

**CRÉDIT AGRICOLE CIB FINANCE LUXEMBOURG SA**  
**31-33, Avenue Pasteur**  
**L-2311 Luxembourg**

**R.C.S. Luxembourg : B224538**

**Half yearly unaudited Financial Report and Directors' report**

**June 30, 2021**

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## **OFFICERS AND INDEPENDENT AUDITOR**

### **BOARD OF DIRECTORS**

L. Ricci, Director

L. Malecki, Director

A. Elliott, Director (resigned on April 30<sup>th</sup> 2021)

J. Weiss, Director (appointed on May 5<sup>th</sup> 2021)

### **SECRETARY**

Alter Domus Alternative Asset Fund Administration S.à r.l.

15, Boulevard F.W. Raiffeisen

L-2411 Luxembourg

### **REGISTERED OFFICE**

31-33, Avenue Pasteur

L-2311 Luxembourg

### **INDEPENDENT AUDITOR**

Ernst & Young S.A.

35 E, Avenue John F. Kennedy

L-1855 Luxembourg

## **DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT**

The Directors present their half yearly unaudited financial report for June 30, 2021.

### **ACTIVITIES**

The sole activity of Crédit Agricole CIB Finance Luxembourg SA (the "Company") consists of issuing Notes and / Warrants with returns linked to underlying share, index and / or fund. Crédit Agricole Corporate and Investment Bank (hereafter "Crédit Agricole CIB") systematically buys them and funds raised by the Company are systematically deposited to Crédit Agricole CIB (at market floating rate plus a margin used to cover general operating expenses of the Company).

During the first half 2021, the Company issued the following:

- 40 series of notes for an aggregate nominal amount of EUR 409,025,000 with an average legal maturity of 3.8 years of which 1 were secured note for an amount of EUR 2,500,000;
- 1 warrant for a nominal amount of EUR 18,600,000 with a legal maturity of 3.85 years;
- 1 series of note for an amount of CHF 4,000,000 with a legal maturity of 1 year;
- 2 series of notes for an aggregate nominal amount of GBP 12,100,000 with an average legal maturity of 4.5 years;
- 1 secured note for an amount of JPY 300,000,000 with a legal maturity of 19.8 years;
- 45 series of notes for an aggregate nominal amount of USD 144,183,000 with an average legal maturity of 3.8 years of which 2 were secured notes for an aggregate amount of USD 31,200,000.

Proceeds of the issuances were placed on deposit with Crédit Agricole CIB to be applied for general corporate funding purposes and, occasionally, for specific structuration purposes. Each series of structured medium term notes is guaranteed by Crédit Agricole CIB.

In addition, the Company and Crédit Agricole CIB systematically enters into derivatives, such as swaps and options, in order to economically hedge the Notes, Warrants and deposits. Consequently, the Company bears no net market risk and no credit risk other than the Crédit Agricole CIB credit risk.

The Company is wholly owned subsidiary of Crédit Agricole CIB, who is in turn a wholly-owned subsidiary of Crédit Agricole S.A.

During the half-year 2021, the Company had no branches and did not perform any activities in the field of research and development.

### **RESULTS AND PROFIT OR LOSS AND OTHER**

The statement of profit or loss and other comprehensive income for the year is set out on page 10.

The Directors do not recommend a payment of an interim dividend for the half-year ended June 30, 2021.

## **OUTLOOK FOR 2021**

At this stage, based on the current situation with Covid-19, it is expected that the volume and the aggregate nominal amount of issuance of structured medium term notes by the Company will increase during the second half 2021.

From July 1, 2021 to August 10, 2021, the Company issued the following:

- 23 series of notes for an aggregate nominal amount of EUR 173,235,000 with an average legal maturity of 2.9 years;
- 1 series of note of an amount of HKD 28,500,000 with a legal maturity of 0.27 year.
- 1 series of note of an amount of JPY 600,000,000 with a legal maturity of 9.95 years.
- 16 series of notes for an aggregate nominal amount of USD 73,814,000 with an average legal maturity of 3.3 years.

Proceeds of the issuances were placed on deposit with Crédit Agricole CIB to be applied for general corporate funding purposes. Each series of structured medium-term notes is guaranteed by Crédit Agricole CIB.

## **RISK MANAGEMENT**

We refer to Note 3 to the financial statements.

## **SUBSEQUENT EVENTS**

No material subsequent events occurred after the financial year end until the signing of this report.

## **DIRECTORS**

The present membership of the Board is set out on page 3.

## **INDEPENDENT AUDITOR**

The independent auditor, Ernst & Young, is eligible for reappointment.

## **STATEMENT BY THE RESPONSIBLE PERSON**

I, the undersigned Jérôme Weiss, confirm that, to the best of my knowledge, the financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of Crédit Agricole CIB Finance Luxembourg SA and that the directors' report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

## **CORPORATE GOVERNANCE STATEMENT**

Pursuant to the principle of corporate governance published by the Luxembourg Stock Exchange, which first came into effect on January 1st, 2007, this report was prepared by the Board of Directors as a supplement to the Directors' report. It presents notably the information which is required under the Civil Code, the Law of August 10, 2015 on Commercial Companies, as amended and the rules and regulation of the Luxembourg Stock Exchange, in particular, the corporate governance framework, the Board of Directors' remit, the composition of the Board of Directors, the appointment procedure of members of the Board of Directors, the professional ethics, the executive Management, the remuneration policy, the financial statement, the internal control and risk management, the corporate social responsibility and the rights of its sole shareholder.

This report was prepared based on the work of the Board of Directors and of their Office Manager.

As a preliminary, you are reminded that Crédit Agricole CIB Finance Luxembourg SA applies the Ten Principles of Corporate Governance of Luxembourg Stock Exchange (the "**LSE Principles**").

### ***THE BOARD OF DIRECTORS' REMINT***

The Board of Directors is aware of the relevant laws and regulations which apply to the Company.

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions, but not their responsibility to other parties, subject to the supervision and direction of the Directors. The Board of Directors is responsible for the preparation and the fair presentation of the financial statements. In preparing the financial statement, the Board of Directors is responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis on accounting unless the Board of Directors either interest to liquidate the Company or to cease operation.

### ***COMPOSITION OF THE BOARD OF DIRECTORS***

The Company's Article of Association (see article 13) stipulates that the Board of Directors must be composed of at least three members, whether shareholders or not.

The Directors are appointed by the General Meeting who determine the number, their remuneration and the duration of their mandate, which shall not exceed six years.

As at June 30, 2021, the average age of Directors was 45.

Directors as at June 30, 2021:

<b>Directors</b>	<b>Date of first appointment</b>	<b>End of the current term of office</b>
Jérôme Weiss	05/05/2021	05/05/2027
Lukasz Malecki	07/05/2018	07/05/2024
Laurent Ricci	07/05/2018	07/05/2024

The Board of Directors also noted that they did not have any conflict of interest.

### ***THE APPOINTMENT PROCEDURE OF MEMBER OF THE BOARD OF DIRECTORS***

In accordance with its social responsibility policy, that Crédit Agricole CIB Finance Luxembourg SA aims to promote diversity at all levels, particularly among members of its Board of Directors. To this end, when considering new appointments, the Board of Directors takes diversity into account to ensure a sufficient range of qualities and skills, allowing a variety of points of view relevant to the decision-making process. Priority is given to the candidate's ability to maintain a complementary in career paths, experiences and skills within the Board of Directors. There is no policy concerning the age limit of the members of the Board since priority is given to examining their experience and competence. For this reason, the legal and regulatory requirements naturally lead to the selection of candidates with recognized skills and experience.

This approach aims to ensure that the composition of the Board of Directors reflects the shareholding structure of Crédit Agricole CIB Finance Luxembourg SA, which is 100% indirectly owned by Crédit Agricole Group, as well as to attract directors with diversified and complementary profiles in terms of training, skills and professional experience.

### ***THE PROFESSIONAL ETHICS***

The Board of Directors noted that they made decisions in the Company's interest and independently of any conflict of interest.

### ***THE REMUNERATION POLICY***

The remuneration policy is set out in the article 13 of the Article of Association.

### ***THE EXECUTIVE MANAGEMENT***

The Board of Directors gave authorization to the Global Head of Macro Fixed Income Structuring of Crédit Agricole CIB to execute the issuance documentation on behalf of the Company. The Board of Directors hired an Office Manager for the day to day business of the Company.

### ***THE FINANCIAL STATEMENT, THE INTERNAL CONTROL AND RISK MANAGEMENT***

The Board of Directors has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include the appointment of Alter Domus Alternative Asset Fund Administration S.à r.l. as corporate service provider and the appointment of Crédit Agricole CIB as back-office servicer to maintain the accounting records of the Company, the back-office monitoring related to the issuances of notes by the Company. To that end, Crédit Agricole CIB performs reconciliations of its records and Crédit Agricole CIB is contractually obliged to prepare for review and approval by the Board of Directors the annual accounts providing a true and fair view of the financial situation of the Company. The Board of Directors evaluates and discusses significant accounting and reporting issues as the need arises. The Board of Directors has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditors.

Given the contractual obligation on the corporate service provider and on the back-office servicer, the Board of Directors has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process. The back-office servicer is authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution (the "ACPR") and supervised by the European Central Bank (the "ECB"), the ACPR and the Autorité des Marchés Financiers (the "AMF") in France. The corporate service provider is subject to the supervision of the Luxembourg supervisory authority of the financial sector (the "CSSF") as Specialised Professional from the Financial Sector (PFS).

The corporate service provider and the back-office servicer are contractually obliged to design and maintain control structures to manage the risks which are significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant caption in the annual accounts.

### ***THE CORPORATE SOCIAL RESPONSABILITY***

The company has introduced corporate social responsibility (the "CSR") sector policies in cooperation with the Group to manage the reputation risks stemming from the social and environmental impacts of its activities. These policies set out analysis criteria for these specific risks, which may cause the Company not to complete a transaction which displays certain characteristics in certain sectors such as armaments, nuclear or coal.

In June 2019, Crédit Agricole Group published a Climate strategy aligned with the Paris agreement. It provides for a progressive reallocation of financing and investment portfolios to make green finance one of the group's growth drivers.

This strategy, has been rolled out by all its entities and subsidiaries, comprises three main pillars.

- An innovative governance to lead the implementation of the Climate Strategy;
- Incorporating energy transition issues into customer relationship; and
- The gradual reallocation of our loan, investments and Asset Under Management portfolios, aligned with the Paris Agreement.

### ***THE RIGHTS OF ITS SOLE SHAREHOLDER***

As at June 30, 2021, the Company's share capital consisted of 30,000 ordinary shares with a par value of EUR 1.00 each, giving a share capital of EUR 30,000.00. The shares are 100% owned by Crédit Agricole CIB. The Company's shares have not been offered to the public and are not listed for trading on a regulated market. There are no employee shareholding schemes at the Company and no securities holders with special control or voting rights.

