Confidence must be earned

Amundi

Registration document

2017

CONTENTS

Amundi

2017 REGISTRATION DOCUMENT

Amundi is the leading European asset manager in terms of assets under management, and ranks among the top ten worldwide (1). With the acquisition of Pioneer Investments, the Group now manages over €1,400 billion (2) and has six main management platforms (3). Amundi offers a wide range of expertise and investment solutions in active and passive management and in real and alternative assets to its clients in Europe, Asia Pacific, the Middle East and the Americas. Amundi has been a listed Company since November 2015 and its registered office is located in Paris. It is the top European asset management group in terms of market capitalisation (4).
Its expanded scope enables Amundi to offer an enhanced range of tools and services to its clients. Thanks to its unique research capabilities and the talent of its nearly 5,000 employees and market experts based in 37 countries, Amundi provides innovative savings and investment solutions that meet the needs, performance targets and specific risk profiles of its individual customers and institutional and corporate clients.

Amundi was formed in 2010 through the combination of the asset management expertise of two major banking groups: Crédit Agricole and Société Générale. It has developed a unique industrial model and its sales organisation focuses on two client segments: Retail and Institutional. The Pioneer acquisition in July 2017 strengthened this model in three key areas: distribution capacities, expertise and skills.

Combining a global scale and strong local roots, Amundi is the trusted partner of 100 million individual customers, corporates and institutional investors, and designs innovative products and services tailor-made for the needs and specific risk profiles of its clients.

Today, Amundi offers a complete range of expertise encompassing all asset classes: active management (equities, bonds and multi-assets), passive management (ETFs, index funds and Smart Beta), management of real and alternative assets (real estate, private debt, infrastructures and private equity) as well as cash management and structured products. In addition, with the creation of a new business line (Amundi Services), Amundi intends to consolidate its position as a service provider (IT, market access platform, etc.) in order to cover the entire value chain.

The diversification of Amundi's business model (by client type, geographical area and by asset class) has generated significant growth in assets under management, while maintaining high and recurring yields. Amundi's financial position is solid, as evidenced by a high amount of tangible equity (5) at the end of 2017; In June 2017, the Fitch rating agency confirmed Amundi's long-term A+ credit rating.

As a recognized and responsible financial institution, societal engagement has been one of Amundi's fundamental principles since its creation in 2010.

AUTORITÉ DES MARCHÉS FINANCIERS AMF

This Registration Document was filed with the French Financial Market Authority (Autorité des marchés financiers, AMF) on 10 April 2018 under number R. 18-011, in accordance with article 212-13 of the AMF's General Regulation. It may be used in support of a financial transaction if accompanied by a transaction note approved by the AMF.

This document was prepared by the issuer and its signatories are liable for its content.

Copies of this Registration Document are available free of charge from Amundi's registered office, 91-93 boulevard Pasteur, 75015 Paris, France, as well as on the Company's website (www.amundi.com) and that of the AMF (www.amf-france.org).

(1) Source: IPE "Top 400 asset managers" published in June 2017 on the basis of assets under management as of December 2016.
(2) Amundi Data as of 31/12/2017.
(3) Management platforms: Boston, Dublin, London, Milan, Paris and Tokyo.
(4) Market capitalisation as of 31 December 2017 among traditional asset managers.
(5) Equity, Group share after deduction of goodwill and intangible assets See the definition of tangible equity in section 4.4 of this Registration Document.

Xavier Musca **"Amundi once again proved its ability to deliver on its commitments, in terms of development and profitability. All the objectives set when the Group was listed have been exceeded within two years."**

Xavier Musca

Chairman of the Board of Directors of Amundi, Deputy Chief Executive Officer of Crédit Agricole S.A.

Xavier Musca _ In 2017, Amundi achieved another remarkable year, marked by excellent performance in terms of both development and profitability. This development dynamic generated significant value for the Group's shareholders. Its combined[1] and adjusted[2] revenues have sharply increased and the combined and adjusted net income Group share was also up. As a result, the dividend distribution submitted for shareholder approval will be up 13.6%. **Amundi once again proved its ability to deliver on its commitments, in terms of development and profitability.** All the objectives set when the Group was listed have been exceeded within two years.

2017 was also marked by the acquisition of Pioneer Investments. It now makes **Amundi Europe's leading and one of the world's top ten asset managers,** with prominent positions in France, Italy, Austria and Germany. In addition, the long-term partnership established with UniCredit represents a major opportunity, which reinforces Amundi's expertise, broadens its distribution channels and networks, and expands its geographic coverage. The acquisition of Pioneer Investments also further strengthens Amundi's model and enables the Group to set new ambitions for the next three years. They are based on the quality of the expertise and services provided to its clients, on a development and profitability dynamic and on the reaffirmation of its commitment as a responsible financial player.

Amundi's growth strategy is an integral part of Crédit Agricole S.A.'s mid-term plan, called **"Strategic Ambition 2020".** It makes asset management a major avenue for growth and aims at further improving the quality of the products and services provided to clients. Within the Savings, Insurance and Real Estate division, Amundi has a leading role to play. In this respect, Amundi is expected to actively contribute to the launch of the **"Saving" project,** which aims at **rethinking the relationships between our bank and its clients,** and will be a core theme throughout 2018.

Yves Perrier

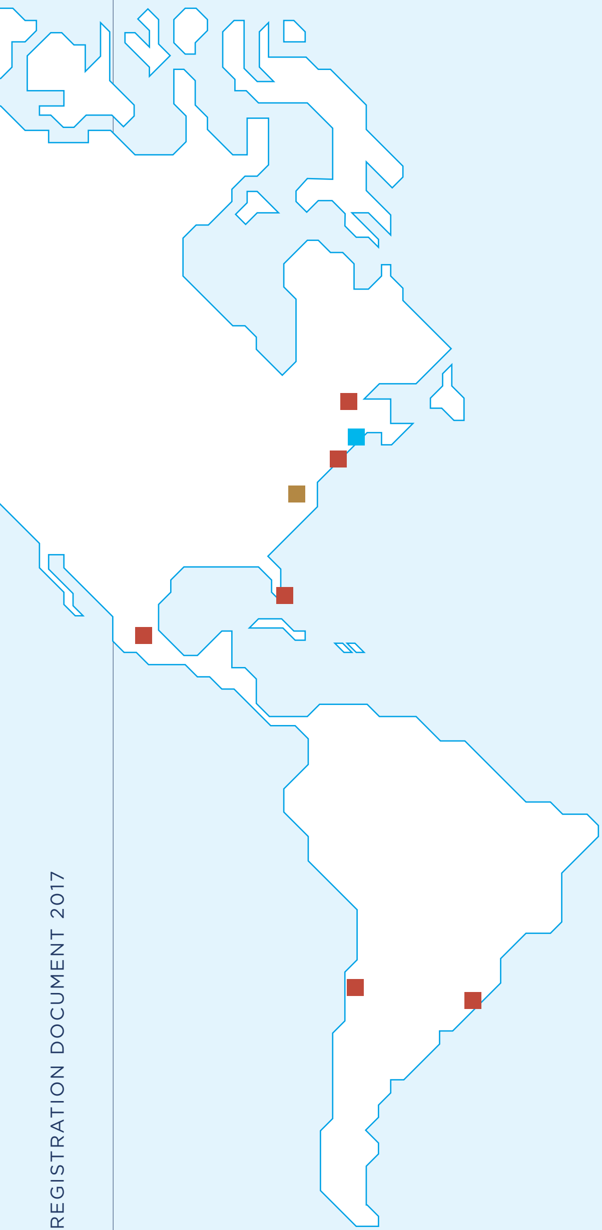
Chief Executive Officer
of Amundi

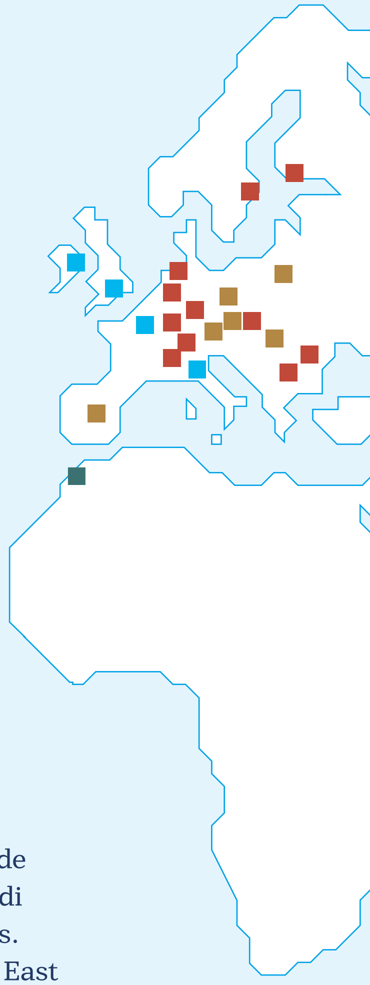
Yves Perrier _ In 2017, Amundi took a significant step in the implementation of its development strategy. First of all, **we have exceeded all the objectives that had been set when Amundi was listed, at the end of 2015,** in terms of both business and profitability. Net inflows reached 71 billion euros[1], with all client segments, management expertise and geographic areas actively contributing. Within two years, Amundi has achieved 130 billion euros in net inflows[1], which exceeds our objectives for the 2016 – 2018 time period. **Combined net income**[2] is **up 14.1%,** compared to a 5% average growth objective. Our cost-income ratio[1][2] reaches 52.4%, up almost three points from the previous year (on comparable basis). These figures clearly vindicate the robustness of Amundi's business model and the relevance of its development strategy. They are also reflected in Amundi's market capitalisation, which has almost doubled[3] since 2015, again showing our ability to create shareholder value.

2017 was also the year Amundi **acquired Pioneer Investments** – effective on 3 July 2017. The integration of Pioneer Investments makes us stronger in three key areas: distribution capabilities, expertise and talent. Our **distribution potential in Europe especially, is significantly enhanced.** Amundi already was the number one asset manager in France; it is now also number two in Italy, Austria and the Czech Republic. And in Germany, we are the number two foreign player. Amundi **strengthens its management expertise as well,** with new top-quality dollar-related expertise and richer know-how for European equities and emerging markets assets and multi-asset. And last, but certainly not least, Amundi **brings in new talent, with the addition of 2,000** highly skilled **professionals.** In this context, the ambitions set for 2018 – 2020 aim at **accelerating the company's development** while **preserving our growth and organisational model.** Our corporate ambition is to become one of the global leaders in the asset management industry, based on three criteria: the quality of the expertise and services provided to our clients, our development and profitability dynamic and our renewed commitment as a responsible financial player.

"Our excellent 2017 performance confirms the relevance of Amundi's business model. It will be further reinforced with the integration of Pioneer Investments. Our ambition for the next three years is to accelerate our development and become a global leader." Yves Perrier

(1) Combined data highlight Amundi's economic evolutions, following the integration of Pioneer Investments, on a full-year basis, for the 2016 and 2017 fiscal years. Combined data provide figures on Amundi's and Pioneer Investments' activity and results over 12 months for 2016 and 2017.
(2) Adjusted data aim to present financial statements which are the closest to economic reality, excluding the amortisation of distribution contracts and integration costs.
(3) Including capital increase.



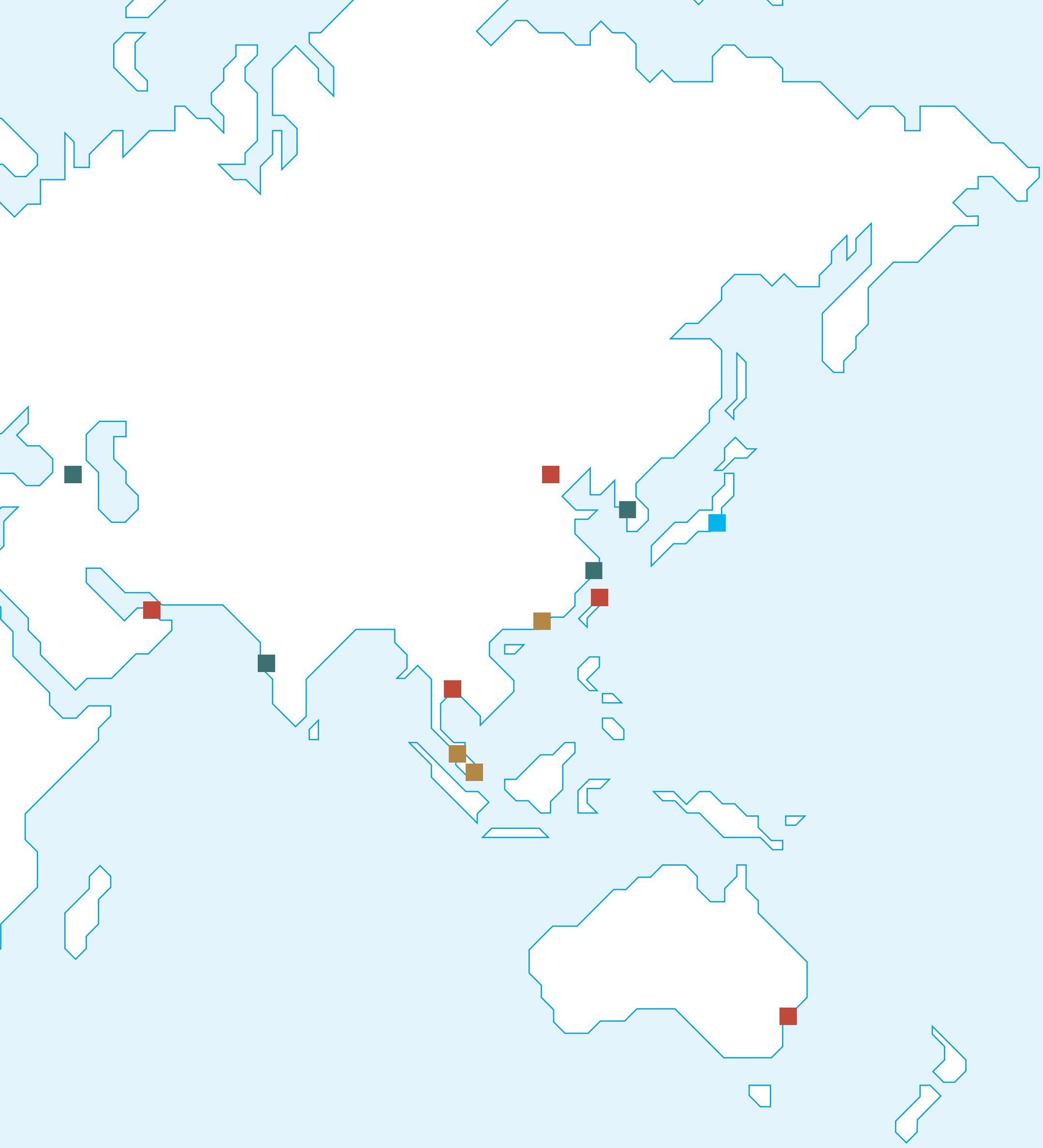


THE FRENCH & EUROPEAN LEADER WITH **A GLOBAL GEOGRAPHIC COVERAGE**

Amundi's success is built on the expertise of close to 5,000 employees and market experts in 37 countries. These strong local roots provide genuine customer proximity and allow Amundi to help its clients in their investment decisions. Operating in Europe, Asia-Pacific, the Middle East and the Americas, Amundi has 6 main investment hubs in Boston, Dublin, London, Milan, Paris and Tokyo, and another 10 local investment centres.

