of new contracts;
- contract administration expenses include all the costs of managing In-Force business;
- investment management costs include all internal and external costs of managing asset portfolios and financial expenses;
- other underwriting costs correspond to overhead expenses that cannot be allocated rationally to the other functions;
- non-underwriting costs correspond to costs related to businesses that have no technical link to the insurance business.

Cost recognition and allocation:

- operating expenses are initially recognised by nature and are then reallocated by function;
- costs recognised by nature that relate to a single function are posted to the function concerned without applying any allocation key.

Other costs are analysed between:

- corporate costs, which are allocated to the operating centres using statistical cost allocation keys or actual business data;
- operating costs, as adjusted to include corporate costs, which are allocated to the functions using a specific allocation key for each business.

15.4 Application of IAS 29

Argentina has been qualified as a hyperinflationary economy since 1 July 2018.
As a result, IAS 29 “Financial Reporting in Hyperinflationary Economies”, requires the financial statements of entities whose functional currency is the Argentine peso to be restated.
CNP Assurances has two subsidiaries in Argentina, CNP Assurances Compañía de Seguros and CNP SA de Capitalización, whose functional currency is the Argentine peso.
The analysis of the impacts related to the application of this standard enables the Group to ensure that its accounting policies do not need to be modified.

15.5 Average number of employees of consolidated companies

(Headcount)	**30.06.2022**	31.12.2021 Restated(*)
Management-grade	2,807	2,621
Non-management-grade	2,579	2,554
Average headcount	**5,385**	**5,175**

(*) The number of employees in 2021 has been restated to reflect the new accounting method that excludes employees with fixed-term or suspended contracts

The above headcount does not include the headcount of the companies accounted for by the equity method.

15.6 Sale of CNP Partners

On 5 May 2022, CNP Assurances entered into an agreement to sell CNP Partners to Mediterráneo Vida (MedVida). CNP Partners is 99.5% owned by CNP Assurances and 0.5% by CNP Caution (a wholly-owned subsidiary of CNP Assurances).
Completion of the transaction is subject to the customary conditions, including regulatory authorisations.
At 30 June 2022, the main categories of assets and liabilities presented within assets and liabilities held for sale are as follows (amounts are net of intragroup transactions with other CNP Assurances entities):

(In € millions)	30.06.2022
Other intangible assets	8.5
Insurance investments(1)	1,835.4
Reinsurers' share of insurance and financial liabilities	0.6
Other assets	69.0
Cash and cash equivalents	140.2
Total available-for-sale assets	**2,053.7**

(1) The planned transaction led to the recognition of an impairment loss of €60.8 million in first-half 2022

(In € millions)	30.06.2022
Insurance and financial liabilities	1,953.9
Other liabilities	30.1
Total liabilities related to assets held for sale	**1,984.0**

Note 16 Contingent liabilities

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements, except when it is not probable that they will give rise to an outflow of resources.
Contingent liabilities are regularly reviewed to determine whether an outflow of resources has become probable or can be measured with sufficient reliability. If this is the case, a provision is recognised in the financial statements for the period in which the change in probability or measurability occurs.

Note 17 Related party information

Two parties are related if one controls or exercises significant influence over the policy decisions of the other, or if both parties are subject to significant influence from the same third-party entity or person.

Related parties are determined based on their relationship with CNP Assurances, the parent company of the Group, and mainly consist of its shareholders and entities controlled by these shareholders or by CNP Assurances (including its associates and joint ventures) and members of senior management.

Transactions and outstanding amounts between the parent company and its fully-consolidated subsidiaries are eliminated in full and do not appear in the consolidated financial statements.

For information, CNP Assurances received a total of €215.0 million in dividends from subsidiaries during the period, including €109.3 million from French subsidiaries, €76.0 million from Brazilian subsidiaries, €14.4 million from Italian subsidiaries and €15.3 million from Irish subsidiaries.

Based on the IAS 24 definition, the Group's direct or indirect shareholders who have control or exercise significant influence, their subsidiaries and joint ventures and the companies over which they exercise significant influence are all related parties.

The list of subsidiaries, associates and joint ventures is provided in Note 4.