A register is kept at the registered office of Company, where it is available for inspection by its shareholder. Such register contains the name of the shareholder, the number of shares held, the amounts paid up, the postal address of the shareholder. The ownership of the shares is established by the entry in the register.

The procedures for participating in Shareholders' Meetings are set out in the article 21 of the Articles of Association.

Approved by the Board of Directors and signed on behalf of the Board of Directors on September 20<sup>th</sup>, 2021 by:

**Director**

Jérôme Weiss

Marek St.

R.



## RESPONSIBILITY STATEMENT

In accordance with article 3 (2) c) of the law of 11 January 2008 (the “**Transparency Law**”), as subsequently amended, on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, we declare that:

- To the best of our knowledge, the Half yearly unaudited Financial Report June 30, 2021 prepared in accordance with International Reporting Standards as adopted by the European Union give a true and faire view of the assets, liabilities, financial position, comprehensive income and cash flows of Crédit Agricole CIB Finance Luxembourg S.A.;
- The Directors’ report includes a faire review of the development, performance of the business and the position of Crédit Agricole CIB Finance Luxembourg S.A. together with a description of the principal risks and uncertainties that it faces.



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Jérôme Weiss  
Director



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Lukasz Malecki  
Director



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Laurent Ricci  
Director

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		From 01/01/2021 to 30/06/2021	From 01/01/2020 to 30/06/2020
		EUR	EUR
Net gains / (losses) on financial instruments at fair value through profit or loss	Note 13	-	-
Other Income	Note 10	247 982	375 113
General operating expenses	Note 14	(247 982)	(374 613)
Income Tax	Note 12	173	(500)
<b>NET INCOME AND COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>173</b>	<b>-</b>

The above results for the period all relate to continuing activities.

## STATEMENT OF FINANCIAL POSITION

		30/06/2021	31/12/2020
ASSETS		EUR	EUR
Cash at banks	Note 4	81 724	31 381
Derivatives held for trading	Note 6	14 176 143	3 912 976
Financial assets at fair value through profit or loss	Note 5	2 172 405 346	1 676 407 073
Other assets	Note 10	1 125 020	380 694
<b>TOTAL ASSETS</b>		<b>2 187 788 233</b>	<b>1 680 732 124</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	Note 7	30 000	30 000
Retained earnings		67 456	16 958
Reserve	Note 7	3 000	3 000
Profit for the financial year		173	50 498
<b>SHAREHOLDERS' EQUITY</b>		<b>100 629</b>	<b>100 456</b>
Due to banks	Note 4	273	129 269
Derivatives held for trading	Note 9, 16	15 447 433	4 574 338
Financial liabilities designated at fair value through profit or loss	Note 8, 15, 16	2 171 936 989	1 675 687 728
Tax liabilities	Note 12	8 906	18 591
Other liabilities	Note 11	294 003	221 742
<b>TOTAL LIABILITIES</b>		<b>2 187 687 604</b>	<b>1 680 631 668</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2 187 788 233</b>	<b>1 680 732 124</b>

In accordance with paragraph 60 of IAS 1, the Company has presented its assets and liabilities in order of their liquidity as this presentation is reliable and relevant taken into consideration its activities.

The notes to the financial statements form an integral part of these financial statements.

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Retained earnings	Reserves	Profit of the year	Total Equity
	EUR	EUR	EUR	EUR	EUR
Share capital (Note 7)	30 000	-	-	-	30 000
2019 profit	-	-	-	19 958	19 958
<b>Equity at December 31, 2019</b>	<b>30 000</b>	<b>-</b>	<b>-</b>	<b>19 958</b>	<b>49 958</b>
	-	-	-	-	-
Allocation of the 2019 profit	-	16 958	3 000	(19 958)	-
2020 profit	-	-	-	50 498	50 498
<b>Equity at December 31, 2020</b>	<b>30 000</b>	<b>16 958</b>	<b>3 000</b>	<b>50 498</b>	<b>100 456</b>
Allocation of the 2020 profit*	-	50 498	-	(50 498)	-
2021 profit	-	-	-	173	173
<b>Equity at June 30, 2021</b>	<b>30 000</b>	<b>67 456</b>	<b>3 000</b>	<b>173</b>	<b>100 629</b>

\* Following the resolutions of the Shareholders' Annual General Meeting dated 5 May 2021.

## STATEMENT OF CASH FLOWS

	30/06/2021	30/06/2020
	EUR	EUR
<b>OPERATING ACTIVITIES</b>		
Profit for the period	-	-
<i>Adjustments for:</i>		
Net (Increase)/ decrease in financial assets	(522 884 022)	(77 653 541)
Net Increase/ (decrease) in financial liabilities	522 884 022	77 653 541
(Increase)/ decrease in other assets	59 142	(159 687)
Increase/ (decrease) in tax liabilities and other liabilities	120 024	230 301
Other	-	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>179 166</b>	<b>70 614</b>
<b>NET FINANCING ACTIVITIES</b>	-	-
Capital Issued	-	-
Dividend paid	-	-
<b>NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the year	(97 888)	(70 038)
Net increase/(decrease) in cash and cash equivalents	179 339	70 614
<b>Cash and cash equivalents at the end of the period (Note 4)</b>	<b>81 451</b>	<b>576</b>
<b>Cash flows from interest and dividends</b>	-	-
Interest paid*	1 308 199	4 259 557
Interest received*	1 308 199	4 259 557
Dividend received	-	-

The entity's activity lies in raising cash by issuing EMTNs and Warrants, and systematically depositing the cash with Crédit Agricole CIB in addition to hedging, through a derivatives portfolio with Crédit Agricole CIB, the market risks arising from its liabilities relating to its EMTN issuance. Hence, all cash flows from these activities are considered to be operational cash flows according to IAS 7 para 15.

\* In accordance with the accounting policy of the Company, Interest income and expense are recorded under Net gains / (losses) on financial instruments at fair value through profit or loss.

The notes to the financial statements form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ORGANISATION AND DESCRIPTION OF THE COMPANY

Crédit Agricole CIB Finance Luxembourg SA (the “Company”) was incorporated in Luxembourg as a public limited liability company and is a wholly owned subsidiary of Crédit Agricole Corporate and Investment Bank (“Crédit Agricole CIB”), in turn a wholly owned subsidiary of Crédit Agricole S.A. (the “Ultimate Parent Company”) incorporated in France.

The Company's only activity consists of issuing Notes or Warrants with returns linked to underlying equity, index and funds. They are systematically bought by Crédit Agricole CIB (the “Parent Company”) but are, in almost all cases, on-sold to investors by Crédit Agricole CIB and funds raised by the Company systematically deposited with Crédit Agricole CIB (at market floating rate plus a spread and a margin used to cover general operating expenses of the Company).

In addition, derivatives, such as swaps and options, are systematically entered into by the Company with Crédit Agricole CIB in order to economically hedge the notes, warrants and deposits. As a consequence, the Company bears no net market risk and no credit risk other than the Crédit Agricole CIB risk.

Crédit Agricole CIB has issued an unconditional guarantee under which it guarantees the prompt payment when due of all obligations and liabilities of the Company.

The Company's financial year begins on January 1 and ends on December 31 each year.

The activities, the controls and financial reporting are outsourced and performed in accordance with Crédit Agricole CIB, France procedures. However, the Board of Directors remains responsible for those activities.

The financial statements of the Company are included in the financial statements of Crédit Agricole CIB, which is the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking, and whose head office is located at 12 place des Etats-Unis, 92547 Montrouge Cedex. The financial statements of the Company are included in the consolidated accounts of Crédit Agricole S.A., which is the largest body of undertakings of which the Company forms a part as a subsidiary undertaking, and whose head-office is located at 12 place des Etats-Unis, 92127 Montrouge Cedex.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. Basis for preparation

The financial statements were prepared in accordance with International Financial Reporting Standards (‘IFRS’) and IFRS Interpretations Committee (‘IFRIC’) interpretations applicable as of June 30, 2021 as adopted by the European Union.

The standards and interpretations are identical to those used and described in the Company's financial statements as of December 31, 2020. The accounting policies applicable to the activities conducted in the course of the half-year ended June 30, 2021 are described below.

The following new standards and interpretations applicable since January 1, 2020 have no impact on the Company's financial statements:

- Definition of a Business – Amendments to IFRS 3;
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7;

## NOTES TO THE FINANCIAL STATEMENTS (continued)

- Definition of Material – Amendments to IAS 1 and IAS 8;
- Amendments to references to the Conceptual Framework for Financial Reporting;
- Covid-19-Related Rent Concessions – Amendment to IFRS 16.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments, financial assets and liabilities linked to the issuance activity that have been measured at fair value.

The financial statements are presented in euros, except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period.

Furthermore, standards and interpretations that have been published by the IASB but not been adopted yet by the European Union, will become mandatory only as from the date of such adoption. Therefore, the Company has not applied the non-EU adopted standards for the half-year ended June 30, 2021.

Only standards and interpretations issued but not yet effective that may be relevant to the Company are listed below:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16;
- AIP IFRS 9 Financial instruments – Fees in the “10 per cent” test for derecognition of financial liabilities.

These financial statements were authorised for issue by the Board of Directors dated September 20<sup>th</sup>, 2021.

### 2.2. Use of estimates and judgments

Judgments and estimates have been made by the Board of Directors when preparing the financial statements. These estimates are based on certain assumptions and involve risks and uncertainties as to their actual achievement in the future. Accounting estimates based on subjective assumptions are principally used to value financial instruments measured at fair value.

Estimates and valuation models are identical to those used by the parent company. There are defined and monitored using the same control methods.

The valuation of the financial instruments is produced and validated by the parent company as counterparty to all transactions. Crédit Agricole CIB produces these valuations using their management information systems and the valuations are controlled by a team attached to the Market Risk Department who is independent of the investing and market operators.

These valuations are based upon:

- available data sources (market data providers, market consensus, broker data, etc.);
- Models validated by the quantitative teams of the Market Risk Department.

The methodologies and valuation models of financial instruments incorporate all the factors that market participants would use to calculate a price, in accordance with IFRS 13.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The use of estimates and judgments mainly concerns the following topics:

- Fair value in the statement of financial position of financial instruments not quoted in an active market which are classified as financial assets and liabilities at fair value through profit or loss;
- the amount of impairment and provisions for credit risk related to financial assets measured at amortised cost, where relevant.

For the application of IFRS 9, the Company has, where relevant, expanded the use of estimates and judgments in analyzing the contractual cash flow characteristics of financial assets, assessing the increase in credit risk observed since the initial recognition of financial assets, and measuring the amount of expected credit losses on these same financial assets.