With 1,426 billion euros in assets under management, Amundi is Europe's largest asset manager by assets under management and ranks in the top 10 globally. To all its clients, the Group offers a wide range of expertise and investment solutions, across the active, passive and real and alternative assets investment universes. Thanks to its unique research capabilities and know-how, Amundi provides its 100 million clients – retail, institutional and corporate – with innovative savings and investment solutions tailored to their needs, targeted outcomes and specific risk profiles.

Amundi figures as of 31 December 2017 including joint-ventures – No.1 and top 10: IPE "Top 400 asset managers" published in June 2017 and based on AUM as of end December 2016.



/ INVESTMENT HUBS

/ LOCAL INVESTMENT CENTRES

/ OTHER AMUNDI ENTITIES

/ JOINT-VENTURES

- Amsterdam
- Bangkok
- Beijing
- **Boston**
- Bratislava
- Brussels
- Bucharest
- Budapest
- Buenos Aires
- Casablanca
- Dubai
- **Dublin**
- Durham
- Yerevan
- Frankfurt
- Geneva
- Helsinki
- Hong Kong
- Kuala Lumpur
- **London**
- Luxembourg
- Madrid
- Mexico City
- Miami
- **Milan**
- Montreal
- Mumbai
- Munich
- New York
- **Paris**
- Prague
- Santiago
- Seoul
- Shanghai
- Singapore
- Sofia
- Stockholm
- Sydney
- Taipei
- **Tokyo**
- Vienna
- Warsaw
- Zurich

No.1
in Europe

TOP 10
worldwide

100m
clients

37
countries

5,000
employees*

* *Including joint-ventures and non-consolidated entities.*

AMUNDI'S 2017 **KEY FIGURES**

With €1,426 billion of assets under management at the end of 2017, Amundi is the largest asset manager in Europe and ranks in the top 10[1] worldwide.

+€70.6bn
in net inflows[2]

€1,426bn
in asset under management[2]

€168bn
in assets under SRI management[2]

No.1
in Europe[1]

TOP 10
worldwide[1]

Financial results

€2,722m
Net revenues[3]
2017

52.4%
Cost-income ratio[3]

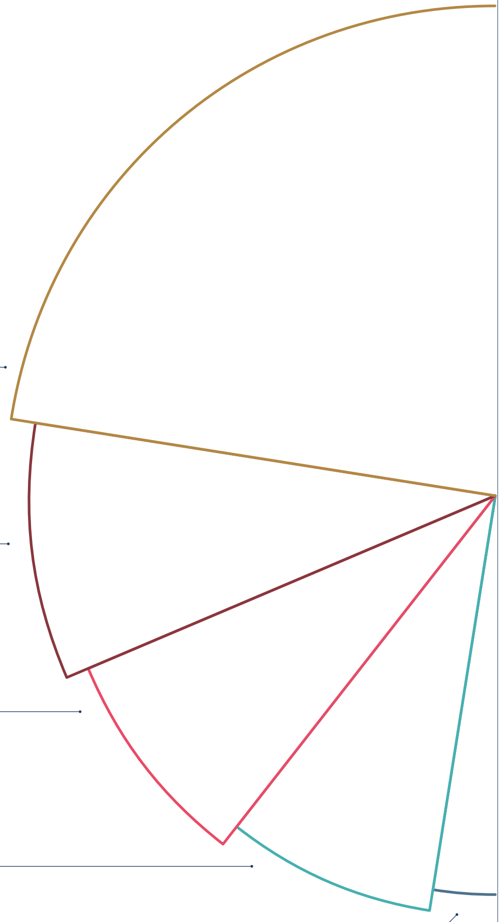
€1,295m
Gross operating income[3]
2017

€918m
Net income, Group share (adjusted)[3]
2017

Breakdown of combined assets

AT 31 DECEMBER 2017 [2]

BY ASSET CLASS



€646bn Fixed Income 45%

€255bn Multi-Asset 18%

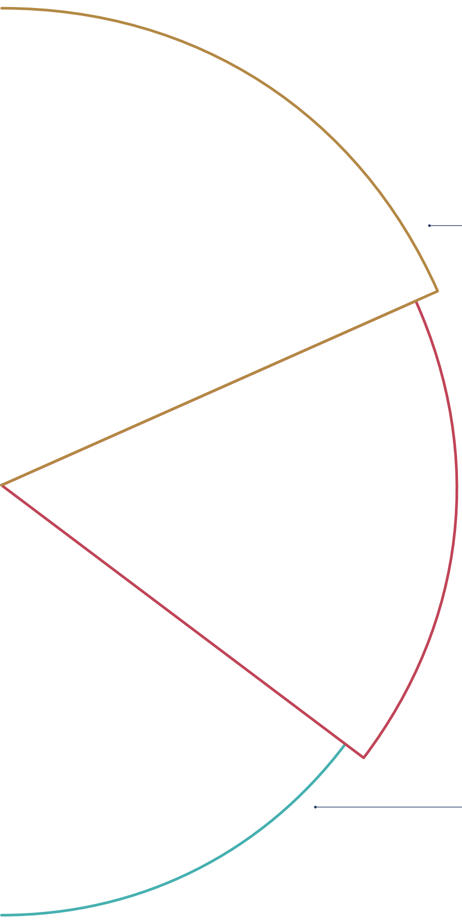
€232bn Equities 16%

€223bn Liquidity Solutions 16%

€70bn Real, Alternative and Structured Assets 5%

AT 31 DECEMBER 2017 [2]

BY CLIENT TYPE



37% **€524bn** Partner networks and other networks

34% **€483bn** Institutional & Corporate clients

29% **€419bn** Crédit Agricole & Société Générale Groups Insurance Companies

(1) Source: IPE "Top 400 asset managers" published in June 2017 and based on AUM as of end December 2016.

(2) Combined AUM and net inflows as of end December 2017: Amundi and Pioneer Investments over 12 months including Asian joint-ventures. For Wafa in Morocco, assets are reported on a proportional consolidation basis.

(3) Combined and adjusted figures (12 months Amundi + 12 months Pioneer Investments), excluding amortisation of distribution contracts and Pioneer Investments integration costs.

AMUNDI – PIONEER INVESTMENTS: THE MAJOR PHASES OF THE INTEGRATION

As soon as the merger was announced, the Amundi and Pioneer Investments teams started to work on defining the new Group's strategic positioning and preparing the various phases of the integration process. This made it possible to implement the actual merger and its expected synergies on closing day, in July 2017.

Our ambition: to build a global leader in asset management

On 12 December 2016, Amundi announced the signature of a binding agreement with UniCredit, with a view to acquire Pioneer Investments for a total amount of 3,545 million euros. For Amundi, it represented a major external growth project, as both Groups boast expertise, geographic coverage and client bases that complement one another. This clearly paves the way for a strong growth and the implementation of significant synergies of **180 million euros by 2020.** Thanks to a 1.4 billion euros[1] capital increase – launched on 14 March to finance the acquisition, and completed on 5 April –, Amundi becomes **Europe's premier asset manager, and the world's number 5[2], in terms of market capitalisation.**

Preliminary works before the closing of the merger

As soon as the merger was announced, taskforces were created with the aim of **defining the new entity's strategy and outlining its organisation.** About twenty such thematic taskforces were set up, as well as a steering committee that met weekly to review the projects and arbitrate. **Specific teams were dedicated to the regulatory and financial facets of the merger.** In early February, a seminar was held to officially kick-off planning and design work, which will, directly or indirectly, mobilise over 500 employees, representing 10% of the new entity's global headcount. On 22 June, the new entity's target organisation was unveiled. It is built around five main operational pillars. Based on the work done between December 2016 and July 2017, the new Group's avenues of development, priorities in terms of expertise and overall

12 Dec. 2016

The merger IS ANNOUNCED

PLAN AND DESIGN WORK IS **launched**

2 Feb. 2017

5 April 2017

CAPITAL INCREASE **successfully completed**

TARGET ORGANISATION **unveiled**

22 June 2017

integration process were defined and established. The company's financial model was formalised, and applied to all countries, management expertise and client segments. The heads of all departments, functions, management platforms and local entities were appointed. In parallel, the main regulatory projects – such as due diligence, obtaining permits from national authorities, etc. – were carried out successfully, with authorisations for US fund shareholders being granted in June 2017.

€1.4bn

Capital increase
to finance the acquisition

Launching the integration process

On 3 July, the actual acquisition of Pioneer Investments is announced. The previously defined integration process is immediately implemented, with three overarching projects: **the rolling-out of the new organisation** across countries and service lines; **the management of harmonisation and integration processes** – all in all, over 100 projects had been identified and coordinated by ad hoc steering committees –; and **the implementation of synergies.** At the end of 2017, progress depends upon each project's complexity and on the various constraints – legal, social or operational – which may delay implementation. Decisive steps, however, have already been successfully taken in the second half of 2017. On 6 November, **Germany was the first country to migrate onto Amundi's operational platform.** The IT migration process will continue throughout 2018 with the migration of the European entities every quarter, and will end in 2019, with the migration of the US entity. Reorganising teams on common premises in each country is also underway: **10 such operations have been carried out by the end of 2017.** Other projects will also be finalised in 2018. They include the legal mergers of local entities (many have taken place on 1 January 2018), the rationalisation of management processes or the harmonisation of product ranges. Some of the expected revenue synergies have already been leveraged: the partnership with the UniCredit network in Italy has generated an **additional 6.5 billion euros in assets under management** for Amundi products by the end of 2017.

3 July
2017

Acquisition finalised AND INTEGRATION PROCESS LAUNCHED

FIRST IT MIGRATION
successfully carried out

6 Nov.
2017

(1) Gross amount, share premium included.
(2) As of 5 April, 2017.

STRATEGIC AMBITIONS **2018 – 2020**

Amundi's history is first and foremost one of growth. Since its creation, in 2010, the Group has more than doubled its amount of assets under management. The model and strategy, that place clients at the heart of the organisation, have been reinforced with the integration of Pioneer Investments and remain the pillars upon which Amundi aims to build its ongoing development: by 2020, the ambition is to become one of the leaders in the global asset management industry.

Based on three growth engines:

- **the quality of the expertise and services it offers to its clients,**
- **its strong growth and profitability trends,**
- **its position as a committed financial player.**

Translated into the following priorities:

Consolidate its position as a reference partner in the Retail segment

Amundi intends to capitalise on its unique and successful global approach with its partner networks: devising and managing investment solutions, along with a complete range of services, advisory and digital tools, which make them easier to market. Amundi will leverage new growth drivers: renewed momentum on French markets, new partnership with the UniCredit networks, the growing appetite of third party distributors and Asian joint-ventures for the Group's new expertise, and a digital-based innovation approach.

Accelerate its development in the Institutional segment

Further penetrating and acquiring institutional clients in new geographies is a fundamental pillar for progress. Amundi seeks to develop solutions, which are both innovative and adaptable to the specific needs of various client segments, to market the full range of expertise in all of the geographic areas covered – Europe, Asia, the United States – especially on US fixed income and emerging assets. Through a global and objective approach, coupled with a full set of services and advisory, Amundi helps institutional clients find solutions tailored to their needs.

Capitalise on a full range of expertise and services

Amundi also intends to leverage the quality and scope of its management expertise. The Group especially wants to increase its market share in treasury solutions and passive management – where it already holds leadership positions in Europe – while continuing to develop the real and alternative assets business. In addition, through Amundi Services, Amundi also plans to strengthen its service provider positioning, in order to cover the entire asset management value chain.

Pursue its social commitment policy

Social commitment is one of Amundi's founding pillars. It will be strengthened with three goals in mind: mainstreaming of Environmental, Social and Governance (ESG) criteria in its investment policies, reinforcing its impact investing strategy, and pursuing its commitment policy towards issuers as well as its initiatives focused on climate change.

Financial objectives for 2020

Activity

Total net inflows
≥ €150bn
over 3 years:

€60bn for Retail
€60bn for Institutionals
€30bn through Joint-Ventures

Operational efficiency

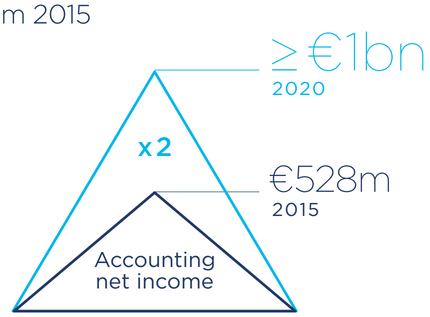
Cost-income ratio(1)
≤ 53%

Dividend

Pay-out ratio
65% of net income(2)

Profitability

Accounting net income **x2**
from 2015



Adjusted net income **+7%** annual growth between 2017(3) and 2020

≥ €1.05bn in 2020

Yves Perrier
Amundi CEO

"Amundi has exceeded the objectives set when the company was listed. The good results confirm the strength of Amundi's business model, which has been further boosted by the integration of Pioneer Investments. In the 2018-2020 time period, we aim at accelerating our growth and profitability, with in particular a two-fold increase in net income in relation to the level seen at the time of Amundi's listing."

These objectives are based on the following hypotheses: no market effect and a stable average margin.

(1) Amortisation of distribution contracts not included.
(2) Integration costs not included.
(3) Combined and adjusted 2017 net result, including a normalised level of financial products.