### 2.3. Reporting and functional currency

The financial statements are presented in thousands of Euro (EUR). The functional currency of the Company is the Euro and the financial statements are presented in Euro as it most faithfully represents the economic effect of the transactions of the Company.

### 2.4. Foreign currency translation

Transactions denominated in foreign currency are initially translated into Euro at the rates ruling at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

The most important foreign currency positions for the Company are USD, AUD, RUB and GBP. The following foreign exchange rates were used as at June 30, 2021:

USD: 1.18595 (2020: 1.23);  
AUD: 1.5794 (2020: 1.6047);  
RUB: 86.6159 (2020: 92.0348)  
GBP: 0.8583 (2020: no exposure).

### 2.5. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly investments with original maturities of three months or less. Bank overdrafts are deducted from Cash and cash equivalents (See Note 4).



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2.6. Financial instruments

The financial instruments represent the contractual rights or obligations to receive or to pay cash or other financial assets.

In the financial statements, the classification and valuation of financial assets and liabilities depend on their contractual characteristics and the way the Company manages those financial instruments.

However, this distinction is not applicable to derivative instruments, which are always measured at fair value through profit or loss in the statement of financial position, no matter what their purpose is (trading activities or hedging transactions).

#### 2.6.1. Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Taken into consideration its activity, the Company classifies the financial assets resulting from its issuance activity in the financial assets at fair value through profit or loss category.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments (see as well Note 2.6.3. Derivatives), deposits and funded swaps.

Deposits have been designated at fair value through profit or loss upon initial recognition as this designation eliminates the inconsistent treatment that would otherwise arise from measuring these assets on a different basis.

The funded swaps are economically assimilated to deposits with embedded derivatives (the swap embedded in the funded swaps). This type of financial assets complies with the IFRS definition of debt instruments (fixed maturity, coupon calculated as a rate, no right nor interest/control in an entity). As these financial assets contain embedded derivatives that modify the cash flows of the entire contract, the contract does not pass the Solely Payments of Principal and Interests ("SPPI") test and these financial assets are mandatorily measured at fair value through profit or loss.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired

Or

## NOTES TO THE FINANCIAL STATEMENTS (continued)

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **2.6.2. Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, deposits and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of deposits and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include trade and other payables, notes, warrants, and derivative financial instruments.

#### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss;
- Financial liabilities at amortised cost (deposits and borrowings).

Taken into consideration its activity, except for the amounts due to banks, the Company classifies its financial liabilities in the financial liabilities at fair value through profit or loss category.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied:

- Argument 1: the use of fair value removes or significantly reduces an “accounting mismatch”;
- Argument 2: they are part of an activity that is managed and whose performance is measured on a fair value basis;
- Argument 3: They contain embedded derivatives which, if the fair value option were not applied, should be separated and recorded on the statement of financial position at fair value with movement through the statement of comprehensive income.

The argument used in this case is No. 2.

Under IFRS 9, an entity can, at initial recognition, irrevocably designate a financial asset as measured at fair value through P&L if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Under IFRS 9, when the fair value option is used for financial liabilities, changes in fair value are recorded as follows:

- Shareholders' equity (non-recyclable OCI) for the portion of fair value changes attributable to changes in credit risk, unless this registration method leads to the creation or increase of an accounting mismatch (to which the full changes in fair value are recorded in profit or loss);
- By profit or loss for other sources of fair value changes.

According to IFRS 9, the recording of the credit risk effect in changes in the fair value of OCI issues would create an accounting mismatch. As a result, changes in the fair value of the issues attributable to credit risk are recorded in the statement of profit or loss, in the same way as other changes in fair value.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2.6.3. *Derivatives*

Derivative instruments are financial instruments for which the value changes according to that of an underlying item and can be accompanied by a leverage effect. The items underlying these instruments are various (interest rates, exchange rates, equity, indexes, commodities, credit rating...), as are their forms (forward contracts, swaps, calls and puts...).

The Company may use these derivative instruments for its market activities to provide to its customers solutions to meet its risk management or revenue optimisation needs. In that case, they are accounted for as trading derivatives.

Derivatives instruments may also be used to manage and hedge its own risks. In which case, they are qualified as hedging derivatives. Hedging transactions can concern individual items or transactions (micro-hedging relationships) or portfolios of financial assets and liabilities that can generate a structural interest-rate risk (macro-hedging relationships). The Company does not use derivatives instruments for hedging purposes.

Contrary to other financial instruments, derivative instruments are always measured at fair value in the statement of financial position, regardless their purpose. The fair value adjustments of trading derivatives are directly recognised in the statement of profit and loss.

Derivatives are financial instruments meeting the following three criteria:

- their value changes in response to the change in a specified interest rate, foreign exchange rate, share price, index of prices, commodity price, credit rating, etc.;
- they require little to no initial investment;
- they are settled at a future date.

All financial derivatives are recognised at fair value in the statement of financial position as financial assets or financial liabilities. They are considered to be trading derivatives by default.

#### 2.6.3.1. *Embedded derivatives*

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host instrument.

Where the host contract is a financial asset, the entire hybrid contract is measured at fair value through profit or loss because its contractual cash flows do not pass the SPPI test.

Where the host contract is a financial liability and is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract if:

- at acquisition, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host; and
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.

Once separated, the derivative is recognised at fair value in the statement of financial position under Financial assets or Financial liabilities at fair value through profit or loss under the aforementioned conditions. The host contract is classified as a financial liability and measured in accordance with its accounting category.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### *2.6.3.2. Trading derivatives*

Trading derivatives are recorded in the statement of financial position under Financial assets or liabilities at fair value through profit or loss. Changes in fair value are recorded in the statement of profit or loss under Net gains / (losses) on financial instruments at fair value through profit or loss.

### *2.6.4. Determination of the fair value of financial instruments*

The fair value of financial instruments is determined by maximizing the use of observable input data and based on the IFRS 13 hierarchy.

As per IFRS 13, fair value is the price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the principal markets or on the most advantageous market, at the measurement date.

Fair value applies to each financial asset or liability individually. By exception, it can be measured per portfolio, when the risk management and monitoring strategy so allows and when appropriate documentation exists. Therefore, some fair value parameters are calculated on a net basis when a group of financial assets and liabilities is managed on the basis of its net exposure to market or credit risks.

The Company does not deal with a group of financial assets and liabilities. Each instrument is evaluated individually.

#### **Fair value hierarchy:**

The standard classifies the fair values into three levels according to the observable character of input data used for their measurement:

#### **Level 1: fair values corresponding to (non-adjusted) prices on active markets**

Level 1 are financial instruments which are directly quoted on an active market to which the entity has access as at the valuation date.

A market is considered active when prices are easily and regularly available from a financial market, a broker, a broker dealer, a price assessment service or a regulatory agency and when these prices represent real transactions performed regularly at arm's length in the market. When the closing quoted price is not available, the Company will particularly refer to the most recent transaction prices of the instrument.

#### **Level 2: fair values assessed based on data directly or indirectly observable, other than those of level**

These inputs are directly observable (prices) or indirectly observable (data derived from prices) and generally meet the following characteristics: they are not specific to the entity; they are publicly available / accessible and they are based on market consensus.

These include financial instruments traded over-the-counter which are assessed based on valuation models using observable market data, i.e. data which can be obtained from several sources, independent from internal sources, on a regular basis.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### **Level 3: fair values for which a significant number of the parameters used for their measurement does not meet the observable nature criteria**

The fair value of certain complex market instruments not traded on active markets or able to be priced against observable market data rests on valuation techniques using assumptions which are not supported by data observable on the market for the same or similar financial instruments.

These products are reported as level 3. For the most part these are complex interest rate and equity derivative products whose assessment requires, for example, correlation or volatility parameters which are not directly comparable to market data.

Levels 2 and 3 financial instrument valuation methodologies and models factor in all the data that market participants use to calculate a price.

During the half-year ended at June 30, 2021, there was no significant change in the techniques used for the valuation of the financial instruments held by the Company.

Financial assets are instruments classified as financial assets designated at fair value through profit or loss:

- On one hand, as a result of a genuine intention to trade them;
- On the other hand, as these instruments were designated as at fair value by the Company at inception.

### **2.7. Dividends**

Dividends on ordinary shares are recognized in equity in the period in which they are approved by the Company's shareholders.

### **2.8. Interest income and expenses**

Interest is recognized as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

Interest income and expense are recorded in the statement of profit or loss under Interest income and Interest expense for all financial instruments measured using the effective interest method (instruments at amortised cost and debt instruments at fair value through other comprehensive income, if any). Interest income and Interest expense on derivatives, on financial assets and liabilities measured at fair value through profit or loss are recorded in the statement of profit or loss and other comprehensive income under Net Gains/(losses) on financial instruments at fair value through profit or loss.

The effective interest rate is taken to be the rate used to net discount future cash inflows and outflows over the expected life of the instrument in order to establish the net book value of the financial asset or liability. The calculation of this rate considers the future cash flows estimated on the basis of the contractual provisions of the financial instrument without taking account of possible future credit losses and also includes commissions paid or received between the parties where these may be assimilated to interest, directly linked transaction costs, and all types of premiums and discounts.

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is measured at the effective interest rate applied to the net carrying amount of the financial asset with an offsetting entry equal to the outstanding financial asset before impairment.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2.9. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in Luxembourg where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. The Board of Directors periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date



## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

As at June 30, 2021 and 2020, no deferred taxes are to be recognised.

### **2.10. Other commitments linked to secured notes**

In relation to each series of secured notes in order to secure its obligations in that respect, the Company receives an unconditional guarantee in support of Crédit Agricole CIB.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. RISK MANAGEMENT

Management regards the monitoring and controlling of risk as a fundamental part of the management process and accordingly involves its most senior staff in developing risk policy and in monitoring its application. The evaluation of the risks inherent in the Company's activities and the development of policies and procedures to control them is carried out by the Senior Management at Crédit Agricole CIB and reported to the Board of Directors.

#### 3.1. Credit risk

Credit risk is the risk that a customer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. As described in Note 1, the only unhedged risk is credit risk. However, since all deposits and derivatives are concluded exclusively with Crédit Agricole CIB, this risk is limited to that of the parent company.

On the liabilities side of the balance sheet, the risk consists of a credit risk of the issuer, which is included in the fair value of the issued products.

In addition, Crédit Agricole CIB Finance Luxembourg SA receives an unconditional guarantee from its parent company. As a result, the Company has the same credit risk as Crédit Agricole CIB.

As a result, the credit risk impact on the valuation of the assets and the credit risk impact on the issuer directly offset each other.

#### 3.2. Interest rate risk

Exposure to interest rate risk is the risk that arises when there is an imbalance between rate and non-rate sensitive assets, liabilities and off balance sheet items. As described in Note 1, the Company hedges all risks other than credit risk through transactions with Crédit Agricole CIB and therefore bears no interest rate risk.