Overview of Amundi

1.1 KEY FIGURES

	2017 combined	2017	2016 combined	2016	2015 [1]
Assets under management at end-December *(in € billions)* [3]	1,426	1,426	1,329	1,083	985
Net inflows *(in € billions)* [3]	+70.6	/	+60.4	+62.2	+79.9
of which retail	*+49.6*	/	*+31.5*	*+34.7*	*+41.5*
of which institutional	*+21.0*	/	*+28.9*	*+27.5*	*+38.3*
of which medium-long term assets	*+36.2*	/	*+45.3*	*+45.5*	*+44.7*
of which treasury	*+34.4*	/	*+15.2*	*+16.8*	*+35.2*
of which France	*+19.4*	/	*+16.0*	*+15.9*	*+20.0*
of which international	*+51.2*	/	*+44.4*	*+46.4*	*+59.9*
Adjusted net revenue [4] *(in € millions)*	2,722	2,301	2,533	1,694	1,676
Adjusted cost to income ratio [4] *(in %)*	*52.4%*	*51%*	*55.2%*	*51.8%*	*51.8%*
Adjusted pre-tax income [4] *(in € millions)*	1,311	1,146	1,158	844	840
Adjusted net income, Group share [4] *(in € millions)*	918	800	805	579	540
Net income, Group share *(in € millions)*	800	681	794	568	528
Number of shares at year-end *(in millions)*	201.51	201.51	/	167.92	167.25
Earnings per share *(in €)* [5]	4.16	3.54	/	3.40	3.16
Net dividend per share *(in €)*	/	2.50 [2]	/	2.20	2.05
Headcount [6]	4,606	4,606	/	3,068	3,030
Of which international [6]	*2,486*	*2,486*	/	*966*	*932*

N.B.: *The combined data corresponds to the sum of 12 months of Amundi activity and 12 months of Pioneer activity in 2016 and 2017, thus giving a clear view of the new Group's performance on a comparable basis.*
Some of the data in the above table is not presented, either because it is not available, or because it is irrelevant.

(1) 2015 is presented after restatement for IFRIC 21 applicable from 1 January 2015. The 2015 results have been adjusted for IPO expenses, which amounted to €15 million before tax and €9 million after tax, as well as the amortisation of distribution agreements.

(2) Proposed to the AGM (Annual General Meeting) of 15 May 2018.

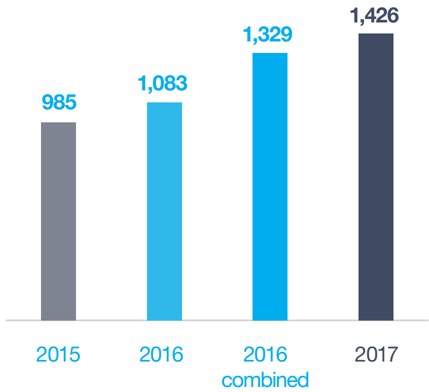
(3) Since 2013, assets under management include 100% of the assets under management of the following Asian Joint-Ventures: State Bank of India Fund Management (India), ABC-CA (China), NH-CA Asset Management Co. Ltd (South Korea), and not the sum of the assets representing the stake held by Amundi in each of the Joint-Ventures, to which is added 34% of the assets of Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest since Amundi does not have any dedicated employees within this JV, unlike the others. Since 2014, AuM include the non-managed distributed assets and assets under advisory. A detailed breakdown of the assets by client segment and asset class can be found in Chapter 4.

(4) Adjusted data: restatement of net revenue for the amortisation of the distribution agreements (UniCredit from 1 July 2017, SG and Bawag in 2015, 2016 and 2017), and restatement of 2017 operating expenses for the integration costs of Pioneer (€135 million before taxes and €88 million after taxes in 2017).

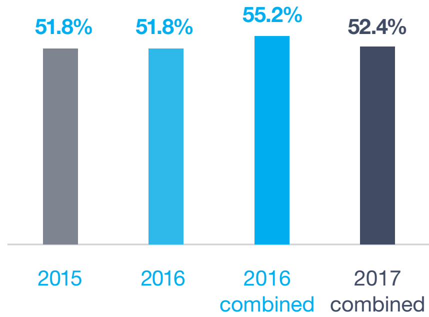
(5) Net income/Average number of shares for the financial year.

(6) Full Time Equivalent (FTE), in the consolidation scope, which differs from the scope of Chapter 3 (CSR), for which all the managed headcount, including those in the non-consolidated entities, are taken into account.

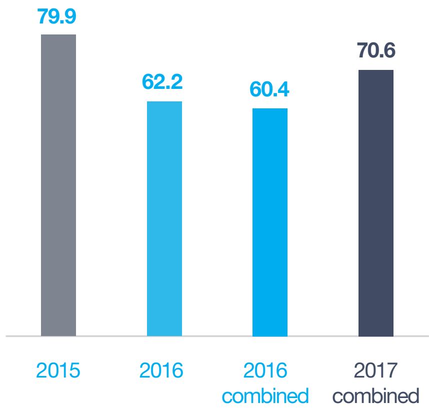
Assets under management at end-December (in € billions) (1)



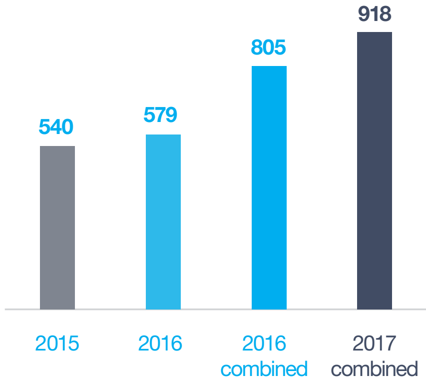
Adjusted cost to income ratio (in %) (2)



Net inflows (in € billion)(1)



Adjusted net income Group share (in € millions) (3)



(1) Assets under management include 100% of the assets under management of the following Asian Joint-Ventures: State Bank of India Fund Management (India), ABC-CA (China), NH-CA Asset Management Co. Ltd (South Korea), and not the sum of the assets representing the stake held by Amundi in each of the Joint-Ventures, to which is added 34% of the assets of Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest since Amundi does not have any dedicated employees within this JV, unlike the others. Since 2014, AuM include the non-managed distributed assets and assets under advisory.

(2) Cost-income ratio: ratio of operating expenses to net revenue. 2015 is presented after restatement for IFRIC 21 applicable from 1 January 2015. The 2015 results have been adjusted for IPO expenses, which amounted to €15 million before tax and €9 million after tax. In addition, in 2015, 2016 and 2017: restatement of net revenue for the amortisation of the distribution agreements (UniCredit from 1 July 2017, SG and Bawag in 2015, 2016 and 2017), and restatement of 2017 operating expenses for the integration costs of Pioneer (€135 million before taxes and €88 million after taxes in 2017).

(3) The 2015 results have been adjusted for IPO expenses, which amounted to €15 million before tax and €9 million after tax. In addition, in 2015, 2016 and 2017: restatement of net revenue for the amortisation of the distribution agreements (UniCredit from 1 July 2017, SG and Bawag in 2015, 2016 and 2017), and restatement of 2017 operating expenses for the integration costs of Pioneer (€135 million before taxes and €88 million after taxes in 2017).

1.2 SHAREHOLDER INFORMATION

1.2.1 General information

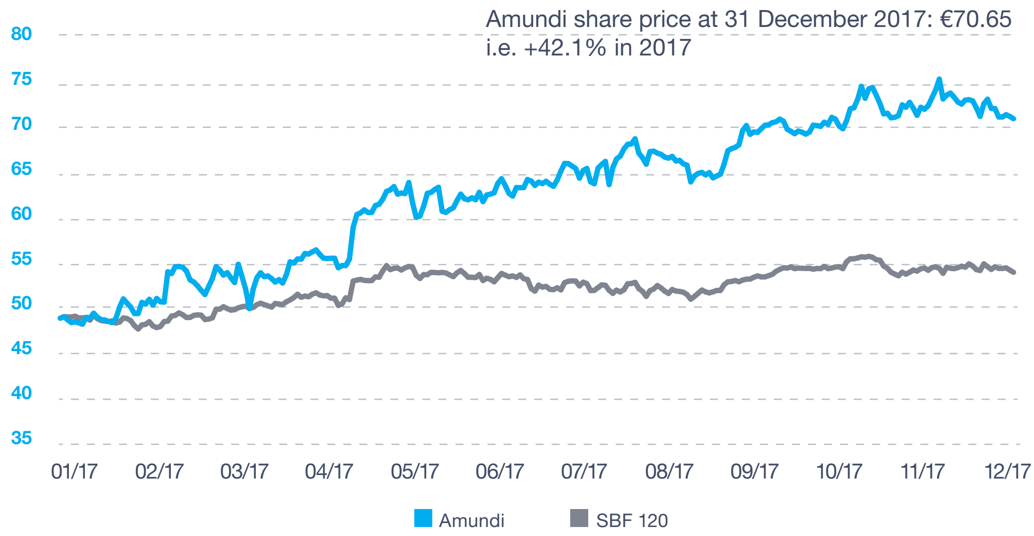
ISIN Code	FR0004125920
Ticker (Reuters, Bloomberg):	AMUN.PA, AMUN.FP
Flotation price on 11 November 2015	€45
Price at end-December 2017	€70.65
Price – high (at closing)	€76.17
Price – low (at closing)	€48.18
Average daily volumes (in number of shares)	160,954
Market capitalisation as of 31 December 2017	€14,237m
Fitch rating	A+, outlook stable*

* *Confirmed in June 2017*

1.2.2 Share price information

CHANGE IN THE SHARE PRICE BETWEEN 31 DECEMBER 2016 AND 31 DECEMBER 2017

Comparison with the SBF 120 index (recalculated using the share price as base)



Source: Reuters.

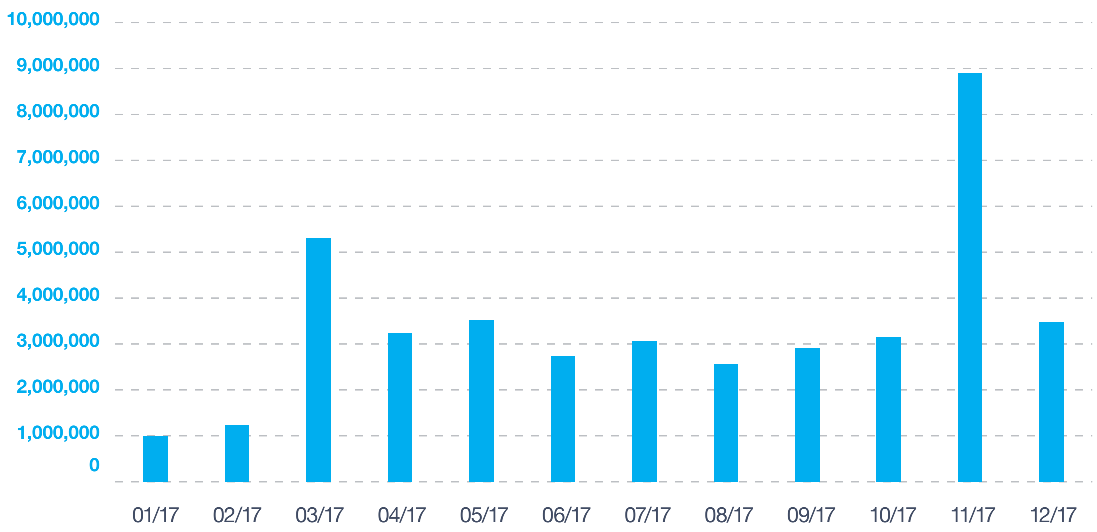
The initial listing price was set on 11 November 2015 at €45 per share. As at 31 December 2017, the Amundi share closing price was €70.65, which represented a 42.1% gain in 2017, and 57% gain since initial listing; an ordinary dividend of €2.20 was paid in May 2017.

Amundi therefore outperformed the primary indexes of the Paris Stock Exchange in 2017 – the CAC 40 (+9.3%) and the SBF 120 (+10.3%) – but also its sector benchmark index, the Stoxx 600 Financial Services, which gained 15%.

Stock markets performed exceedingly well in 2017, a year marked by a simultaneous worldwide recovery, solid business results and a monetary policy that continued to be accommodating. In addition, market volatility remained particularly stable in 2017, reflecting the confidence of investors.

Against this backdrop, Amundi shares benefited from the Group's sound operational performance and from the Pioneer acquisition, which pushed the Amundi share up to a historic high of €76.17. A capital increase of €1.4 billion in April 2017 (intended to partially finance the acquisition of Pioneer) significantly increased the liquidity of Amundi shares.

Monthly changes in volume of shares traded (in millions of shares traded)



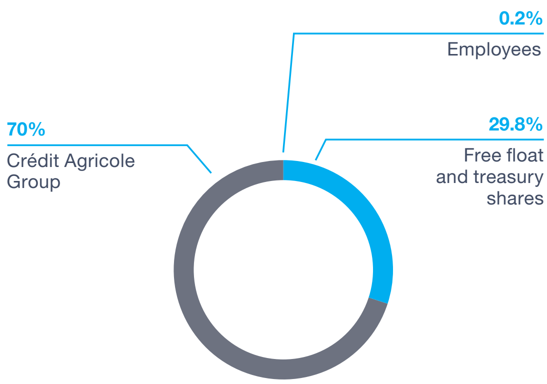
Source: Reuters; volumes on Euronext

STOCK MARKET INDICES

The share entered the French SBF 120 index at market close on 18 March 2016 in view of its free float. In November 2017, the share also joined the MSCI index family, thanks to the improved liquidity resulting from the capital increase of April 2017.

1.2.3 Information about the share capital and shareholders

At 31 December 2017, the Crédit Agricole Group held 70% [(1)] of the share capital, employees 0.2% and the free float (including treasury shares) represented 29.8%. At 31 December 2017, 41,135 shares were held in treasury under the terms of a liquidity contract. No shareholder has double voting rights.



SHARE CAPITAL INCREASE RESERVED FOR EMPLOYEES

A share capital increase reserved for employees is due to be carried out mid-2018, subject to the necessary authorisations. This transaction, which aims to boost employees' sense of belonging following the Pioneer acquisition, will be conducted in accordance with the existing legal authorisations approved by the AGM of May 2017.

The impact of this transaction on net earnings per share should be negligible: the maximum number of shares created will be 900,000 (less than 0.5% of the share capital and voting rights) and the discount offered to employees should be the same as that offered for the first share capital increase reserved for employees carried out in December 2015 (20%).

(1) Crédit Agricole S.A. holds 137,606,739 shares and voting rights, representing 68.3% of Amundi's share capital and voting rights; SACAM Développement holds 2,753,913 shares and voting rights, representing 1.37% of Amundi's share capital and voting rights; CA Immobilier holds 696,743 shares and voting rights, representing 0.35% of the share capital and voting rights and each of the SIGMA Investissement 39, SIGMA Investissement 40, SIGMA 41 and SIGMA 42 funds hold one share and voting right in Amundi.

1.2.4 Change in share ownership over the past three years

The table below shows changes in the number of Amundi shares and their holding over the last three years:

	31/12/2017		31/12/2016	31/12/2015
Shareholders	**Number of shares**	**% of share capital**	**% of share capital**	**% of share capital**
Crédit Agricole Group	141,057,399	70.0%	75.6%	75.5%
Employees	426,085	0.2%	0.3%	0.3%
Free float [1]	60,027,078	29.8%	24.1%	24.2%
TOTAL	**201,510,562**	**100.0%**	**100.0%**	**100.0%**

(1) Of which 41,135 treasury shares.

At 31 December 2017, Amundi's share capital consisted of 201,510,562 ordinary shares with a nominal value of €2.50 each.

Amundi was created in 2010, through a merger of the asset management firms Crédit Agricole Asset Management and Société Générale Asset Management, following which the Crédit Agricole Group held 75% and Société Générale 25% of the capital. On 7 May 2014, Crédit Agricole S.A. acquired an additional 5% from Société Générale. Since that date and prior to the listing, Société Générale held 20% of Amundi's capital, and Crédit Agricole Group 80%. The number of Amundi shares had not changed since the merger.

At the time of the listing on 11 November 2015, Société Générale sold its 20% shareholding in full, Crédit Agricole S.A. sold 2% to Agricultural Bank of China and 2.25% as part of the public offering, while Amundi carried out a capital increase reserved for employees, amounting to 453,557 shares, *i.e.* 0.3% of the capital.

On 27 October 2016, 680,232 new shares were created (0.4% of the share capital), as part of the merger of Amundi Immobilier's specialised management activities with Crédit Agricole Immobilier Investors.

On 10 April 2017, 33,585,093 new shares were created (20% of the share capital), as part of the financing of the acquisition of Pioneer Investments.

1.2.5 Recent changes in share capital

The table below shows the changes in the share capital of Amundi over the past five years:

Date and nature of the transaction	Amount of share capital *(in €)*	Number of shares *(units)*
Share capital at 31 December 2011	416,979,200	166,791,680
Share capital at 31 December 2012	416,979,200	166,791,680
Share capital at 31 December 2013	416,979,200	166,791,680
Share capital at 31 December 2014	416,979,200	166,791,680
Share capital increase reserved for employees	*1,133,893*	*453,557*
Share capital at 31 December 2015	418,113,093	167,245,237
Share capital increase related to the transfer of Crédit Agricole Immobilier business	*1,700,580*	*680,232*
Share capital at 31 December 2016	419,813,673	167,925,469
Capital increase associated with the Pioneer acquisition	*83,962,732*	*33,585,093*
Share capital at 31 December 2017	503,776,405	201,510,562

Amundi's share capital since 31 December 2017 has thus amounted to €503,776,405, divided into 201,510,562 shares with a par value of €2.50 each, fully subscribed and paid up, and all of the same class.

1.2.6 Dividend distribution policy

Amundi's objective is to propose distributing to its shareholders an annual amount representing at least 65% of its consolidated net income Group share (excluding merger costs relating to the Pioneer acquisition).

Over the past five years, Amundi has distributed the following cash dividends, as shown in the table below:

	For FY 2017 (1)	For FY 2016	For FY 2015	For FY 2014	For FY 2013
Net dividend per share *(in €)*	2.50	2.20	2.05	1.46	1.35
Total dividend *(in € millions)*	504	443	343	244	225
Dividend payout ratio (2) *(in %)*	65.5%	65.0% (3)	65.0%	49.7%	50.0%

(1) Draft resolution submitted to the general shareholders'meeting of 15 May 2018.
(2) Total dividend payable, compared to Net income Group share adjusted for IPO costs in 2015 and integration costs in 2017.
(3) The dividend payout ratio was calculated based on the number of shares existing at 31 December 2016.

At the Board of Directors'meeting on 8 February 2018, it was decided that the AGM on 15 May 2018 would be asked to approve the payment of a cash dividend of €2.50 per share for 2017, corresponding to a dividend payout ratio of 65.5% of the net income attributable to shareholders.

The dividend will be distributed as follows:

Tuesday 22 May 2018	The opening price on the ex-dividend date is reduced by the amount of the dividend
Wednesday 23 May 2018	Date on which share accounts will determine holders of shares with dividend rights
Thursday 24 May 2018	Payment of dividend

1.2.7 2018 financial communications calendar

27 April 2018	Publication of 2018 first quarter results
15 May 2018	AGM
2 August 2018	Publication of 2018 first half results
26 October 2018	Publication of 2018 nine-months results

1.2.8 Contacts

Investor Relations Department:

Anthony Mellor; Thomas Lapeyre; investor.relations@amundi.com

Press Relations:

Natacha Andermahr

1.2.9 Table summarising authorisations relating to capital operations

Table summarising the currently valid delegations granted to the Board of Directors by the AGM and their use during 2017.

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2017
Purchases of shares	Purchase or authorise purchase of shares in the Company	**GSM of 18/05/2017** **14th resolution** For a period of: 18 months **Entry into force**: 18/05/2017 **Expiry date:** 18/11/2018	**Upper limits of purchases/ buybacks:** 10% of the shares comprising the share capital **Maximum purchase price:** €75 **Maximum aggregate amount for buyback programme:** €1 billion	**see note below (1.2.11)**
Capital increase	Increase the share capital through the issuance of shares and/or securities giving immediate or future access to share capital, with preferential subscription rights	**GSM of 18/05/2017** **15th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 50% of share capital in existence as of the date of the GSM of 18/05/2017(1). **Nominal upper limit for the issuance of debt securities:** €3.5 billion	**None**
	Increase the share capital through the issuance of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, by public offering	**GSM of 18/05/2017** **16th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 10% of share capital in existence as of the date of the GSM of 18/05/2017(1). **Nominal upper limit for the issuance of debt securities:** €1.5 billion	**None**
	Increase the share capital through the issuance of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, by private placement as provided for in Article L. 411-2 II of the French Monetary and Financial Code	**GSM of 18/05/2017** **17th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 10% of share capital in existence as of the date of the GSM of 18/05/2017(1) and (2). **Nominal upper limit for the issuance of debt securities:** €1.5 billion	**None**
	Issuance of shares and/or securities giving immediate or future access to shares to be issued by the Company in consideration of contributions in kind consisting of shares or securities giving access to share capital	**GSM of 18/05/2017** **18th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 10% of share capital in existence as of the date of the GSM of 18/05/2017(1) and (2) **Upper limit on the number of shares and securities giving access to share capital to be issued:** 10% of the share capital **Nominal upper limit for the issuance of debt securities:** €1.5 billion	
	Determining the issue price, in connection with a share capital increase by issuance of equity securities without preferential subscription rights	**GSM of 18/05/2017** **19th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 10% of the share capital per period of 12 months(1) and (2)	**None**

(1) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the aggregate limit on capital increases stipulated in paragraph 2 of the 15th resolution of the AGM of 18 May 2017 (set at 50% of the share capital in existence as of the date of the AGM of 18 May 2017).

(2) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the nominal limit on capital increases without preferential subscription rights, stipulated in paragraph 3 of the 16th resolution of the AGM of 18 May 2017 (set at 10% of the share capital in existence as of the date of the AGM of 18 May 2017).

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2017
Capital increase (suite)	Increase share capital by incorporation of premiums, reserves, profits or any other sums	**GSM of 18/05/2017** **20th Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Nominal upper limit for capital increases:** 20% of the share capital in existence as of the date of the GSM of 18/05/2017(1).	**None**
	Increase the number of shares to be issued in the event of a capital increase, with or without preferential subscription rights	**GSM of 18/05/2017** **21st Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Upper limit of the number of shares to be issued:** Limit stipulated by the applicable regulations as of the date of issuance (currently 15% of the initial issue); limit chargeable against the limit stipulated in the resolution setting the amount of the initial issuance(1)	**None**
Operations in favour of employees/ personnel and/or Company officers	Carry out capital increases reserved for participants in Company savings schemes without preferential subscription rights for shareholders	**GSM of 18/05/2017** **22nd Resolution** For a period of: 26 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Total nominal upper limit for capital increases:** 1% of the share capital on the date of the Board of Directors'decision(1)	**None**
	Grant performance shares (existing or to be issued) to some or all of the Group's employees and Company officers.	**GSM of 18/05/2017** **23rd Resolution** For a period of: 38 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2020	**Total upper limit on the number of performance shares, existing or to be issued, granted:** 2% of the share capital on the date of the Board of Directors'decision(1) **Total upper limit on the number of performance shares, existing or to be issued, granted to Senior Executive and Company Officers:** 10% of the performance shares granted during said financial year pursuant to this authorisation	**Used by the Board of Directors during its meeting of 13/12/2017 (Number of shares granted: 1,551,750)**
Cancellation of shares	Decrease the share capital by cancellation of treasury shares	**GSM of 18/05/2017** **24th Resolution** For a period of: 24 months **Entry into force:** 18/05/2017 **Expiry date:** 18/07/2019	**Upper limit on total number of shares to be cancelled:** 10% of the share capital per period of 24 months	**None**

(1) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the aggregate limit on capital increases stipulated in paragraph 2 of the 15th resolution of the AGM of 18 May 2017 (set at 50% of the share capital in existence as of the date of the AGM of 18 May 2017).

(2) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the nominal limit on capital increases without preferential subscription rights, stipulated in paragraph 3 of the 16th resolution of the AGM of 18 May 2017 (set at 10% of the share capital in existence as of the date of the AGM of 18 May 2017).

1.2.10 Purchase by the Company of its own shares in 2017

The fourteenth resolution approved at the Amundi ordinary and extraordinary AGM on 18 May 2017 authorised the Board of Directors to perform transactions on Amundi shares in accordance with the provisions of the AMF's General Regulation and with Articles L. 225-209 *et seq*. of the French Commercial Code.

The principal components of this resolution, which is still in force, are as follows:

- the authorisation was granted for a period of 18 months from the date of the general shareholders'meeting, until 18 November 2018;
- the Company may not, under any circumstances, hold over 10% of the share capital;
- the purchase cannot take place at a price higher than €75 per share;
- in any case, the maximum amount that the Company can dedicate to the purchase of its own ordinary shares is €1 billion.

These shares may be acquired at any time within the limits permitted by legal and regulatory provisions in effect, including during takeover bids or public exchange offers initiated by the Company or aimed at the shares of the Company, particularly in view of the following allocations:

- the allocation or sale of shares to employees as part of a profit-sharing agreement or the implementation of any company or group savings schemes (or a similar scheme) under the terms and conditions provided by law, particularly Articles L. 3332-1 *et seq.* of the French Labour Code; or
- the allocation of performance shares pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code; or
- generally, to honour the obligations associated with share allocation programmes for employees or company officers of the issuer or of associates; or
- the distribution of shares at the time of the exercise of the rights attached to securities giving access to the capital through reimbursement, conversion, exchange, presentation of a warrant or in any other way; or
- the cancellation or all or a portion of the securities thus bought back; or
- the maintenance of a secondary or liquidity market in Amundi shares by an investment services provider under the terms of a liquidity contract in compliance with the Code of Conduct recognized by the AMF.

The goal of this programme is also to facilitate the implementation of any market practice that may become permitted by the AMF, and more generally, the completion of any other transactions that are compliant with regulations in effect. Under such a scenario, the Company will inform its shareholders through a press release.

Information on the use of the buyback programme announced at the general shareholders'meeting, in accordance with Article L. 225-211 of the French Commercial Code.

The Board of Directors informs the AGM of the following activities undertaken in accordance with the buyback programme for the period 1 January to 31 December 2017.

Transactions were carried out as part of the buyback programme in order to stimulate the securities market through an investment services provider pursuant to a liquidity contract in accordance with the Code of Conduct of the French Association of Financial Markets (AMAFI).

Number of shares registered in the Company's name at 31/12/2016	**61,045**
Number of shares purchased in 2017	**579,498**
Volume of shares used as part of the liquidity agreement (purchases + sales) (1)	€1,178,906
Average purchase price of shares acquired in 2017	€61.18
Value of shares acquired in 2017 (valued at purchase price)	€35,455,490
Trading costs	-
Number of shares sold in 2017	**599,408**
Average price of shares sold in 2017	€60.84
Number of shares registered in the Company's name at 31/12/2017	**41,135**
Carrying amount per share (2)	€70.65
Total carrying amount of shares	€2,906,188
Par value	€2.5
Percentage of share capital held by the Company at 31/12/2017	0.02%

(1) Shares purchased or sold under the contract during the period considered.

(2) Shares acquired under the liquidity contract are recognised as trading securities and valued at market value at each reporting date.

1.2.11 Description of Amundi share buyback programme for 2017 and subsequent years

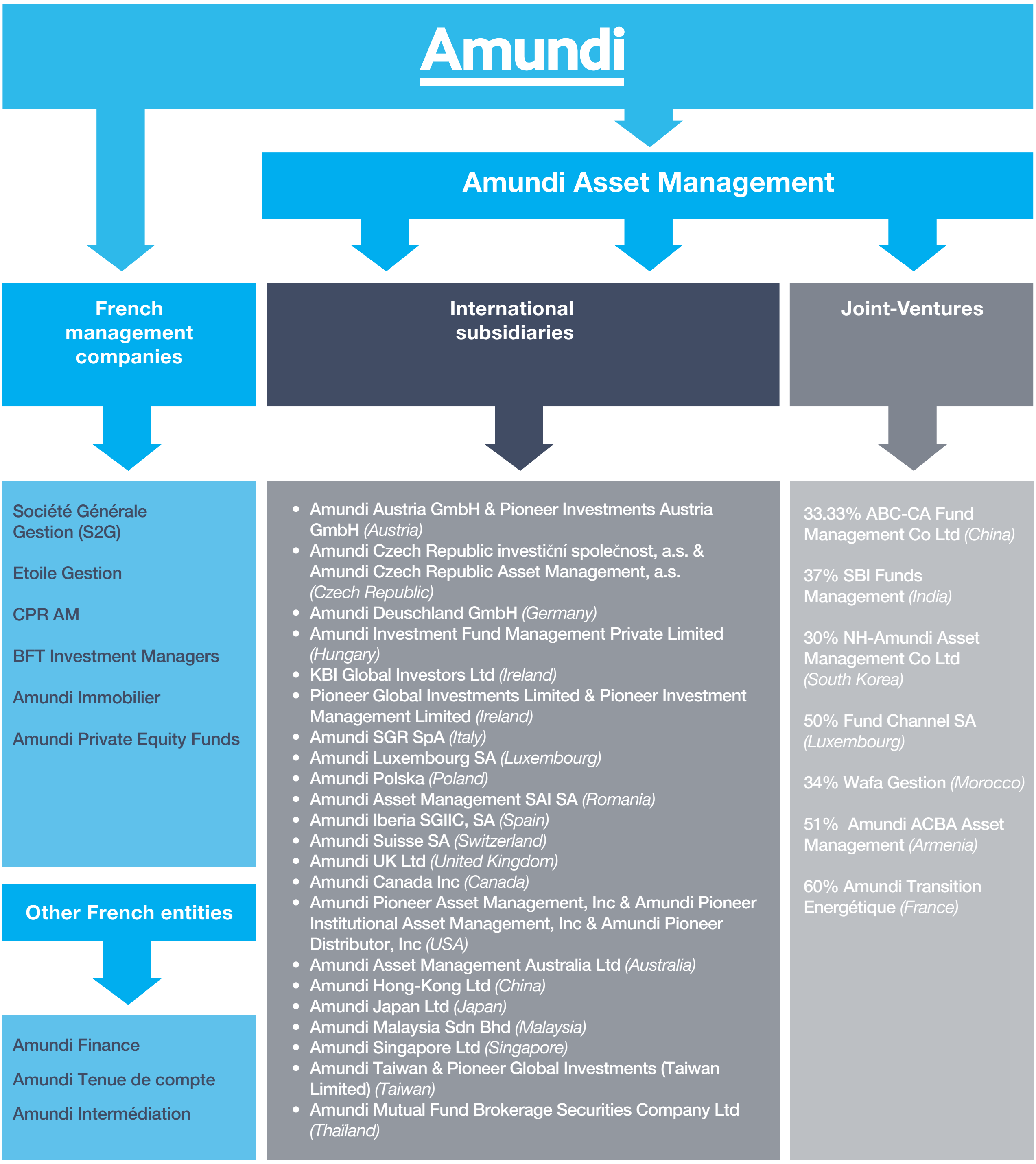
Following a Board of Directors'decision of 17 December 2015, with effect from 3 February 2016, Amundi has a liquidity contract in place relating to its ordinary shares.