#### 3.3. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in realizing assets or otherwise raising funds to meet commitments. The Company perfectly hedges the issue of debt securities through the deposits and derivatives to the parent company which match in all respects the issued debt. The table below reflects the liquidity risk of the Company by maturity profile.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The table below shows the liquidity gap by maturity as at June 30, 2021. This gap is appreciated regarding the contractual maturity of every contract.

	<1 month	From 1 to 3 month	From 3 to 12 month	From 1 to 5 years	>5 ans	Others assets and liabilities	Total
Assets	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Cash at banks	81 724	-	-	-	-	-	81 724
Derivatives held for trading	-	34 705	197 456	8 447 011	5 496 971	-	14 176 143
Financial assets at fair value through profit or loss	-	843 009	45 214 112	1 731 156 041	395 192 184	-	2 172 405 346
Other assets	-	-	-	861 777	(58 844)	322 087	1 125 020
<b>Total Assets</b>	<b>81 724</b>	<b>877 714</b>	<b>45 411 568</b>	<b>1 740 464 829</b>	<b>400 630 311</b>	<b>322 087</b>	<b>2 187 788 233</b>
<b>Liabilities</b>							
Due to banks	273	-	-	-	-	-	273
Derivatives held for trading	-	34 705	197 456	9 577 278	5 637 994	-	15 447 433
Financial liabilities designated at fair value through profit or loss	-	843 009	45 214 112	1 730 887 551	394 992 317	-	2 171 936 989
Tax liabilities	-	-	-	-	-	8 906	8 906
Other liabilities	-	-	-	-	-	294 003	294 003
Shareholders' equity	-	-	-	-	-	100 629	100 629
<b>Total Liabilities</b>	<b>273</b>	<b>877 714</b>	<b>45 411 568</b>	<b>1 740 464 829</b>	<b>400 630 311</b>	<b>403 538</b>	<b>2 187 788 233</b>
Liquidity gap	81 451	-	-	-	-	(81 451)	-

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The table below shows the liquidity gap by maturity as at December 31, 2020. This gap is appreciated regarding the contractual maturity of every contract.

	< 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	> 5 years	Others assets and liabilities	Total
Assets	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Cash at banks	31 381	-	-	-	-	-	31 381
Derivatives held for trading	-	-	60 970	3 718 060	133 946	-	3 912 976
Financial assets at fair value through profit or loss	-	616 104	3 631 734	1 588 909 753	83 249 482	-	1 676 407 073
Other assets	-	-	-	-	-	380 694	380 694
<b>Total Assets</b>	<b>31 381</b>	<b>616 104</b>	<b>3 692 704</b>	<b>1 592 627 813</b>	<b>83 383 428</b>	<b>380 694</b>	<b>1 680 732 124</b>
<b>Liabilities</b>							
Due to banks	129 269	-	-	-	-	-	129 269
Derivatives held for trading	-	-	60 970	4 297 500	215 868	-	4 574 338
Financial liabilities designated at fair value through profit or loss	-	616 104	3 631 734	1 588 272 330	83 167 560	-	1 675 687 728
Tax liabilities	-	-	-	-	-	18 591	18 591
Other liabilities	-	-	-	57 983	-	163 759	221 742
Shareholders' equity	-	-	-	-	-	100 456	100 456
<b>Total Liabilities</b>	<b>129 269</b>	<b>616 104</b>	<b>3 692 704</b>	<b>1 592 627 813</b>	<b>83 383 428</b>	<b>282 806</b>	<b>1 680 732 124</b>
Liquidity gap	(97 888)	-	-	-	-	97 888	-

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **3.4. Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange exposure arises from issuing debt in currencies other than Euro. As described in Note 1, the Company transacts only with Crédit Agricole CIB and bears no significant foreign exchange risk.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The table below shows the Company's exposure to currencies as at June 30, 2021 (in EUR).

	AUD	CAD	CHF	EUR	GBP	HKD	JPY	USD	RUB	Total
<b>Assets</b>										
Cash at banks	-	-	-	81 724	-	-	-	-	-	81 724
Derivatives held for trading	-	-	-	7 437 637	-	38 297	-	6 700 209	-	14 176 143
Financial assets at fair value through profit or loss	13 731 050	2 560 170	3 630 651	1 999 819 113	13 922 887	-	2 272 269	136 430 720	38 486	2 172 405 346
Other assets*	-	(2 558 844)	-	(42 394 000)	-	-	-	25 296 450	20 781 414	1 125 020
<b>Total Assets</b>	<b>13 731 050</b>	<b>1 326</b>	<b>3 630 651</b>	<b>1 964 944 474</b>	<b>13 922 887</b>	<b>38 297</b>	<b>2 272 269</b>	<b>168 427 379</b>	<b>20 819 900</b>	<b>2 187 788 233</b>
<b>Liabilities</b>										
Due to banks	-	-	-	-	-	-	-	273	-	273
Derivatives held for trading	-	-	-	7 111 956	-	38 297	313 076	7 227 872	756 232	15 447 433
Financial liabilities designated at fair value through profit or loss	13 731 050	1 326	3 630 651	1 957 428 980	13 922 887	-	1 959 193	161 199 234	20 063 668	2 171 936 989
Tax liabilities	-	-	-	8 906	-	-	-	-	-	8 906
Other liabilities	-	-	-	294 003	-	-	-	-	-	294 003
Shareholders' equity	-	-	-	100 629	-	-	-	-	-	100 629
<b>Total Liabilities</b>	<b>13 731 050</b>	<b>1 326</b>	<b>3 630 651</b>	<b>1 964 944 474</b>	<b>13 922 887</b>	<b>38 297</b>	<b>2 272 269</b>	<b>168 427 379</b>	<b>20 819 900</b>	<b>2 187 788 233</b>

\* The amounts in relation to transactions in CAD, EUR, RUB and USD are mainly related to neutralisation of the CCIRS operations. Net related amount included under Other assets is EUR 802 932.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The table below shows the Company's exposure to currencies as at December 31, 2020 (in EUR).

	AUD	EUR	USD	RUB	Total
<b>Assets</b>					
Cash at banks	-	31 381	-	-	31 381
Derivatives held for trading	-	289 907	3 623 069	-	3 912 976
Financial assets at fair value through profit or loss	13 598 498	1 617 584 368	45 217 759	6 448	1 676 407 073
Other assets	-	380 694	-	-	380 694
<b>Total Assets</b>	<b>13 598 498</b>	<b>1 618 286 350</b>	<b>48 840 828</b>	<b>6 448</b>	<b>1 680 732 124</b>
<b>Liabilities</b>					
Due to banks	-	129 269	-	-	129 269
Derivatives held for trading	-	164 933	3 992 705	416 700	4 574 338
Financial liabilities designated at fair value through profit or loss	13 598 498	1 598 093 529	44 848 123	19 147 578	1 675 687 728
Tax liabilities	-	18 591	-	-	18 591
Other liabilities*	-	19 779 572	-	(19 557 830)	221 742
Shareholders' equity	-	100 456	-	-	100 456
<b>Total Liabilities</b>	<b>13 598 498</b>	<b>1 618 286 350</b>	<b>48 840 828</b>	<b>6 448</b>	<b>1 680 732 124</b>

\* The amounts in relation to transactions in EUR and RUB are mainly related to neutralisation of the CCIRS operations. Net related amount included under Other liabilities was EUR 57 983.

## 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are composed as follows:

	30/06/2021 EUR	31/12/2020 EUR
- Current accounts	81 724	31 381
- Overdrafts	(273)	(129 269)
	<b>81 451</b>	<b>(97 888)</b>

The current accounts are related to Luxembourg and French entities of the Crédit Agricole Group.

The fair value of cash and cash equivalents is deemed to be equal to the amortised cost.

## 5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30/06/2021 EUR	31/12/2020 EUR
Financial assets at fair value through profit or loss		
- Mandatorily measured at fair value through profit or loss	2 062 040 532	1 610 202 180
- Designated at fair value through profit or loss	110 364 814	66 204 893
	<b>2 172 405 346</b>	<b>1 676 407 073</b>

Financial assets designated at fair value through profit or loss are backed to EMTNs so the maturity dates are correlated (Note 15).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

As at June 30, 2021, the fair values of these financial assets include accrued interests for EUR 171 842 (2020: EUR 137 749).

### 6. DERIVATIVES HELD FOR TRADING

	30/06/2021 EUR	31/12/2020 EUR
Financial assets at fair value through profit or loss		
- Interest rate swaps	2 601 142	194 410
- Interest rate swaps (before issue date)	5 204	-
- Currency swaps	117 518	-
- Caps / Floors	445 829	134 020
- Foreign exchange option	4 026 418	3 584 546
- Euro Medium Term Notes (before issue date)	6 859 538	-
- Funded Swap (before issue date)	120 494	-
	<b>14 176 143</b>	<b>3 912 976</b>



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. CAPITAL AND RESERVES

#### 7.1 Called up share capital

	30/06/2021 EUR	31/12/2020 EUR
Authorised, called up, issued and fully paid	30 000	30 000
	<b>30 000</b>	<b>30 000</b>

The share capital is composed of 30 000 ordinary shares with a par value of 1 EUR each.

During the half-year ended June 30, 2021 and 2020, the Company did not buy own shares.

#### 7.2 Reserves

In accordance with the Luxembourg law, the Company is required to allocate a minimum of 5% of its annual net profit to a Legal reserve until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at June 30, 2021, the legal reserve amounts to EUR 3 000.

### 8. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	30/06/2021 EUR	31/12/2020 EUR
Financial liabilities designated at fair value through profit or loss		
- Euro Medium Term Notes	2 171 936 989	1 675 687 728
	<b>2 171 936 989</b>	<b>1 675 687 728</b>

As at June 30, 2021, the fair value of these financial liabilities includes accrued interests for EUR 398 708 (2020: EUR 189 404).

### 9. FINANCIAL LIABILITIES - DERIVATIVES HELD FOR TRADING

	30/06/2021 EUR	31/12/2020 EUR
Financial liabilities held for trading		
- Interest rate Swaps	3 134 902	439 071
- Currency interest rate swaps	865 456	416 701
- Caps / Floors	252 065	-
- Warrants	4 220 182	3 718 566
- Euro Medium Term Notes (before issue date)	264 276	-
- Funded Swap (before issue date)	6 710 552	-
	<b>15 447 433</b>	<b>4 574 338</b>

Crédit Agricole CIB, the parent company, is the only counterparty for all the swaps held for trading. There is no collateral agreement or netting arrangement between the Company and the parent company. The potential impact of netting arrangements on its financial position is therefore nil.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10. OTHER ASSETS

	30/06/2021	31/12/2020
	EUR	EUR
Receivables	322 087	380 694
Other	802 933	-
	<b>1 125 020</b>	<b>380 694</b>

As at June 30, 2021 and 2020, receivables are related to an amount to be received from Crédit Agricole CIB following a service level agreement signed in 2018, and subsequently amended.