The contract, awarded to Kepler Cheuvreux for a renewable period of one year, and with an allocated amount of €10 million, complies with the Code of Conduct of the French Association of Financial Markets (AMAFI) as approved by the AMF on 21 March 2011. The aim is to maintain a secondary or liquidity market in Amundi's shares and is linked to the third resolution approved at the general shareholders'meeting on 30 September 2015, authorising the Board of Directors to carry out transactions on the Company's shares.

As at 31 December 2017, 41,135 shares were held in treasury.

There is no share buyback programme other than this liquidity agreement.

1.3 ORGANISATIONAL STRUCTURE OF THE GROUP AT 31 DECEMBER 2017



All companies are wholly owned unless stated otherwise.

Amundi is the holding company for the Amundi Group. The majority of its shares are held by the Crédit Agricole Group (70%). It mainly performs its asset management activities through subsidiaries in France and abroad, through joint ventures (particularly in Asia) and through other entities.

For a list of Amundi's consolidated subsidiaries and acquisitions in the year, please refer to note 9.3

1.4 THE AMUNDI BUSINESS MODEL

Since its creation in early 2010, Amundi has developed around a unique structure: a centralised product management platform with multiple distribution channels in more than 37 countries. This business model has enabled Amundi to double its assets under management from the end of 2009 (€670 billion) to the end of 2017 (€1,426 billion) primarily through organic growth, while managing performance and profitability.

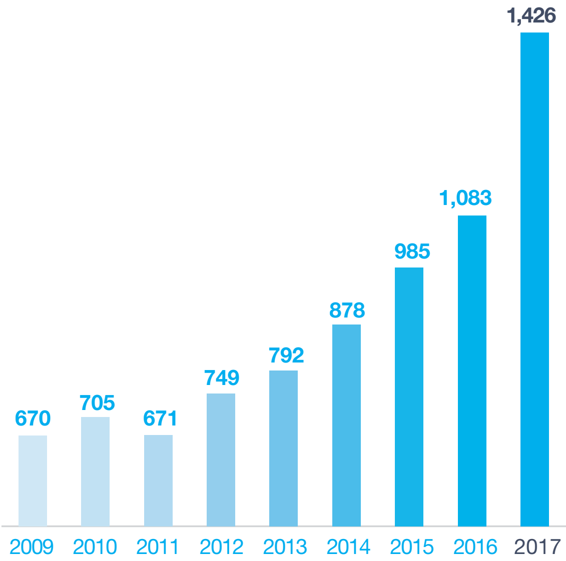
These assets under management are the most important source of Amundi's revenues and their amount usually serves as the basis for calculating net management fees.

Amundi's development momentum since its creation and its profitability illustrate the power of its business model, based on the following principles:

- an organisation that is both global and local, that places the client at the core of the business, with two major client segments: Retail and Institutional;
- an innovation policy providing a wide range of expertise that meets clients'expectations;
- high level infrastructures (IT in particular);
- a strong entrepreneurial culture.

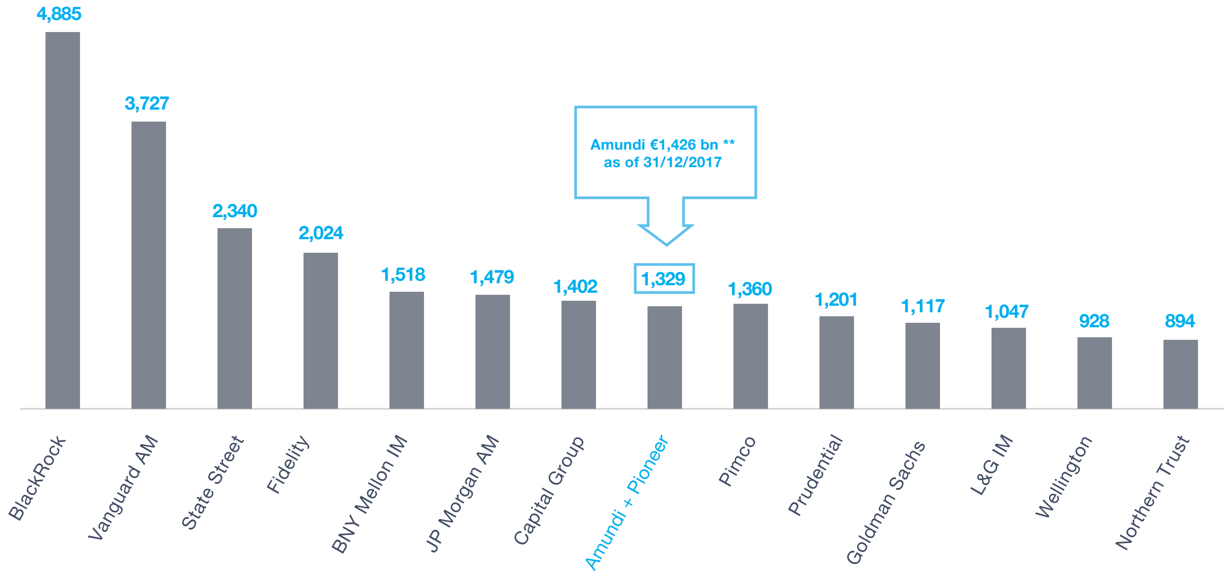
The consolidation of Pioneer has strengthened this business model in three key areas: distribution capacities, expertise and talents.

Change in Amundi's AuM, 2009-2017 (in € billions)



1.4.1 The leading European asset manager

With €1,426 billion in assets under management as of 31 December 2017, Amundi is the leading [1] European asset manager (by AuM) and is one of the top asset managers worldwide.



Source: IPE [1].
*** Amundi + Pioneer assets at 31/12/2017.*

A global player with a firmly-rooted international presence thanks to dynamic organic growth, targeted acquisitions and long-established partnerships, Amundi operates in more than **37 countries**, providing savings and investment solutions to **more than 100 million Retail** and **Institutional** clients.

(1) Number 1 asset management Company, in terms of total assets under management (asset management companies with their principal registered office in continental Europe). Source: IPE, "Top 400 Asset Managers," published in June 2017 and based on AuM as of 31 December 2016.

Management expertise and services

Amundi has become an established and recognized brand, known for its expertise in most asset classes, particularly in **traditional active management**: interest rate products (euro, US and global), equities (European, global, emerging and US) and multi-asset products. Moreover, Amundi is a leader in France on the market for open-ended funds and **employee savings schemes,** and is at the forefront in Europe for **treasury** and **structured funds**.

The Group has developed innovative expertise in **passive management** (ETF, index funds, Smart Beta); it is ranked among the leading ETF managers in Europe. Amundi is rapidly developing in new asset classes such as **real and alternative assets** (real estate, private debt, infrastructures, private equity, etc.). These types of expertise are bolstered by unique know-how in **internal research** and Analysis.

Amundi deploys its management expertise from six main management platforms: Boston, Dublin, London, Milan, Paris and Tokyo.

In addition, Amundi intends to strengthen its position as a **service provider** (IT, market access platform, etc.) in order to **play a role in the entire value chain.**

Worldwide presence

Amundi has an **extensive international presence** in more than 37 countries. Amundi is no. 1 [(1)] in asset management in Europe **with solid investment and distribution platforms in the United States and Asia.**

In Europe, Amundi is the uncontested leader in asset management and enjoys a high-profile position in several key markets on the continent: no. 1 in France, in the top 3 in Italy [(2)] and in Austria [(3)], and a major international player in Germany [(4)].

With the consolidation of Pioneer Investments, Amundi gains a larger distribution network in **North America**, and a complete range of management capacities directly positioned to better meet investor needs in the Asia-Pacific and Middle East regions.

In Asia, Amundi has strong positions in Japan, Hong Kong and in Singapore, as well as through its Joint-Ventures (JV) in China, South Korea and India.

1.4.2 A unique industrial model built around two major client segments

Amundi's business model is client-centric and therefore built around its two client segments: Retail and Institutional.

- **Retail** brings its savings solutions distribution activities to individual investors and SMEs, clients from French and international partner networks, from networks linked to JVs and from third-party distributors; the sales of funds connected to unit-linked life assurance policies is also included in this segment.
- **Institutional** includes direct sales of investment solutions to institutional investors – sovereign funds and central banks, insurers, pension funds etc. – and to corporates for cash flow management on the one hand, and employee savings and retirement scheme services on the other; this segment also includes the management of mandates on behalf of Crédit Agricole and Société Générale Group insurers in connection with their general life insurance funds (policies in euros), and non-life insurance assets.

This client segmented organisation generates major revenue and cost synergies.

Each client segment has its own teams dedicated **to preparing solutions that meet the clients'specific needs.** The commercial, marketing and customer service teams dedicated to the various client segments rely on **integrated management platforms**. This kind of organisation fosters information sharing at all levels and ensures that the entire range of Amundi's expertise is available across all asset classes. Amundi also provides specific structures for each of its retail distribution networks, tasked with training teams, marketing support, and after-sales service support. This type of organisation offers significant economies of scale.

Furthermore, in addition to the asset management business, **the Group has also created a Servicesbusiness line** [(5)] in order to provide management companies and institutional investors with services relating to fund management and administration, market access and fund domiciliation. Amundi has high-performing infrastructures, which it wishes to promote to third parties.

1.4.2.1 A REFERENCE PLAYER FOR RETAIL ASSET MANAGEMENT IN FRANCE, EUROPE AND ASIA

The Retail business is part of Amundi's DNA

Amundi's offer in this segment is based on **customised solutions for each distribution network**, giving clients access to a wide range of tailor-made products. The products come with dedicated **services** such as locally-based teams (local networks) or centralised teams, for the flagship cross-border funds, and a complete range of **tools** compatible with the various regions in which Amundi is present. This enables the networks to better promote their offers and to keep clients informed.

(1) Number 1 asset management Company, in terms of total assets under management (asset management companies with their principal registered office in continental Europe). Source: IPE, "Top 400 Asset Managers," published in June 2017 and based on AuM as of 31 December 2016.

(2) Source: Assogestioni.

(3) Source: VÖIG and Amundi data.

(4) Source: BVI.

(5) Execution orders, reports, calculation of risk indicators, asset allocation, fund domiciliation, etc.

PARTNER DISTRIBUTION NETWORKS IN FRANCE

In France, Amundi is the leader in the Retail segment thanks to its four main retail partners, Crédit Agricole Group entities (thirty-nine Regional Banks. and LCL) and Société Générale (its branches under its own brand and those of eight regional banks in the Crédit du Nord network). Amundi has distribution agreements that guarantee the quasi-exclusivity of the marketing of funds in these networks, for a **period of five years** from the listing date of November 2015.

Crédit Agricole Group. Amundi provides savings solutions through two distribution networks:

- the 39 Regional Banks, distributed throughout France, each with strong local roots;
- *LCL*. A network of branches located mainly in urban areas.

Société Générale Group. Amundi provides savings solutions through two distribution networks:

- *Société Générale,* whose network provides universal bank services throughout France;
- *Crédit du Nord,* consisting of eight regional banks.

INTERNATIONAL DISTRIBUTION NETWORKS

Outside of France, Amundi has developed a series of partnerships with a number of major banks in Europe and Asia:

With the UniCredit networks. At the time of the Pioneer acquisition, Amundi entered into a ten-year distribution agreement with the UniCredit networks in Italy, Germany, Austria and in Eastern Europe.

With Crédit Agricole and Société Générale. Amundi is the preferred supplier of savings solutions for the Crédit Agricole and Société Générale group networks in Italy (Cariparma and Friuladria, grouped under Crédit Agricole Italy), in the Czech Republic (Komerční Banka) and in Poland (Eurobank and CA Polska).

Amundi is also in partnership with BAWAG P.S.K. in Austria and Resona in Japan.

THIRD-PARTY DISTRIBUTORS

This distribution capacity is complemented by more than 1,000 third-party distributors, private banks and wealth management advisors, for whom dedicated offers and specific commercial initiatives have been rolled out. This network is built of partnerships with more than 30 "preferred distributors", and a wide range of Private Banking Networks and open architecture distributors, in Europe, the United States and Asia.

JOINT-VENTURES

The framework is completed by **Joint Ventures** in **India** (with the leading Indian bank [1], State Bank of India), **China** (with Agricultural Bank of China, one of the three leading banks [2] in China), in **South Korea** (with Nonghyup Bank, one of the five leading banking groups in South Korea [3]) and in Morocco (with the banking group, Wafa).

Formed to develop tailored solutions distributed through the local banking networks of Amundi's partners, these Joint Ventures have achieved substantial commercial success, with their asset management activities having recorded strong and consistent growth since they were set up. The growing power of the middle classes (in India and China in particular) and their burgeoning savings needs are significant and promising drivers of growth.

1.4.2.2 A SOLID, DIVERSIFIED AND GROWING BASE OF INSTITUTIONAL CLIENTS

This segment contains three categories:

- **Institutional (large pension funds and insurers) and sovereign clients**: Amundi is the leader in France and one of the top operators in the European market, providing advisory and management services to a wide panel of institutional investors worldwide: sovereign funds, pension funds, insurers, other financial institutions and non-profit organisations;
- **Corporates**: Amundi is number one in France and in the euro zone for treasury products for large businesses;
- **employee savings and retirement schemes**: Amundi is also number one in France for employee savings schemes, with more than 4 million employee accounts in more than 100,000 small, medium and large enterprises, representing market share of more than 42% [4] based on assets under management. In France, where Amundi's presence is historically rooted in this segment, *Amundi Épargne Salariale et Retraite* ("Amundi ESR") provides a complete range of services including structuring, portfolio management and account management;
- mandates **from the insurance companies of the Crédit Agricole and Société Générale** G**roups** in France and Italy, mainly for the management of euro-denominated life assurance policy assets [5]:
- *Crédit Agricole Assurances* (CAA). Amundi manages the assets of the Crédit Agricole Assurances Group, which includes the insurance companies of the Crédit Agricole Group operating in France (primarily through Predica and Pacifica) and Italy (through Crédit Agricole Vita),
- *Sogecap*. Amundi manages the assets of Sogecap, an insurance company of the Société Générale Group.