### 11. OTHER LIABILITIES

	30/06/2021	31/12/2020
	EUR	EUR
Accrued expenses	294 003	163 759
Other	-	57 983
	<b>294 003</b>	<b>221 742</b>

### 12. TAXATION

The Company is liable for all taxes applicable to Luxembourg commercial companies.

	30/06/2021	31/12/2020
	EUR	EUR
Current income tax	(8 906)	(19 126)
Tax advances	-	535
	<b>(8 906)</b>	<b>(19 126)</b>

The 2021 and 2020 amount relates to the Income Tax on Revenue (CIT) and the Commercial Communal Tax (MBT). The tax rate applicable in Luxembourg-city for the year 2020 amounts to 24.94% (2019: 24.94%).

The effective income tax rate is equal to the current income tax rate.

### 13. NET GAINS OR LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30/06/2021			30/06/2020		
	Accrued & Realized	Fair value	Total	Accrued & Realized	Fair value	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Term loans and time deposits	136 543	31 424 094	31 560 637	(2 972 437)	(742 526)	(3 714 963)
Euro Medium Term Notes	(858 375)	(32 214 437)	(33 072 812)	3 803 578	3 328 272	7 131 850
Interest Rate Swaps	836 965	446 068	1 283 033	(850 293)	(2 446 613)	(3 296 906)
Currency Interest Rate Swaps	(115 132)	344 275	229 143	19 152	(139 133)	(119 981)
Caps / Floors	(33 043)	-	(33 043)	1 345	-	1 345
Warrants	3 971	394 380	398 351	(1 345)	-	(1 345)
Exchange option	29 071	(394 380)	(365 309)	-	-	-
	-	-	-	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 14. GENERAL OPERATING EXPENSES

Detail of general operating expenses is as follows :

	30/06/2021	30/06/2020
- Audit fees	(36 318)	(37 820)
- Accounting and administrative expenses	(173 749)	(160 233)
- Costs of salary	(5 317)	(2 693)
- Real estate rent	(6 461)	(6 304)
- Net wealth tax	-	-
- Other fees	(26 137)	(167 563)

**Total General operating expenses**

**(247 982) (374 613)**

Details of related party expenses is as follows :

- Accounting and administrative expenses	(173 749)	(160 233)
- Service rent	(7 560)	(7 375)

**Total Related-party expenses**

**(181 309) (167 608)**

### 15. ISSUED SECURITIES

Notes issued in 2021:

30/06/2021												
	NOMINAL AMOUNT		QUANTITY				PRODUCT TYPE					
	K Currency	K EUR	Initial Stock	Matured/ reimbursed	New Issue	Final Stock	APG	Forex	Hybrid	Inflation	Rate	Final Stock
AUD	21 500	13 613	2	-	-	2	-	-	-	-	2	2
CHF	4 000	3 649	-	-	1	1	-	-	-	-	-	1
EUR	1 973 835	1 973 835	11	1	40	50	-	-	6	-	7	50
GBP	12 100	14 098	-	-	2	2	-	-	-	-	-	2
JPY	300 000	2 279	-	-	1	1	-	-	1	-	-	1
RUB	1 800 000	20 781	1	-	-	1	-	-	1	-	-	1
USD	193 063	162 790	24	5	45	64	-	-	19	-	15	64
<b>Total</b>		<b>2 191 045</b>	<b>38</b>	<b>6</b>	<b>89</b>	<b>121</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>24</b>	<b>121</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Notes issued in 2020:

31/12/2020									
NOMINAL AMOUNT			QUANTITY				PRODUCT TYPE		
	K Currency	K EUR	Initial Stock	Maturity/ Reimbursement	Issuance	Final Stock	Hybrid	Rate	Final Stock
AUD	21 500	13 398	1	1	2	2	-	2	2
EUR	1 589 810	1 589 810	3	2	10	11	4	7	11
RUB	1 800 000	19 558	-	-	1	1	1	-	1
USD	55 930	45 472	16	5	13	24	14	10	24
<b>Total</b>		<b>1 668 238</b>	<b>20</b>	<b>8</b>	<b>26</b>	<b>38</b>	<b>19</b>	<b>19</b>	<b>38</b>

Information disclosed above represents the outstanding nominal amount of issued notes as at June 30, 2021 and December 31, 2020. These amounts do not include accrued interest and fair value adjustments.

## 16. CHARACTERISTICS OF THE ISSUANCES AND WARRANTS

### 16.1. Stock of Issuances

June 30, 2021

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
XS2158596655	Issuance/BondEMTN CACFMON XS2158596655/0D/TAUX/30/04/2030	30/04/2030	AUD	-20 000	-12 663	APG
XS2229028357	Issuance/BondEMTN CACFMON XS2229028357/0D/TAUX/17/09/2025	17/09/2025	AUD	-1 500	-950	APG
				-21 500	-13 613	

<b>Total</b>	<b>AUD</b>	<b>-21 500</b>	<b>-13 613</b>
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XS2357174411	Issuance/BondEMTN CACFEIS XS2357174411/0D/TAUX/29/06/2022	29/06/2022	CHF	-4 000	-3 649	EQUITY
				-4 000	-3 649	

<b>Total</b>	<b>CHF</b>	<b>-4 000</b>	<b>-3 649</b>
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XS2329622752	Issuance/BondEMTN CACFEIS XS2329622752/0D/TAUX/15/04/2024	15/04/2024	EUR	-1 740	-1 740	EQUITY
XS2330264685	Issuance/BondEMTN CACFEIS XS2330264685/0D/TAUX/14/04/2023	14/04/2023	EUR	-2 100	-2 100	EQUITY
FR0014002T98	Issuance/BondEMTN CACFEIS FR0014002T98/0D/TAUX/09/07/2029	09/07/2029	EUR	-130 000	-130 000	EQUITY
XS2330266979	Issuance/BondEMTN CACFEIS XS2330266979/0D/TAUX/14/04/2022	14/04/2022	EUR	-700	-700	EQUITY
XS2331715651	Issuance/BondEMTN CACFEIS XS2331715651/0D/TAUX/20/04/2026	20/04/2026	EUR	-5 980	-5 980	EQUITY
XS2331716113	Issuance/BondEMTN CACFEIS XS2331716113/0D/TAUX/21/04/2026	21/04/2026	EUR	-1 500	-1 500	EQUITY
XS2333240781	Issuance/BondEMTN CACFEIS XS2333240781/0D/TAUX/26/04/2023	26/04/2023	EUR	-800	-800	EQUITY
XS2333239346	Issuance/BondEMTN CACFEIS XS2333239346/0D/TAUX/26/04/2023	26/04/2023	EUR	-800	-800	EQUITY
XS2333240278	Issuance/BondEMTN CACFEIS XS2333240278/0D/TAUX/26/04/2023	26/04/2023	EUR	-900	-900	EQUITY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
FR0014002T72	Issuance/BondEMTN CACFEIS FR0014002T72/0D/TAUX/09/07/2029	09/07/2029	EUR	-100 000	-100 000	EQUITY
XS2334137390	Issuance/BondEMTN CACFEIS XS2334137390/0D/TAUX/29/04/2024	29/04/2024	EUR	-780	-780	EQUITY
XS2338175628	Issuance/BondEMTN CACFEIS XS2338175628/0D/TAUX/10/05/2023	10/05/2023	EUR	-1 325	-1 325	EQUITY
XS2338903672	Issuance/BondEMTN CACFEIS XS2338903672/0D/TAUX/05/05/2026	05/05/2026	EUR	-1 040	-1 040	EQUITY
XS2339730686	Issuance/BondEMTN CACFEIS XS2339730686/0D/TAUX/14/05/2024	14/05/2024	EUR	-800	-800	EQUITY
XS2341145659	Issuance/BondEMTN CACFEIS XS2341145659/0D/TAUX/17/05/2022	17/05/2022	EUR	-1 100	-1 100	EQUITY
XS2342505075	Issuance/BondEMTN CACFEIS XS2342505075/0D/TAUX/13/05/2024	13/05/2024	EUR	-3 490	-3 490	EQUITY
XS2343004664	Issuance/BondEMTN CACFEIS XS2343004664/0D/TAUX/20/05/2026	20/05/2026	EUR	-3 000	-3 000	EQUITY
XS2343003773	Issuance/BondEMTN CACFEIS XS2343003773/0D/TAUX/20/05/2026	20/05/2026	EUR	-3 000	-3 000	EQUITY
XS2349352596	Issuance/BondEMTN CACFEIS XS2349352596/0D/TAUX/04/06/2024	04/06/2024	EUR	-2 000	-2 000	EQUITY
XS2348774451	Issuance/BondEMTN CACFEIS XS2348774451/0D/TAUX/09/06/2025	09/06/2025	EUR	-700	-700	EQUITY
FR0014003EP8	Issuance/BondEMTN CACFEIS FR0014003EP8/0D/TAUX/24/09/2029	24/09/2029	EUR	-100 000	-100 000	EQUITY
XS2351300921	Issuance/BondEMTN CACFEIS XS2351300921/0D/TAUX/15/06/2023	15/06/2023	EUR	-1 000	-1 000	EQUITY
XS2352239615	Issuance/BondEMTN CACFEIS XS2352239615/0D/TAUX/17/06/2024	17/06/2024	EUR	-1 000	-1 000	EQUITY
XS2352442508	Issuance/BondEMTN CACFEIS XS2352442508/0D/TAUX/17/06/2026	17/06/2026	EUR	-1 690	-1 690	EQUITY
XS2353187763	Issuance/BondEMTN CACFEIS XS2353187763/0D/TAUX/21/06/2024	21/06/2024	EUR	-4 880	-4 880	EQUITY
XS2353473932	Issuance/BondEMTN CACFEIS XS2353473932/0D/TAUX/22/06/2026	22/06/2026	EUR	-1 000	-1 000	EQUITY
XS2352863273	Issuance/BondEMTN CACFEIS XS2352863273/0D/TAUX/18/06/2024	18/06/2024	EUR	-1 850	-1 850	EQUITY
XS2352863190	Issuance/BondEMTN CACFEIS XS2352863190/0D/TAUX/18/06/2024	18/06/2024	EUR	-3 275	-3 275	EQUITY
XS2354451077	Issuance/BondEMTN CACFEIS XS2354451077/0D/TAUX/24/06/2024	24/06/2024	EUR	-2 520	-2 520	EQUITY
XS2354574407	Issuance/BondEMTN CACFEIS XS2354574407/0D/TAUX/24/06/2024	24/06/2024	EUR	-1 835	-1 835	EQUITY
XS2353474237	Issuance/BondEMTN CACFEIS XS2353474237/0D/TAUX/22/06/2026	22/06/2026	EUR	-900	-900	EQUITY
XS2356027503	Issuance/BondEMTN CACFEIS XS2356027503/0D/TAUX/25/06/2024	25/06/2024	EUR	-1 350	-1 350	EQUITY
XS2355626776	Issuance/BondEMTN CACFEIS XS2355626776/0D/TAUX/28/12/2022	28/12/2022	EUR	-2 395	-2 395	EQUITY
XS2356323225	Issuance/BondEMTN CACFEIS XS2356323225/0D/TAUX/21/06/2024	21/06/2024	EUR	-1 500	-1 500	EQUITY
XS2357239487	Issuance/BondEMTN CACFEIS XS2357239487/0D/TAUX/29/06/2022	29/06/2022	EUR	-7 000	-7 000	EQUITY
XS2353475986	Issuance/BondEMTN CACFEIS XS2353475986/0D/TAUX/22/12/2022	22/12/2022	EUR	-1 925	-1 925	EQUITY
XS2356046800	Issuance/BondEMTN CACFEIS XS2356046800/0D/TAUX/29/06/2022	29/06/2022	EUR	-4 450	-4 450	EQUITY
				-400 325	-400 325	
XS2002516529	Issuance/BondEMTN CACFMON XS2002516529/0D/TAUX/27/05/2022	27/05/2022	EUR	-21 900	-21 900	APG
XS2158878392	Issuance/BondEMTN CACFMON XS2158878392/0D/TAUX/28/04/2027	28/04/2027	EUR	-20 000	-20 000	APG
XS2161023473	Issuance/BondEMTN CACFMON XS2161023473/0D/TAUX/30/10/2021	30/10/2021	EUR	-2 800	-2 800	APG
XS2291906951	Issuance/BondCACIBFFX MTN/0D/TAUX/28/01/2025	28/01/2025	EUR	-1 200	-1 200	APG
				-45 900	-45 900	
FR0014000SK5	Issuance/BondEMTN CACFMON FR0014000SK5/0D/TAUX/01/12/2025	01/12/2025	EUR	-500 000	-500 000	IRD
XS2264574703	Issuance/BondEMTN CACFMON XS2264574703/0D/01/12/2025/0%	01/12/2025	EUR	-500 000	-500 000	IRD
XS2264568481	Issuance/BondEMTN CACFMON XS2264568481/0D/TAUX/01/12/2025	01/12/2025	EUR	-500 000	-500 000	IRD
				-1 500 000	-1 500 000	