Amundi's offer to this institutional client segment includes **management and advisory services** delivered by Global Relationship Managers **(GRM)**, supported by a sales force and marketing teams present in more than 37 countries in which Amundi operates.

(1) Source: Indian Banks'association.

(2) Source: Amundi.

(3) Source: Financial Supervisory Service.

(4) Source: AFG.

(5) Note: in addition to these mandates, Amundi manages the underlying assets of the unit-linked insurance policies of CAA and Sogecap, which are incorporated into the assets under management of the Amundi Retail segment.

1.4.3 Our products are recognised and high-performing, built on a wide range of expertise and on the centralised management of risks

A RECOGNISED PRODUCT OFFER

Amundi offers its clients a diversified range of expertise pertaining to the main asset classes. Amundi's management teams deploy its broad range of expertise with the aim of providing the information needed to build tailor-made solutions for each client segment:

In **active management**, Amundi has an extensive offer that covers in particular fixed income, equities and diversified (multi-asset) investments:

- **fixed income**: as Amundi benefits from its leading global standing, it has a comprehensive offer that includes funds invested in the euro zone (government bonds, credit including high yield), global funds and American funds or funds denominated in US dollars;
- **equities**: Amundi is mainly present on the European, American and Asian equity markets, covering both large and small-caps, and has strong expertise in global and emerging market equities; the July 2017 acquisition of Pioneer has enabled it to add to the European and American equity offer:
- **multi-assets**: the offering includes diversified absolute return, low volatility funds offering long-term performance targets, as well as active-passive management solutions and exposure to specific risk factors for institutional clients. This offering has been reinforced by Pioneer's know-how.

In **treasury management**, Amundi is the European leader in money market funds [(1)], thanks to a comprehensive offer.

In **structured products**, Amundi is the European leader[(3)] in the guaranteed funds segment, thanks to a product offer that ensures full or partial protection of capital or revenue. It also issues structured notes (EMTN), which aim to replicate the performance of equity and real estate portfolios. Amundi systematically covers its market risk exposure on these products with leading international financial counterparties. See Chapter 5 of this Registration Document.

In **real and alternative assets**, Amundi is rapidly developing in multiple investment segments such as real estate, private equity, private debt and infrastructure. Amundi is now the number one in France in terms of net inflows for OPCI (Collective investment vehicles) and SCPI (real estate investment funds) [(2)]. The Group therefore created an integrated platform which includes all these areas of expertise ("PARA").

In **passively managed** products, Amundi manages ETFs (Exchange-Traded Funds) as well as a wide variety of indexing solutions covering equity, fixed income and other asset classes. Amundi is ranked fifth in ETFs in Europe in terms of AuM [(3)].

Amundi is also developing Smart Beta solutions, thanks to its own expertise

Lastly, Amundi has made Socially **Responsible Investment ("SRI**") one of its founding pillars, and takes not only financial criteria but also criteria such as general interest ESG (environmental, social and governance) into account when designing its investment policies. Amundi has been a signatory of the principles for responsible investment ("PRI") since their creation in 2006 under the aegis of the United Nations. At 31 December 2017, SRI assets represented €168 billion, or 12% of the Group's total AuM.

HIGH-QUALITY MANAGEMENT PERFORMANCE

Thanks to its unique model, Amundi can offer its clients **high quality**, **solid, and regular performance**.

In 2017, the management teams demonstrated this quality in most areas of expertise:

- Amundi's **open-ended funds** were classified by Morningstar in the first two quartiles, for 65% at 1 year, 67% at 3 years, and 74% at 5 years [(4)];
- **more than 76% of the rate assets** and **more than 52% of the equities assets** that received a GIPS [(5)] performance measurement verified by external auditors had **outperformed their benchmark** over a three-year period up to 31 December 2017;
- of the 51 **strategies** that were recommended by the global consultants [(6)], 80% were rated Buy, 16% were rated Hold, and 4% were rated Sell.

The success stories of 2017 include:

- **Asset Manager of 2017** (Euromoney & Financial News)
- ***Epargne Salariale* (Employee savings schemes)** (*Corbeille Mieux Vivre Votre Argent*)
- **Amundi ETFs, index funds and Smart Beta:** *Equity Smart Beta Manager of the Year* award, Europe (Global Investor ISF 2017)
- **Bonds**: *Amundi Funds Bond Euro* (Morningstar) and *Amundi Credit Euro* (Lipper)
- **Multi-asset**: Best funds over 10 years – CPR *Croissance Dynamique* (Thomson Reuters Lipper Fund award)

A TRUSTED PARTNER THANKS TO CENTRALISED, INTEGRATED RISK MANAGEMENT

Keeping the promise to clients

Amundi's primary commitment is to provide clients with savings and investment solutions that are high-performing and transparent, as part of a durable relationship based on mutual trust.

An independent compliance and risk management structure, to guarantee our commitment to clients

Amundi has tailored its rigorous control framework in order to ensure compliance with regulatory obligations and our clients' expectations. The Compliance and Risk functions, which are part of a single division that is separate from the operational departments, exercise complementary functions. These areas help to reinforce the solidity of the Amundi offer and the proper fulfilment of its obligations towards clients.

(1) *Source: Broadridge, December 2017, open funds domiciled in Europe*

(2) *Source: IEIF, June 2017, Mass Market in France.*

(3) *2) Source: Amundi, Deutsche Bank Markets research, ETF Global Annual Review*

(4) *Source: Morningstar Direct, open funds and ETFs, global scope excluding feeder funds, December 2017.*

(5) *Gross performance over three years as at 31 December 2017 of funds benchmarked on the GIPS scope subject to external audit (€82 billion for equities and €91 billion for bonds, i.e. a total of 15% of total assets).*

(6) *Source: Global consultants: AlbourneAonHewitt, Cambridge, Mercer, Russel, Towers Watson, Bfinance, December 2017 rating.*

Compliance

The Compliance/Ethics teams report to Amundi's Senior Management. They play an essential, preventive role ensuring compliance with regulations, good conduct codes and professional standards, which they safeguard.

They work to maintain clients' interests, ensure the transparency and integrity of the market and the independence of Amundi's activities and the propagation of the Compliance culture within the Group.

Risk Departments

The vital role of the Risk Management function is to ensure that in the exercise of its operations, Amundi does not expose itself or its clients to any risks that go beyond a pre-set tolerance limit.

The risk management teams are organised into business lines and are deployed in all the Group's entities. They cover all the risks inherent in Amundi's activities, on its own behalf and on behalf of third parties.

The risk measurement tools and methods are common to all the operational teams, and all the risk control teams across the Group. This ensures that risks are perceived and evaluated in the same way.

1.5 COMPANY HISTORY

1.5.1 Company name

The name of the Company is "Amundi", effective as of the date of Initial Public Offering of the Company's shares on Euronext Paris, 12 November 2015. It was previously named "Amundi Group".

1.5.2 Date, duration, place of registration and registration number

The Company was registered on 6 November 1978 in the Paris Trade and Companies Register under number 314 222 902.

The Company's duration is 99 years from the date of its registration with the Trade and Companies Register, except in the event of extension or early dissolution.

Amundi is a credit institution authorised by the CECEI (now the ACPR) since 29 September 1997 and is subject to banking regulations.

1.5.3 Registered office and legal form

The Company's registered office is located at 91-93 boulevard Pasteur, 75015 Paris. The telephone number for the registered office is +33 (0) 1 76 33 30 30.

The Company is a *société anonyme* (public limited company) with a Board of Directors, governed by French law, including Book II of the French Commercial Code.

1.5.4 Development milestones

1950: creation of specialised asset management departments dedicated to serving customers of the Crédit Agricole Group.

1964: the first French mutual fund was launched by the Société Générale Group.

1997: following Crédit Agricole S.A.'s acquisition of Banque Indosuez, the Banque Indosuez asset management business was consolidated within a subsidiary called Indocam.

2001: all of Crédit Agricole's asset management expertise was transferred to Indocam, which then took the name of Crédit Agricole Asset Management ("CAAM").

2004: transfer of Crédit Lyonnais asset management business to CAAM, following the acquisition of Crédit Lyonnais by the Crédit Agricole Group.

1 January 2010: the official launch of Amundi's business under that name, after the merger of the asset management arms of Crédit Agricole (CAAM) and of Société Générale (Société Générale Asset Management – SGAM), following which the Crédit Agricole Group held 75% and Société Générale 25% of Amundi's capital.

2013: acquisition of Smith Breeden, a fixed income management specialist based in the United States.

2014: Société Générale sells 5% of its stake in Amundi to Crédit Agricole S.A.; Acquisition of BAWAG P.S.K. Invest, asset management subsidiary of the Austrian bank BAWAG P.S.K., and the fixed income activity of KAF Asset Management (Malaysia).

2015: the stock market listing of Amundi, through the sale of all of the 20% holding of Société Générale and 4.25% of the holding of Crédit Agricole S.A.

2016: Amundi is included in the SBF 120 index, acquires KBI GI (Ireland), launches a new Services business line for third parties and merges its real-estate management businesses with those of Crédit Agricole Immobilier.

2017: Amundi acquires Pioneer Investment, asset management subsidiary of the UniCredit banking group (€243 billion under management at 30 June 2017), a transformative transaction that strengthens Amundi's leadership position in Europe.

Corporate governance

FY 2017

Dear shareholders,

In accordance with Article L. 225-37 of the French Commercial Code and as a complement to the management report, we present for the first time our annual Corporate Governance report, drawn up as follows:

- the Secretariat to the Board of Directors prepared the items relating to the presentation of governance and the work of the Board of Directors and its committees in 2017;
- the Nominations Committee prepared the items relating to the workings of the Board, its composition, diversity and the individual contributions of directors, in line with AMF and AFEP-MEDEF recommendations;
- the Board of Directors analysed compliance with the recommendations of the AFEP-MEDEF Code;
- the Compensation Committee and Board of Directors prepared items on compensation policy and the breakdown of compensation of Senior Executives and Company Officers and Board members;
- the report includes a summary of related party agreements authorised and concluded in 2017 and those concluded in prior years that remain in force;
- finally, the Board of Directors approved the whole of the new report at its meeting of 8 February 2018.

Corporate governance is based on the Board of Directors of the Company and its specialised committees (2.1), overseen by Internal Regulations (2.2), and the Senior Executives and Company Officers (2.4).

In accordance with Article L. 225-37-2 of the French Commercial Code, this Governance report also includes the draft resolutions on the principles and criteria used to determine, distribute and allocate the fixed, variable and exceptional items making up total compensation and benefits in kind attributable to each of the Senior Executives and Company Officers. The report lists the above-mentioned compensation items and states that the variable and exceptional compensation items will only be paid if approved at the Annual General Meeting (AGM) (2.5).

Complementary items on the individual members of the Board, including a list of all offices and functions in all companies during the year, are given in 2.3.

Finally, the Registration Document presents in its chapter 1 (section 1.2.9) and chapter 8, the information envisaged in Articles L. 225-37-4 and L. 225-37-5, of the French Commercial Code, mainly:

- a table summarising powers currently delegated by the AGM on capital increases, in application of Articles L. 225-129-1 and L. 225-129-2, including use made of these delegations over the year;
- how shareholders can attend the AGM.

2.1 BOARD OF DIRECTORS

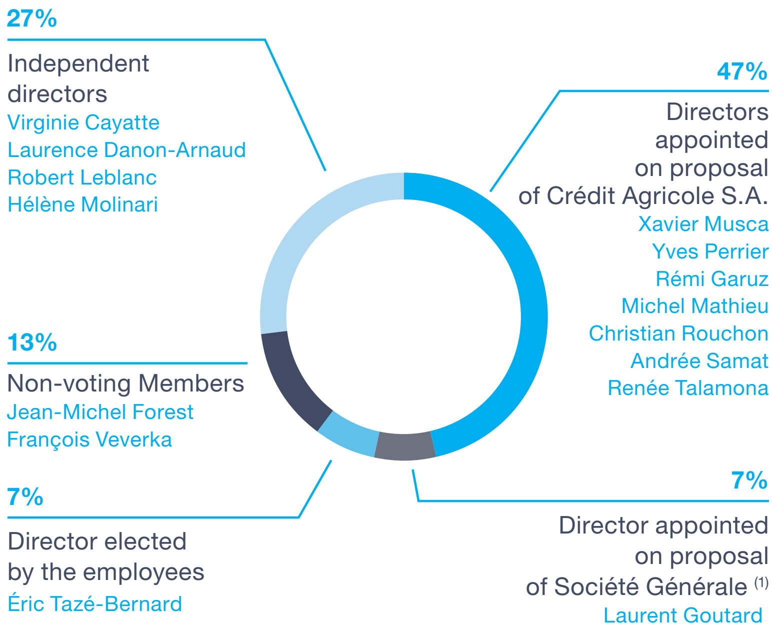
2.1.1 Presentation of the Board of Directors

SUMMARY OF DIRECTORS AND NON-VOTING MEMBERS AT 31 DECEMBER 2017

The composition of the Amundi Board of Directors was unchanged in 2017. At 31 December 2017, the Board of Directors still comprised thirteen Directors and two Non-voting members, of whom eleven sit on Specialised Committees.