## NOTES TO THE FINANCIAL STATEMENTS (continued)

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
XS2176138761	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2025	30/06/2025	EUR	-1 000	-1 000	HYBRID
XS2220527936	Issuance/BondCACIBFFX EMTN/0D/TAUX/28/08/2025	28/08/2025	EUR	-500	-500	HYBRID
XS2225678239	Issuance/BondCACIBFFX EMTN/0D/TAUX/31/08/2023	31/08/2023	EUR	-1 610	-1 610	HYBRID
FR0014000998	Issuance/BondCACIBFFX EMTN/0D/TAUX/05/12/2030	05/12/2030	EUR	-17 000	-17 000	HYBRID
FR0014001YP0	Issuance/BondCACIBFFX EMTN/0D/TAUX/15/09/2032	15/09/2032	EUR	-5 000	-5 000	HYBRID
FR00140038B9	Issuance/BondCACIBFFX EMTN/0D/TAUX/16/10/2030	16/10/2030	EUR	-2 500	-2 500	HYBRID
				-27 610	-27 610	

Total	EUR	-1 973 835	-1 973 835
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XS2344772343	Issuance/BondEMTN CACFEIS XS2344772343/0D/TAUX/26/05/2028	26/05/2028	GBP	-10 000	-11 651	EQUITY
XS2353002814	Issuance/BondEMTN CACFEIS XS2353002814/0D/TAUX/12/06/2023	12/06/2023	GBP	-2 100	-2 447	EQUITY
				-12 100	-14 098	

Total	GBP	-12 100	-14 098
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XS2339217189	Issuance/BondCACIBFFX EMTN/0D/TAUX/20/03/2041	20/03/2041	JPY	-300 000	-2 279	HYBRID
				-300 000	-2 279	

Total	JPY	-300 000	-2 279
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XS2261468149	Issuance/BondCACIBFFX EMTN/0D/TAUX/27/11/2023	27/11/2023	RUB	-1800 000	-20 781	HYBRID
				-1 800 000	-20 781	

Total	RUB	-1 800 000	-20 781
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XS2332076590	Issuance/BondEMTN CACFEIS XS2332076590/0D/TAUX/21/04/2026	21/04/2026	USD	-2 000	-1 686	EQUITY
XS2332202485	Issuance/BondEMTN CACFEIS XS2332202485/0D/TAUX/22/04/2024	22/04/2024	USD	-700	-590	EQUITY
XS2334039893	Issuance/BondEMTN CACFEIS XS2334039893/0D/TAUX/29/04/2024	29/04/2024	USD	-2 460	-2 074	EQUITY
XS2334444218	Issuance/BondEMTN CACFEIS XS2334444218/0D/TAUX/02/05/2023	02/05/2023	USD	-1 375	-1 159	EQUITY
XS2334445967	Issuance/BondEMTN CACFEIS XS2334445967/0D/TAUX/02/05/2023	02/05/2023	USD	-850	-717	EQUITY
XS2339730330	Issuance/BondEMTN CACFEIS XS2339730330/0D/TAUX/14/11/2022	14/11/2022	USD	-800	-675	EQUITY
XS2340834063	Issuance/BondEMTN CACFEIS XS2340834063/0D/TAUX/07/11/2022	07/11/2022	USD	-2 150	-1 813	EQUITY
XS2340833172	Issuance/BondEMTN CACFEIS XS2340833172/0D/TAUX/17/05/2023	17/05/2023	USD	-900	-759	EQUITY
XS2342059941	Issuance/BondEMTN CACFEIS XS2342059941/0D/TAUX/13/05/2024	13/05/2024	USD	-1 800	-1 518	EQUITY
XS2342059867	Issuance/BondEMTN CACFEIS XS2342059867/0D/TAUX/20/05/2024	20/05/2024	USD	-1 100	-928	EQUITY
XS2343521725	Issuance/BondEMTN CACFEIS XS2343521725/0D/TAUX/21/05/2024	21/05/2024	USD	-550	-464	EQUITY
XS2346848844	Issuance/BondEMTN CACFEIS XS2346848844/0D/TAUX/05/12/2022	05/12/2022	USD	-2 125	-1 792	EQUITY
XS2347289113	Issuance/BondEMTN CACFEIS XS2347289113/0D/TAUX/03/06/2024	03/06/2024	USD	-780	-658	EQUITY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
XS2346888717	Issuance/BondEMTN CACFEIS XS2346888717/0D/TAUX/02/06/2026	02/06/2026	USD	-3 000	-2 530	EQUITY
XS2347497229	Issuance/BondEMTN CACFEIS XS2347497229/0D/TAUX/28/05/2024	28/05/2024	USD	-2 300	-1 939	EQUITY
XS2349323571	Issuance/BondEMTN CACFEIS XS2349323571/0D/TAUX/11/06/2024	11/06/2024	USD	-1 630	-1 374	EQUITY
XS2348732616	Issuance/BondEMTN CACFEIS XS2348732616/0D/TAUX/09/06/2022	09/06/2022	USD	-3 000	-2 530	EQUITY
XS2349323142	Issuance/BondEMTN CACFEIS XS2349323142/0D/TAUX/11/06/2024	11/06/2024	USD	-3 025	-2 551	EQUITY
XS2347494044	Issuance/BondEMTN CACFEIS XS2347494044/0D/TAUX/05/06/2028	05/06/2028	USD	-1 000	-843	EQUITY
XS2350867862	Issuance/BondEMTN CACFEIS XS2350867862/0D/TAUX/11/06/2024	11/06/2024	USD	-2 500	-2 108	EQUITY
XS2352239961	Issuance/BondEMTN CACFEIS XS2352239961/0D/TAUX/16/12/2022	16/12/2022	USD	-1 000	-843	EQUITY
XS2352442417	Issuance/BondEMTN CACFEIS XS2352442417/0D/TAUX/17/06/2022	17/06/2022	USD	-900	-759	EQUITY
XS2352441872	Issuance/BondEMTN CACFEIS XS2352441872/0D/TAUX/21/12/2022	21/12/2022	USD	-900	-759	EQUITY
XS2353300242	Issuance/BondEMTN CACFEIS XS2353300242/0D/TAUX/21/12/2022	21/12/2022	USD	-1 100	-928	EQUITY
XS2355183844	Issuance/BondEMTN CACFEIS XS2355183844/0D/TAUX/23/12/2022	23/12/2022	USD	-1 720	-1 450	EQUITY
XS2355042867	Issuance/BondEMTN CACFEIS XS2355042867/0D/TAUX/23/12/2022	23/12/2022	USD	-2 080	-1 754	EQUITY
XS2355042941	Issuance/BondEMTN CACFEIS XS2355042941/0D/TAUX/16/06/2026	16/06/2026	USD	-13 800	-11 636	EQUITY
XS2356027099	Issuance/BondEMTN CACFEIS XS2356027099/0D/TAUX/25/06/2025	25/06/2025	USD	-500	-422	EQUITY
XS2357553275	Issuance/BondEMTN CACFEIS XS2357553275/0D/TAUX/24/06/2024	24/06/2024	USD	-2 400	-2 024	EQUITY
XS2357173280	Issuance/BondEMTN CACFEIS XS2357173280/0D/TAUX/29/06/2023	29/06/2023	USD	-1 500	-1 265	EQUITY
				-59 945	-50 548	
XS2041101663	Issuance/BondEMTN CACFMON XS2041101663/0D/TAUX/22/08/2021	22/08/2021	USD	-1 000	-843	APG
XS2056490936	Issuance/BondEMTN CACFMON XS2056490936/0D/TAUX/02/10/2024	02/10/2024	USD	-1 000	-843	APG
XS2062385427	Issuance/BondEMTN CACFMON XS2062385427/0D/TAUX/04/10/2022	04/10/2022	USD	-2 250	-1 897	APG
XS2095290255	Issuance/BondEMTN CACFMON XS2095290255/0D/TAUX/24/12/2022	24/12/2022	USD	-5 000	-4 216	APG
XS2108311007	Issuance/BondEMTN CACFMON XS2108311007/0D/TAUX/30/01/2025	30/01/2025	USD	-700	-590	APG
XS2182393319	Issuance/BondEMTN CACFMON XS2182393319/0D/TAUX/17/06/2023	17/06/2023	USD	-900	-759	APG
XS2191175319	Issuance/BondEMTN CACFMON XS2191175319/0D/TAUX/24/06/2025	24/06/2025	USD	-6 000	-5 059	APG
XS2191408868	Issuance/BondEMTN CACFMON XS2191408868/0D/TAUX/25/06/2025	25/06/2025	USD	-3 850	-3 246	APG
XS2325745425	Issuance/BondEMTN CACFMON XS2325745425/0D/TAUX/30/03/2026	30/03/2026	USD	-6 290	-5 304	APG
XS2327849035	Issuance/BondEMTN CACFMON XS2327849035/0D/TAUX/08/04/2026	08/04/2026	USD	-1 300	-1 096	APG
XS2332083299	Issuance/BondEMTN CACFMON XS2332083299/0D/TAUX/21/04/2026	21/04/2026	USD	-5 225	-4 406	APG
XS2334581985	Issuance/BondEMTN CACFMON XS2334581985/0D/TAUX/07/05/2026	07/05/2026	USD	-13 430	-11 324	APG
XS2352862465	Issuance/BondEMTN CACFMON XS2352862465/0D/TAUX/18/06/2026	18/06/2026	USD	-8 488	-7 157	APG
XS2352862200	Issuance/BondEMTN CACFMON XS2352862200/0D/TAUX/18/06/2026	18/06/2026	USD	-5 995	-5 055	APG
				-61 428	-51 795	
XS2162036318	Issuance/BondEMTN CACFMON XS2162036318/0D/TAUX/24/04/2022	24/04/2022	USD	-500	-422	IRD
				-500	-422	
XS2044896020	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2026	30/06/2026	USD	-7 600	-6 408	HYBRID

## NOTES TO THE FINANCIAL STATEMENTS (continued)

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
XS2064448272	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2026	30/12/2026	USD	-1 000	-843	HYBRID
XS2066995825	Issuance/BondCACIBFFX EMTN/0D/TAUX/18/10/2026	18/10/2026	USD	-1 100	-928	HYBRID
XS2100870109	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2024	30/12/2024	USD	-4 200	-3 541	HYBRID
XS2100869945	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2024	30/12/2024	USD	-2 000	-1 686	HYBRID
XS2151104432	Issuance/BondCACIBFFX EMTN/0D/TAUX/13/04/2027	13/04/2027	USD	-1 000	-843	HYBRID
XS2225700009	Issuance/BondCACIBFFX EMTN/0D/TAUX/31/08/2023	31/08/2023	USD	-1 250	-1 054	HYBRID
XS2263769841	Issuance/BondCACIBFFX EMTN/0D/TAUX/02/12/2025	02/12/2025	USD	-7 070	-5 961	HYBRID
XS2272352688	Issuance/BondCACIBFFX EMTN/0D/TAUX/10/12/2025	10/12/2025	USD	-1 000	-843	HYBRID
XS2273258017	Issuance/BondCACIBFFX EMTN/0D/TAUX/22/12/2025	22/12/2025	USD	-1 460	-1 231	HYBRID
XS2284633703	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2027	30/12/2027	USD	-1 300	-1 096	HYBRID
XS2284635153	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2027	30/12/2027	USD	-1 300	-1 096	HYBRID
XS2284635666	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2027	30/12/2027	USD	-1 300	-1 096	HYBRID
XS2293123837	Issuance/BondCACIBFFX EMTN/0D/TAUX/15/07/2036	15/07/2036	USD	-1 200	-1 012	HYBRID
XS2292341455	Issuance/BondCACIBFFX EMTN/0D/TAUX/18/02/2026	18/02/2026	USD	-1 600	-1 349	HYBRID
XS2296490274	Issuance/BondCACIBFFX EMTN/0D/TAUX/11/02/2026	11/02/2026	USD	-3 000	-2 530	HYBRID
XS2329587401	Issuance/BondCACIBFFX EMTN/0D/TAUX/19/06/2024	19/06/2024	USD	-30 000	-25 296	HYBRID
XS2339911476	Issuance/BondCACIBFFX EMTN/0D/TAUX/13/05/2026	13/05/2026	USD	-2 000	-1 686	HYBRID
XS2352862549	Issuance/BondCACIBFFX EMTN/0D/TAUX/18/06/2026	18/06/2026	USD	-1 810	-1 526	HYBRID
				-71 190	-60 025	
Total				USD	-193 063	-162 790

December 31, 2020

ISIN Code	Nickname	Maturity	CCY	Notional KDEV	Notional CV KEUR	Underlyings
XS2158596655	Issuance/BondEMTN CACFMON XS2158596655/0D/TAUX/30/04/2030	30/04/2030	AUD	-20 000	-12 463	APG
				-20 000	-12 463	
XS2229028357	Issuance/BondEMTN CACFMON XS2229028357/0D/TAUX/17/09/2025	17/09/2025	AUD	-1 500	-935	IRD
				-1 500	-935	
Total				AUD	-21 500	-13 398
XS2002516529	Issuance/BondEMTN CACFMON XS2002516529/0D/TAUX/27/05/2022	27/05/2022	EUR	-21 900	-21 900	APG
XS2161023473	Issuance/BondEMTN CACFMON XS2161023473/0D/TAUX/30/10/2021	30/10/2021	EUR	-2 800	-2 800	APG
				-24 700	-24 700	
XS2176138761	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2025	30/06/2025	EUR	-1 000	-1 000	HYBRID
XS2220527936	Issuance/BondCACIBFFX EMTN/0D/TAUX/28/08/2025	28/08/2025	EUR	-500	-500	HYBRID
XS2225678239	Issuance/BondCACIBFFX EMTN/0D/TAUX/31/08/2023	31/08/2023	EUR	-1 610	-1 610	HYBRID
FR0014000998	Issuance/BondCACIBFFX EMTN/0D/TAUX/05/12/2030	05/12/2030	EUR	-17 000	-17 000	HYBRID
				-20 110	-20 110	



## NOTES TO THE FINANCIAL STATEMENTS (continued)

ISIN Code	Nickname	Maturity	CCY	Notional KDEV	Notional CV KEUR	Underlying s
XS2121172345	Issuance/BondEMTN CACFMON XS2121172345/0D/TAUX/24/02/2027	24/02/2027	EUR	-25 000	-25 000	IRD
XS2158878392	Issuance/BondEMTN CACFMON XS2158878392/0D/TAUX/28/04/2027	28/04/2027	EUR	-20 000	-20 000	IRD
FR0014000SK5	Issuance/BondEMTN CACFMON FR0014000SK5/0D/TAUX/01/12/2025	01/12/2025	EUR	-500 000	-500 000	IRD
XS2264574703	Issuance/BondEMTN CACFMON XS2264574703/0D/TAUX/01/12/2025	01/12/2025	EUR	-500 000	-500 000	IRD
XS2264568481	Issuance/BondEMTN CACFMON XS2264568481/0D/TAUX/01/12/2025	01/12/2025	EUR	-500 000	-500 000	IRD
				-1 545 000	-1 545 000	

Total	EUR	-1 589 810	-1 589 810
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XS2261468149	Issuance/BondCACIBFFX EMTN/0D/TAUX/27/11/2023	27/11/2023	RUB	-1 800 000	-19 558	HYBRID
				-1 800 000	-19 558	
			Total	RUB	-1 800 000	

XS2041101663	Issuance/BondEMTN CACFMON XS2041101663/0D/TAUX/22/08/2021	22/08/2021	USD	-1 000	-813	APG
XS2056490936	Issuance/BondEMTN CACFMON XS2056490936/0D/TAUX/02/10/2024	02/10/2024	USD	-1 000	-813	APG
XS2062385427	Issuance/BondEMTN CACFMON XS2062385427/0D/TAUX/04/10/2022	04/10/2022	USD	-2 250	-1 829	APG
XS2095290255	Issuance/BondEMTN CACFMON XS2095290255/0D/TAUX/24/12/2022	24/12/2022	USD	-5 000	-4 065	APG
XS2108311007	Issuance/BondEMTN CACFMON XS2108311007/0D/TAUX/30/01/2025	30/01/2025	USD	-700	-569	APG
XS2130635969	Issuance/BondEMTN CACFMON XS2130635969/0D/TAUX/12/03/2021	12/03/2021	USD	-1 650	-1 341	APG
XS2162036318	Issuance/BondEMTN CACFMON XS2162036318/0D/TAUX/24/04/2022	24/04/2022	USD	-500	-407	APG
XS2182393319	Issuance/BondEMTN CACFMON XS2182393319/0D/TAUX/17/06/2023	17/06/2023	USD	-900	-732	APG
XS2191175319	Issuance/BondEMTN CACFMON XS2191175319/0D/TAUX/24/06/2025	24/06/2025	USD	-6 000	-4 878	APG
XS2191408868	Issuance/BondEMTN CACFMON XS2191408868/0D/TAUX/25/06/2025	25/06/2025	USD	-3 850	-3 130	APG
				-22 850	-18 577	

XS2042547534	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2024	30/06/2024	USD	-500	-407	HYBRID
XS2042547450	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2024	30/06/2024	USD	-500	-407	HYBRID
XS2042547617	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2024	30/06/2024	USD	-500	-407	HYBRID
XS2044896020	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/06/2026	30/06/2026	USD	-7 600	-6 179	HYBRID
XS2064448272	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2026	30/12/2026	USD	-1 000	-813	HYBRID
XS2066995825	Issuance/BondCACIBFFX EMTN/0D/TAUX/18/10/2026	18/10/2026	USD	-1 100	-894	HYBRID
XS2074565941	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2024	30/12/2024	USD	-3 900	-3 171	HYBRID
XS2100870109	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2024	30/12/2024	USD	-4 200	-3 415	HYBRID
XS2100869945	Issuance/BondCACIBFFX EMTN/0D/TAUX/30/12/2024	30/12/2024	USD	-2 000	-1 626	HYBRID
XS2151104432	Issuance/BondCACIBFFX EMTN/0D/TAUX/13/04/2027	13/04/2027	USD	-1 000	-813	HYBRID
XS2225700009	Issuance/BondCACIBFFX EMTN/0D/TAUX/31/08/2023	31/08/2023	USD	-1 250	-1 016	HYBRID
XS2263769841	Issuance/BondCACIBFFX EMTN/0D/TAUX/02/12/2025	02/12/2025	USD	-7 070	-5 748	HYBRID
XS2272352688	Issuance/BondCACIBFFX EMTN/0D/TAUX/10/12/2025	10/12/2025	USD	-1 000	-813	HYBRID
XS2273258017	Issuance/BondCACIBFFX EMTN/0D/TAUX/22/12/2025	22/12/2025	USD	-1 460	-1 187	HYBRID
				-33 080	-26 896	

Total	USD	-55 930	-45 473
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## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 16.2. Stock of warrants