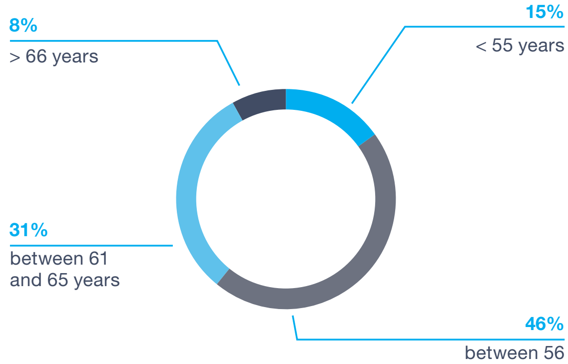
Name	Age	Gender	Audit Committee	Risk Management Committee	Strategic Committee	Compensation Committee	Nominations Committee	Date first appointed	End of current appointment	Years on Board	Attendance at meetings in 2017 (Boards and Committees)
Non-executive Company Officer											
Xavier Musca Chairman of the Board of Directors.	57	M			X	X	X	2012	2019 GSM	5	100%
Executive Company Officer											
Yves Perrier CEO and Director	63	M			X			2007	2019 GSM	10	100%
Directors											
Rémi Garuz	65	M						2014	2018 GSM	3	100%
Laurent Goutard	56	M						2015	2018 GSM	2	50%
Michel Mathieu	59	M						2016	2018 GSM	1	50%
Christian Rouchon	57	M	(Chair)	(Chair)				2009	2020 GSM	8	100%
Andrée Samat	67	F						2015	2020 GSM	2	100%
Renée Talamona	60	F		X				2015	2018 GSM	2	73%
Independent Directors											
Virginie Cayatte	47	F	X	X				2015	2019 GSM	2	100%
Laurence Danon-Arnaud	61	F			(Chair)	X		2015	2020 GSM	2	80%
Robert Leblanc	60	M	X			(Chair)	X	2015	2019 GSM	2	87%
Hélène Molinari	54	F					(Chair)	2015	2020 GSM	2	100%
Director elected by the employees											
Eric Tazé-Bernard	61	M		X Appointed to Board 27/04/2017				Elected October 2016	Elected October 2019	1	100%
Non-voting Members											
Jean-Michel Forest	60	M	X	X				Board 2015	Board 2021	2	94%
François Veverka	65	M	X	X				2011	Board 2018	2	81%

BREAKDOWN OF MEMBERS OF THE BOARD

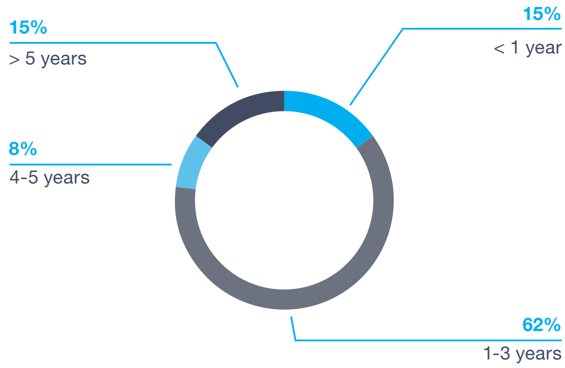


PRESENTATION OF THE BOARD EXCLUDING NON-VOTING MEMBERS: AGE, LENGTH OF SERVICE, DIVERSITY, INDEPENDENCE (2)

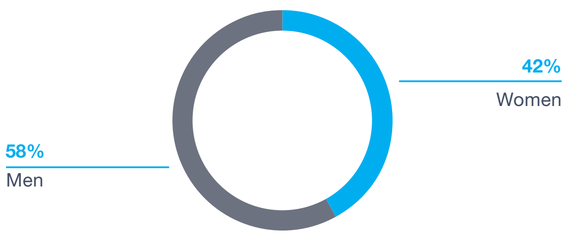
AGE OF DIRECTORS



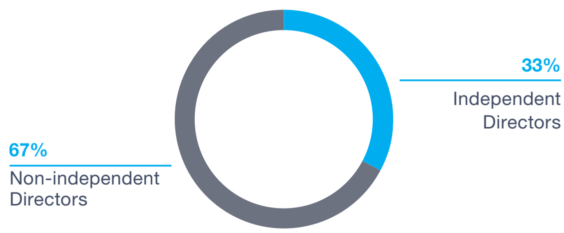
LENGTH OF SERVICE OF DIRECTORS



GENDER DIVERSITY



DIVERSITY INDEPENDENT / NON-INDEPENDENT



(1) See paragraph below "2.3.2.3 – Conflicts of interest".

(2) In accordance with Article L. 225-27 of the French Commercial Code, the Director elected by the employees is not included [...] in the gender balance calculation. Nor is he included in the count of Independant directors in accordance with recommendation 8.3 of the AFEP-MEDEF Code.

2.1.1.1 DIRECTORS

Staggering of appointments: To allow the staggered reappointment of Directors to the Board of Directors, as advised by recommendation 13.2 of the AFEP-MEDEF Code, the Board Directors are distributed into three groups chosen by lot at the meeting of 15 September 2015: (i) the first group was composed of Laurence Danon-Arnaud, Hélène Molinari, Christian Rouchon and Andrée Samat, appointed for a term renewed at the Annual General Meeting (AGM) in 2017; (ii) a second group of Michel Mathieu, Rémi Garuz, Laurent Goutard and Renée Talamona, appointed for a term ending at the end of the AGM called to approve the 2017 financial statements; and (iii) a third group of Virginie Cayatte, Robert Leblanc, Xavier Musca and Yves Perrier, appointed for a term ending at the end of the AGM called to approve the 2018 financial statements.

Diversity: The composition of the Board reflects the diversity of the stakeholders within the Group (partners and shareholders). It also reflects; through each Director's profile (see Chapter 2 of this document, "Additional information on Company Officers"), the diversity of the Board in terms of experience, culture, age, training and gender.

The Board of Directors also has a **good gender balance**, with five women, representing a higher proportion than required by law. Two committees are chaired by women: Laurence Danon-Arnaud at the Strategy Committee and Hélène Molinari at the Nominations Committee.

Competence: In accordance with banking regulations, the profile of each Director was thoroughly examined and individually approved by the European Central Bank (ECB) at the time of their appointment.

Their good character, availability and competence were scrutinised both individually and as a collective body.

Training: In 2017, two training sessions were held to improve the skills of the Directors and their understanding of the Company's business lines.

Meetings without Senior Executives and Company Officers in attendance: Aside from these training sessions, in accordance with recommendation 10.3 of the AFEP-MEDEF Code, a number of meetings of the Directors were held without the Chairman of the Board or Chief Executive Officer attending.

Independent directors: The process of evaluating the independence of Directors is the responsibility of the Nominations Committee. At the meeting on 8 February 2018 the Board of Directors, having heard the recommendations of the Nominations Committee, considered that Virginie Cayatte, Laurence Danon-Arnaud, Robert Leblanc and Hélène Molinari still qualified as independent members for the purposes of the AFEP-MEDEF Code referred to below.

As Virginie Cayette ceased working for Solocal in 2017, the Nominations Committee found that the only Director still subject to a specific review for compliance with criterion 3 (Article 8.5.3) of the AFEP-MEDEF Code on significant business relations was Robert Leblanc.

Aon France, of which Robert Leblanc is Chairman, has a business relationship with the Amundi Group. On this point, quantitative criteria (the amounts at issue are less than 0.01% of revenues for both Aon and Amundi) and qualitative criteria (non-exclusive nature and the contractual framework of the services provided at Crédit Agricole Group level), the Board, on proposal of the Nominations Committee, considered that the commitments on either side were not material enough to generate dependence or conflicts of interest.

The Board also noted that the investments made by the funds managed by the Amundi Group as part of its third-party asset management activities, in companies in which a Director may hold office, are not included in its analysis.

The table below summarises the situation of each of the Directors with regard to the six criteria below:

Director/Independence criteria[1]	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6
Xavier Musca	✕	✓	✕	✓	✓	✓
Yves Perrier	✕	✓	✓	✓	✓	✓
Virginie Cayatte	✓	✓	✓	✓	✓	✓
Laurence Danon-Arnaud	✓	✓	✓	✓	✓	✓
Rémi Garuz	✕	✓	✓	✓	✓	✓
Laurent Goutard	✕	✓	✕	✓	✓	✓
Robert Leblanc	✓	✓	✓	✓	✓	✓
Michel Mathieu	✕	✓	✕	✓	✓	✓
Hélène Molinari	✓	✓	✓	✓	✓	✓
Christian Rouchon	✕	✓	✓	✓	✓	✓
Andrée Samat	✕	✓	✓	✓	✓	✓
Renée Talamona	✕	✓	✓	✓	✓	✓
Eric Tazé-Bernard	✕	✓	✓	✓	✓	✓

(1) In the table, ✓ represents an independence criterion that is met, and ✕ represents a criterion that is not met.

Summary of Article 8.5 of the AFEP-MEDEF Code:

1. Employee or Company Officer in the last five years: *not to be or have been in the last five years:*

- *employee or Executive Company Officer of the Company;*
- *employee or Executive Company Officer or director of a company consolidated by the Company;*
- *employee or Executive Company Officer or director of the Parent company or a company consolidated by the Parent company.*

2. Cross-directorships: *not to be an Executive Company Officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Company Officer of the corporation (currently in office or having held such office during the last five years) is a director.*

3. Significant business relations: *not be a customer [1], supplier, commercial banker or investment banker that is material to the Company or its group, or for a significant part of whose business the Company or its group accounts. The evaluation of the significant or non-significant relationship with the Company or its group must be debated by the Board and the quantitative criteria that lead to the evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the annual report.*

4. Family connections: *not to be related by close family ties to a Company Officer.*

5. Statutory auditors: *not to have been an auditor of the Company within the previous five years.*

6. More than 12 years'service: *not to have been a director of the Company for more than 12 years. Loss of the status of independent director occurs on the date at which this period of 12 years is reached.*

2.1.1.2 DIRECTOR ELECTED BY THE EMPLOYEES

You are reminded that under Article L. 225-27-1 paragraph 3 of the French Commercial Code, the Board of Directors is not required to include a Director representing employees, as the Parent company is itself subject to this obligation. Amundi is therefore exempt from the AFEP-MEDEF Code requirements on this point.

Nevertheless, the Board of Directors wished to use the optional regime set out in Article L. 225-27 of the French Commercial Code, under which a Director may be elected by the Company's employees, and accordingly proposed to the AGM that the Articles of Association be amended to provide for this. This proposal was approved at the AGM of 12 May 2016.

Mr Éric Tazé-Bernard was thus **elected** as a **Director** on 12 October 2016 on the first round of voting, with 55.59% of votes cast. He began his three-year term of office as from the date the results were announced.

Following this election, in 2017 the Board considered Eric Tazé-Bernard's appointment to a specialised committee meeting. The decision on his participation in committees was guided by a desire to balance the composition of the various committees and the Board's wish to use its competences to the best possible advantage. It was therefore decided to appoint him to the Risk Management Committee, in view of the technical nature of some of the issues dealt with therein, which matched his personal experience.

Finally, note that two representatives of the Works Council, appointed by the committee, also attend Board meetings in a non-voting capacity.

2.1.1.3 NON-VOTING MEMBERS

In September 2015 the Board appointed **two Non-voting members**:

- Jean-Michel Forest, Chairman of the Crédit Agricole Caisse Régionale Loire Haute-Loire;
- and François Veverka, Company Director.

Under the Articles of Association, Non-voting members are invited to attend Board and, where applicable, committee meetings in a consultative capacity. In this way they fulfil their role as advisors to the Board. They are appointed for a term ending at the Board meeting called to approve the financial statements for the year ending 31 December 2017. At its meeting on 8 February 2018, the Board considered their reappointment and decided not to reappoint François Veverka and to appoint in his stead Gianni Franco Papa, representative of Amundi's new partner, UniCredit, with immediate effect.

Non-voting members are considered to be full members of the Board and accordingly comply with all rules applicable to Directors (stock market ethics charter and Directors'charter).

(1) or be directly or indirectly related

2.1.2 Role and functioning of the Board

The missions and functioning of the Board of Directors are set out in the Board's Internal Regulations and in its Articles of Association.

2.1.2.1 MEETING

Article 14 of the Articles of Association and Article 3.1 of the Board's Internal Regulations

The Board of Directors shall meet as often as the interests of the Company and statutory and regulatory provisions require, and at least four times per year.

In order for decisions to be valid, at least one half of Board members must be present, either in person or, where allowed by the law, by video-conference or other telecommunications method set down by decree.

Decisions are passed by a majority vote of members present or represented. In the case of a split vote, the Chairman will have the casting vote.

2.1.2.2 CONVENING

Article 14 of the Articles of Association and Article 3.2 of the Board's Internal Regulations

Meetings of the Board of Directors shall be convened in accordance with the law and the Company's Articles of Association.

The meeting is convened by any means even orally, and at short notice in the case of urgency, by the Chairman, a Deputy Chairman or by one-third of its members, and is held either at the registered office or at any other place named in the notice of meeting.

The notice convening the meeting shall specify the place of the meeting and the agenda, or the main purpose of the meeting.

Such notice must be sent in writing (by post or email). In the event of a justified emergency or necessity, or with the agreement of all the Directors, it may be sent at short notice, provided the Directors are able to take part in the meeting by means of videoconferences or other telecommunications links (including conference calls).

In any case, the Board of Directors may always validly deliberate if all its members are present or represented.

2.1.2.3 ADVANCE INFORMATION FOR DIRECTORS

Article 12 of the Articles of Association and Article 3.4 of the Board's Internal Regulations

Each director will receive all information necessary for the completion of his/her duties and may obtain any and all documents he/she considers to be of use. Any such request will be sent to the Chairman of the Board of Directors.

The text of the talks and presentations on the agenda for a session shall be sent to the Directors prior to that session.

2.1.2.4 MISSIONS OF THE BOARD

Article 12 of the Articles of Association and Article 2.1 of the Board's Internal Regulations

The Board of Directors determines the Company's strategy and ensures its implementation. Subject to powers expressly reserved to shareholder meetings, and within the limits of the corporate objects, the Board of Directors may deal with any issue concerning the smooth operation of the Company and will take decisions on matters concerning the Company.

The Board of Directors shall exercise the powers that are assigned to it by law and by the Company's Articles of Association. To this end, in particular:

- *the Board shall approve the Company's financial statements (balance sheet, income statement, notes to the financial statements), the management report outlining the situation of the Company during the past financial year or the current financial year, and its foreseeable development, as well as the forecast documents. It shall approve the Group's consolidated financial statements and shall review the interim financial statements;*
- *the Board shall decide to convene the Company's General meetings. It shall define the agenda and the text of the draft resolutions;*
- *the Board shall perform the following tasks:*
  - *elect and dismiss the Chairman of the Board of Director,*
  - *upon the proposal of the Chairman, appoint and dismiss the Chief Executive Officer,*
  - *provisionally appoint Directors in the event of a vacancy, due to death or resignation, on one or more seats on the Board,*
  - *upon the proposal of the Chief Executive Officer, appoint and dismiss the Deputy Chief Executive Officers;*
- *the Board shall determine the compensation of the Company Officers and the distribution of their attendance fees;*
- *the Board shall authorise in advance any agreement covered by Article L. 225-38* et seq. *of the French Commercial Code and, in particular, any agreement entered into between the Company and one of its Company Officers.*

In addition, the Board shall:

- *determine, upon the proposal of the Chairman and the Chief Executive Officer, the strategic orientation of the Group;*
- *approve, subject to the powers granted to the CEO, the establishment, acquisition or disposal of any subsidiaries and investments in France or abroad where the overall investment is over €100 million and any other investment or divestiture of any kind whatsoever of over €100 million;*
- *decide on or authorise the issuance of Amundi bonds;*
- *confer upon the Chief Executive Officer the necessary authorisations for implementing the decisions listed above;*
- *be regularly informed, by the General Management, of the Group's risk situation and the systems for controlling these risks in accordance with the Decree of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector that are subject to the control of the French Prudential Control and Resolution Authority. In addition, it shall set, in accordance with this same Decree, the various commitment and risk limits for the Group;*
- *define the criteria enabling the independence of the Directors to be assessed;*
- *be informed by the Chief Executive Officer, in advance if possible, of changes to the Group's management and organisation structures;*
- *carry out any controls and checks that it deems expedient.*

2.1.2.5 BOARD ASSESSMENT

In 2017, the Board carried out two formal self-assessment processes (one collective and one individual) at the initiative of the Nominations Committee and as recommended by the AFEP-MEDEF Code.