June 30, 2021

ISIN Code	Nickname	Maturity	CCY	Notionnel KDEV	Notionnel CV KEUR	Underlyings
LU2191173967	Issuance/BondWARRANT LU2191173967/0D/-EURIBOR3M/19/06/2025	19/06/2025	EUR	-3 000	-3 000	INFLATION
				-3 000	-3 000	

Total	EUR	-3 000	-3 000
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LU2271392180	Issuance/BondWARRANT LU2271392180/0D/ACTIONS/27/08/2021	31/08/2021	USD	-868	-732	FX
LU2271393154	Issuance/BondWARRANT LU2271393154/0D/ACTIONS/27/04/2022	29/04/2022	USD	-2 599	-2 192	FX
LU2271393584	Issuance/BondWARRANT LU2271393584/0D/ACTIONS/29/08/2023	31/08/2023	USD	-874	-737	FX
LU2271394392	Issuance/BondWARRANT LU2271394392/0D/ACTIONS/26/04/2023	28/04/2023	USD	-2 648	-2 233	FX
LU2271395019	Issuance/BondWARRANT LU2271395019/0D/ACTIONS/29/08/2022	31/08/2022	USD	-856	-721	FX
LU2271395365	Issuance/BondWARRANT LU2271395365/0D/ACTIONS/27/12/2023	29/12/2023	USD	-57 702	-48 655	FX
				-65 546	-55 270	

Total	USD	-65 546	-55 270
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LU2321516416	Issuance/BondWARRANT LU2321516416/0D/-EURIBOR3M/31/01/2025	31/01/2025	EUR	-18 600	-18 600	APG
				-18 600	-18 600	

Total	EUR	-18 600	-18 600
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December 31, 2020

ISIN Code	Nickname	Maturity	CCY	Notional KDEV	Notional CV KEUR	Underlyings
LU2191173967	Issuance/BondWARRANT LU2191173967/0D/-EURIBOR3M/19/06/2025	19/06/2025	EUR	-3 000	-3 000	INFLATION
				-3 000	-3 000	

Total	EUR	-3 000	-3 000
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LU2271393584	Issuance/BondWARRANT LU2271393584/0D/ACTIONS/29/08/2023	29/08/2023	USD	-874	-710	FX
LU2271394392	Issuance/BondWARRANT LU2271394392/0D/ACTIONS/26/04/2023	28/04/2023	USD	-2 648	-2 153	FX
LU2271395019	Issuance/BondWARRANT LU2271395019/0D/ACTIONS/29/08/2022	31/08/2022	USD	-856	-696	FX
LU2271393154	Issuance/BondWARRANT LU2271393154/0D/ACTIONS/27/04/2022	29/04/2022	USD	-2 599	-2 113	FX
LU2271392180	Issuance/BondWARRANT LU2271392180/0D/ACTIONS/27/08/2021	31/08/2021	USD	-868	-705	FX
LU2271392693	Issuance/BondWARRANT LU2271392693/0D/ACTIONS/28/04/2021	30/04/2021	USD	-2 872	-2 335	FX
LU2271395365	Issuance/BondWARRANT LU2271395365/0D/ACTIONS/27/12/2023	29/12/2023	USD	-57 702	-46 912	FX
				-68 419	-55 624	

Total	USD	-68 419	-55 624
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## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 17. COMMITMENTS GIVEN

The Company has given no commitments as at June 30, 2021 and December 31, 2020.

### 18. NOTIONAL OF DERIVATIVE INSTRUMENTS

	30/06/2021 EUR	31/12/2020 EUR
Interest Rate Swaps	61 238 379	46 004 309
Currency Interest Rate Swaps	48 940 258	19 615 813
Warrants	76 869 109	58 624 390
Exchange option	55 269 109	55 624 390
Caps / Floors	21 600 000	3 000 000
Euro Medium Term Notes (before issue date)	140 428 778	-
Funded Swap (before issue date)	140 428 778	-

### 19. RELATED PARTY TRANSACTIONS

As described in Note 1, all the transactions are entered into by the Company with Crédit Agricole CIB. In addition, the Euro Medium Term Notes (“EMTNs”) issued by Crédit Agricole CIB Luxembourg are guaranteed by Crédit Agricole CIB.

Crédit Agricole CIB is the sole counterparty for all financial assets disclosed in Notes 4 and 5. Euro Medium Term Notes can be held by Crédit Agricole CIB or in the secondary market. Crédit Agricole CIB is the sole counterparty for all financial liabilities disclosed in Notes 8, 15 and 16. The EMTNs are, initially, systematically bought by Crédit Agricole CIB and funds raised by the Company systematically deposited with Crédit Agricole CIB.

As described in Note 1, under an agreement between Crédit Agricole CIB Luxembourg and Crédit Agricole CIB, the funds raised from issuances are deposited with Crédit Agricole CIB at an interest rate based on the rates of the deposits, plus a margin.

Crédit Agricole CIB has issued an unconditional guarantee under which it guarantees the prompt payment when due of all obligations and liabilities of the Company.

Neither remuneration, nor advances nor loans were granted to the members of the Board of Directors for the year ended 2020 and the half-year ended June 30, 2021.

We also refer to Note 14.

### 20. GEOGRAPHICAL ANALYSIS OF BUSINESS LINE INFORMATION

All the Euro Medium Term Notes issued by Crédit Agricole CIB Finance Luxembourg are purchased initially by Crédit Agricole CIB in France and thereafter they may be sold by Crédit Agricole CIB on the secondary market.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Crédit Agricole CIB Finance Luxembourg hedges economically all its positions by purchasing derivatives from Crédit Agricole CIB.

### 21. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### Valuation process

The valuation of the Company's financial instruments is based on the valuation process at the parent company, although the Board of Directors retains final responsibility.

The methodologies and valuation models of the financial instruments presented in Level 2 and Level 3 incorporate all the factors that the market participants use to calculate a price.

The determination of the fair values of these instruments takes into account, in particular, the liquidity risk and the counterparty risk.

#### Financial assets

Amounts shown include related receivables

	30/06/2021 EUR			31/12/2020 EUR		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets designated at fair value through profit or loss	-	1 773 500 357	398 904 989	-	1 662 808 575	13 598 498
Derivatives held for trading	-	6 972 876	7 203 267	-	3 718 566	194 410

#### Financial liabilities

Amounts shown include related debts

	30/06/2021 EUR			31/12/2020 EUR		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial liabilities designated at fair value through profit or loss	-	1 668 394 309	503 542 680	-	1 596 603 682	79 084 046
Derivatives held for trading	-	7 019 346	8 428 087	-	3 718 566	855 772

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### Reconciliation of movements in level 3 financial instruments:

	30/06/2021	31/12/2020	Variation	Maturity/ Reimbursement	Issuance	Transfer to level 2	Transfer to level 3	Change in latent gains and losses	Variation in Flow
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b><u>Variation of level flows 3:</u></b>									
<b><u>Financial assets valued at fair value</u></b>									
Financial assets designated at fair value through profit or loss	398 904 989	13 598 498	385 306 491	-	385 173 940	-	-	132 551	385 306 491
Derivatives held for trading	7 203 267	194 410	7 008 857	(21 001)	6 502 677	-	-	527 181	7 008 857
<b><u>Financial liabilities valued at fair value</u></b>									
Financial liabilities designated at fair value through profit or loss	503 542 680	79 084 046	424 458 634	(4 465 091)	431 637 065	(5 054 601)	-	2 341 261	424 458 634
Derivatives held for trading	8 428 087	855 772	7 572 315	(8 642)	7 270 167	(44 898)	-	355 688	7 572 315

### **The main products classified in Level 2 are as follows:**

- (i) Financial liabilities designated at fair value through P&L:  
Debts issued and recognized at fair value on option are classified in Level 2 when their embedded derivative is considered as falling under Level 2.
- (ii) The main OTC derivatives classified in level 2 are those whose valuation involves factors considered as observable and whose valuation technique does not generate a significant exposure to a risk of model:
  - Linear derivatives;
  - Non-linear plain vanilla products such as options on equities. These products are valued using models commonly used by the market based on directly observable parameters (price of shares) or on parameters which can be determined from the price of products observable on the market (volatility).

### **The main products classified in Level 3 are as follows:**

Level 3 includes the products which do not meet the criteria permitting their classification in levels 1 and 2 and therefore, mainly, those products which involve a high model risk or products whose valuation require the use of significant non-observable parameters.

Consequently, Level 3 includes particularly:

- (i) Financial liabilities designated at fair value through P&L:  
Debts issued and recognized at fair value on option are classified in Level 3 when their embedded derivative is considered as falling under Level 3.
- (ii) OTC derivatives:  
These are products which are not observable because of the underlying asset.

Some products whose pool is for the most part classified in Level 2 are considered to be classified under Level 3 because of the underlying currency or of their maturity. An observability grid defines for each instrument / currency pair, the maximum maturity considered as observable. Such observable nature depends on the liquidity of the parameter and on the availability of observable sources permitting its measurement.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

The following are considered to be Level 3 exposures to non-linear products (equity or indices) of long maturity on major currencies / indices:

- Exposures on interest rates or swaps with a very long maturity;
- Exposures on non-linear products (interest rate, currency or equity) with a long maturity on major currencies / indices. Included in this category are vanilla options, but also simple exotic derivatives such as cancellable swaps;
- Non - linear exposures on emerging currencies;
- Complex derivatives (products whose underlying is the difference between two interest rates, option type, binary option or exotic products, multi-underlying products, generating exposures to correlations, regardless of the underlying assets (interest rates, equities, credit, currency, inflation)).

### Analysis of the sensitivity of financial instruments measured according to a level 3 valuation models

As issuances classified in the category of financial liabilities at fair value on option are perfectly covered / hedged, from an economical point of view, by derivatives, the sensitivity calculated on the net positions of financial instruments measured based on a level 3 valuation level is not significant.

The fair values of the Notes include the effect of the issuer's credit risk. Also, the fair values of deposits concluded with the parent company takes into account the counterparty risk of Crédit Agricole CIB. These two risks offset one another.

## 22. INDEPENDENT AUDITOR'S FEES

The fees paid by the Company to its independent auditor, Ernst & Young S.A., were as follows (excluding VAT and other administrative expenses):

	30/06/2021	31/12/2020
	EUR	EUR
Statutory audit	29 563	46 125
Other assurances services	-	-
Tax consulting services	-	-
Other services	-	-
	<u>29 563</u>	<u>46 125</u>

## 23. SEGMENT INFORMATION

The only area of operational activity of the Company is to issue Notes or Warrants whose flows are indexed to an underlying interest, currency, inflation, index, fund, credit and commodities, in order to raise funds for the parent group. As a result, no segmental information is provided.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **24. SUBSEQUENT EVENTS**

No significant event occurred after the financial period ended June 30, 2021 that would require a change of the financial statements.