The collective assessment gave Board members the chance to comment anonymously on the effectiveness of its composition, organisation and functioning via an online questionnaire, with a series of questions grouped into various themes, which meant they could feel free to voice their opinions.

Each Director gave his/her assessment of the preparation and implementation of the Board's work, through, among other, an assessment on the frequency and quality of meetings. It also commented on the quality of the committees and training exercises.

A number of governance issues were addressed such as the balance in the relationship between the Board, Chairman and General Management. The summary, drawn up by the Nominations Committee and presented to the Board, shows a very high level of satisfaction (98.48%).

Directors continue to appreciate the quality of the infrastructure available to them, the treatment of various matters on the agenda and the frequency of the meetings. In addition, the training sessions offered to Board members were widely followed and appreciated.

Individual self-assessments of each Board member were also held this year. This used another online questionnaire and helped the Nominations Committee provide more robust advice to the Board on the collegiate and individual competence of its members and the effective contribution made by each one.

2.1.3 Activities of the Board of Directors in 2017

In 2017, the Board of Directors held six meetings with Directors particularly engaged in Board meetings and the various committees on which they sit.

Specifically, the Board discussed and resolved the following points in 2017, after consulting the specialised committees where required:

ACTIVITIES AND STRATEGY

At each quarterly meeting, the Board examined the evolution of the performance of the various products managed by all the Amundi Group's management companies and the various activities undertaken or expanded in the Group as well as their contributions to the Company's results. It also regularly analysed movements in the Company's share price and its coverage by analysts.

In 2017, the Board of Directors'biggest task was the efficient preparation and launch of the acquisition of Pioneer Group and its integration into the Amundi Group.

EXAMINATION OF FINANCIAL STATEMENTS AND FINANCIAL INFORMATION, RELATIONS WITH THE STATUTORY AUDITORS

In addition to preparing the annual Parent company and consolidated financial statements, the Board also examined the half-yearly and quarterly results for 2017. On each of these occasions it heard from the statutory auditors, who presented their findings.

The Board also studied the 2018 budget at the end of 2017.

RISKS AND INTERNAL CONTROL

Each quarter, the Board of Directors examines in detail the changes and events in each part of internal control: Risk Management, Audit and Compliance, via a presentation by the Head of Business, Support and Control and the report of the Risk Management Committee.

It also approves the Annual internal control report drawn up under banking regulations and filed with the ACPR.

CORPORATE GOVERNANCE, CSR AND COMPENSATION

The Board's discussion of governance, CSR and compensation matters principally addressed the following points:

- preparation and convening of the combined AGM of 18 May 2017;
- the Company's 2016 CSR report;
- the report on professional and pay equality for 2016, based on Article L. 225-37-1 of the French Commercial Code;
- compensation principles and policy for 2016, including the overall amount of compensation paid in the year just ended to the effective managers within the meaning of Article L. 511-13 of the French Monetary and Financial Code and to the categories of identified employees within the meaning of Article L. 511-71 of the same Code;
- approval of the new plan for allocation of performance shares to certain managers and executives following the Pioneer acquisition;
- compensation of Senior Executives and Company Officers;
- allocation among Directors of directors'fees for the year;
- review of its Internal Regulations.

It should also be remembered that since the end of the year, the Board of Directors has decided to replace François Veverka as Non-voting member by Gianni Franco Papa. It also prepared the 2018 AGM and the content of this Registration Document.

REGULATED AGREEMENTS

In 2017, the Board of Directors authorised the signature of an agreement with a related party (Article L. 225-38 of the French Commercial Code), which was explained and reported to the statutory auditors. Crédit Agricole S.A.'s underwriting of the Company's capital increase to fund the Pioneer takeover.

The Board of Directors, at its February 2018 meeting, also noted that two agreements made and authorised in 2015 and falling under Article L. 225-38 of the French Commercial Code, remained in force in 2017. The statutory auditors were informed. Details of the agreements can be found in the special report of the statutory auditors (chapter 8 section 8.3 of this Registration Document).

2.1.4 The specialised committees

In accordance with the Articles of Association and the applicable regulations, the Board has set up specialised committees that are tasked with carrying out detailed examinations of specific matters relating to the Board of Directors'mandate. These committees have no decision-making powers. Their task is to study any issue relating to the Company that is submitted to them by the Board or by the Chairman, to carry out preliminary work and prepare for the decisions by the Board in the form of reports, proposals, opinions, information or recommendations.

The committee members are appointed by the Board of Directors, which may remove them at any time. A member of a committee may discontinue his or her functions at any time. All members of the committees and anyone attending the committee meetings are bound by professional confidentiality.

The Chairman of each committee will call the meetings and determine the meeting agenda or the main purpose, taking into consideration the requests of members, and in accordance with the committee's powers. Each member of the committee may ask the committee's Chairman to add one or more items to the agenda, in accordance with said committee's powers. The Board of Directors may also make a specific request to each committee within the scope of its powers, and may ask the committee's Chairman to call an exceptional meeting on that topic.

The members of each committee must receive information sufficiently far in advance of the meeting to enable them to make an informed decision.

In order to validly deliberate, at least one-half of the committee's members must be present. Opinions and recommendations made to the Board of Directors are adopted by a majority of members present or represented.

The Chairman of each committee will lead the discussions and report the committee's recommendations, opinions or proposals to the Board of Directors.

Minutes must be prepared and distributed to committee members following each meeting. The minutes must include the opinion of every member.

The committee may obtain the opinion of any person, including a third party, who may shed light on a subject being discussed.

The composition of the committees changed little in 2017 and complies with the recommendations of the AFEP-MEDEF Code.

Since February 2015, the Board of Directors has had the following five committees:

2.1.4.1 AUDIT COMMITTEE

(i) Composition

The Audit Committee is composed of three members, two-thirds of whom are Independent directors and none of whom are Senior Executives or Company Officers. Its composition at **31 December 2017** was identical to the previous year-end (see above).

Christian Rouchon chaired the Audit Committee in light notably of his financial and accounting expertise and his historical knowledge of the Company's financial statements. Virginie Cayatte, as former CFO of Axa IM and Solocal Group (company that she left at end-2017) also has the necessary financial expertise, as has Robert Leblanc, thanks to his career in financial markets and insurance.

In addition, François Veverka and Jean-Michel Forest, Non-voting members, attended sessions without taking part in the vote. Their role is to advise the committee on account of their expertise. François Veverka, as former Chairman of the Audit Committee of Crédit Agricole S.A. and LCL, and a member of the CA-CIB Audit Committee, shares his experience of Crédit Agricole S.A. Group Audit Committees. Jean-Michel Forest, Chairman of a Regional Bank, brings his vision as a banker.

At the committee's request, the Head of "Business, Support and Control" (BSC), the CFO, the Head of Risk Management and the statutory auditors also attend all meetings.

(ii) Missions

Extract of Article 4.2 of the Internal Regulations (expanded in 2017 for the last point)

The Audit Committee, reporting to the Board of Directors, shall have the following remits:

- *reviewing the draft Company and consolidated financial statements, which must be submitted to the Board of Directors, particularly with a view to checking the conditions under which they were prepared, and ensuring the relevance and consistency of the accounting principles and methods applied;*
- *reviewing the selection of the frame of reference for the consolidation of the financial statements and the scope of the consolidation of the Group companies;*
- *studying changes and adjustments to the accounting principles and rules used to prepare these financial statements, and preventing any possible infringement of these rules;*
- *reviewing, where necessary, any agreements governed by Article L. 225-38 of the French Commercial Code that fall within its purview; and*
- *monitoring the statutory audit of the Company and consolidated financial statements by the statutory auditors. It shall ensure the independence of the latter and may express an opinion on proposals for the appointment or re-appointment of the Company's statutory auditors;*
- *authorising the provision of non-audit services by the statutory auditors.*

(iii) Activities and matters examined in 2017

In 2017, the Audit Committee held four scheduled meetings and one ad-hoc meeting on the integration of Pioneer. Average attendance was 93% (one member missed a meeting).

The committee examined the quarterly results, interim IFRS summary financial statements and the annual Parent company and consolidated financial statements. It studied the changes and modifications to the accounting principles and rules used to prepare the financial statements. This required the presentation by the CFO of the Group's financial position, a presentation by the statutory auditors with regard to their audit approach and the conclusions of their audits, as well as other points that they wished to raise with the committee members.

In addition, the Audit Committee monitored all the non-audit services provided by the statutory auditors.

The Risk Management Committee systematically reviewed the "planning of the committee's requests", which enabled it to include on its meeting agendas all the specific points within its area of competence that it wished to study.

Specifically, the Audit Committee addressed the following issues at its meetings:

AUDIT COMMITTEE MEETING OF FEBRUARY 2017

- Interview with statutory auditors in the absence of Amundi representatives.

AUDIT COMMITTEE MEETING OF APRIL 2017

- Study of IFRS 9, 15 and 16 and their impacts.
- Equity, investment policy and funding the Pioneer acquisition.
- Update on the Kepler Cheuvreux liquidity agreement.

AUDIT COMMITTEE MEETING OF JULY 2017

- Study of the impacts of the Pioneer acquisition.

AD-HOC AUDIT COMMITTEE MEETING OF OCTOBER 2017

- Pioneer acquisition: synergies and integration plan, impacts on financial position and financial projections.

AUDIT COMMITTEE MEETING OF OCTOBER 2017

- Presentation of CPR AM, an Amundi subsidiary.
- Presentation on changes to reports by the statutory auditors (European Audit Directive).

2.1.4.2 RISK MANAGEMENT COMMITTEE

(i) Composition

The Risk Management Committee changed in the course of 2017 following the appointment of a new member, Eric Tazé-Bernard, at the Board of Directors' meeting of 27 April 2017. The committee now has four members, including one Independent Director and one Director elected by the employees. It includes no current Senior Executives or Company Officers (see "The five specialised committees" above).

Its existence and composition are not subject to the guidelines of the AFEP-MEDEF Code, but to the banking regulations resulting from the European CRD IV Directive and the CRR Regulation.

Christian Rouchon and Renée Talamona have been CEOs of Crédit Agricole Regional Banks and effective Senior Executives, within the meaning of the banking regulations, for several years. Thanks to this function they are able to actively participate in the Group's discussions on the risks facing banking institutions.

Virginie Cayatte has in-depth knowledge of the asset management sector, which is reinforced by the arrival of Eric Tazé-Bernard. Their knowledge and expertise in the sector enhances the work of the committee and improves the Company's risk management processes.

François Veverka and Jean-Michel Forest are invited as Non-voting members to attend the discussions of the Risk Management Committee, in an advisory capacity. The committee can draw on their experience and expertise (see 2.1.1.3 "Overview of the Board/Non-voting members") at any time to review and if appropriate challenge the Company's internal control management.

At the committee's request the Head of "Business, Support and Control" (BSC), the Heads of Risk Management, Compliance and Audit and the CFO and statutory auditors also take part in these meetings.

(ii) Missions

Article 4.3 of the Board's Internal Regulations.

The Risk Management Committee, reporting to the Board of Directors, shall have the following remits (in accordance with, in particular, Article L. 511-92 et seq. *of the French Monetary and Financial Code (Code monétaire et financier):*

- *monitoring the quality of the procedures that ensure the compliance of the Group's activities with French and foreign laws and regulations;*
- *reviewing the principles of the risk policy and the conditions for implementing it, and advising the Board of Directors on risk strategies and risk appetite;*
- *assisting it in its role of supervising the General Management and the Head of Risk Management;*
- *reviewing the compatibility of the compensation policy and practices with the economic and prudential situation;*
- *defining the limits of the Group's equity capital funding (seed money and backing) and monitoring these limits;*
- *reviewing the internal audit program and the annual report on the internal control as well as the appropriateness of the internal control systems and procedures for the activities carried out and the risks incurred.*

(iii) Activities and matters examined in 2017

In 2017, the Risk Management Committee held four scheduled meetings and one *ad-hoc* meeting. The average attendance rate was 87%.

At each quarterly meeting of the Risk Management Committee, an update on the situation regarding internal control, and the changes to its structure during the quarter ended was given by each Head of the Company's internal controls system: Risk Management, Compliance and Audit. The fifth meeting of the Risk Management Committee in December addressed issues related to the Risk Management strategy and appetite matrix for 2018, as well as preparation of the ICAAP and scenarios applied.

The Risk Management Committee studied the draft annual and half-yearly internal control reports to be submitted to the ACPR, in accordance with banking regulations.

It also analysed the internal control and risk management procedures, changes to regulations (ILAAP and ICAAP declarations) and the annual report on the effectiveness of the Volcker compliance programme. For each internal control business line, it checked that the human resources matched the procedures in place.

In terms of Audits, it regularly monitored the results of the audits carried out by Amundi Internal Audit, Crédit Agricole S.A. General Audit Department and by the supervisors, as well as implementation of recommendations. In addition, it reviewed the annual audit plan and presented any comments to the Board.

Regarding Risks, the committee analyses the quarterly risk score cards detailing the changes in the general situation of the funds, positions under watch and other points of attention, as well as the cost of operational risk and the use of the global risk limits. It also reviewed the quarterly monitoring of the exercise of risk in light of the risk appetite level approved by the Board. It also advised the Board on the Risk Management Strategy to be adopted. Furthermore, it studied the draft Concise Risk Statement, a new obligation under Article 435(1)(f) of EU Regulation 575/2013.

On Compliance, it confirmed the smooth running of the different projects being run by Compliance, notably the OFAC remedial plan. It also ruled on the report on non-compliance risk management (RACO).

The Risk Management Committee systematically reviewed the "planning of the committee's requests", which enabled it to include on its meeting agendas all the specific points within its area of competence that it wished to study.

In addition in 2017, the Risk Management Committee decided to oversee the integration of the Pioneer Group in the Company's internal control system and studied the compatibility of compensation policies with Amundi's economic and prudential situation.

Finally, the Risk Management Committee dealt, particularly during three of its meetings, with the following specific issues:

RISK MANAGEMENT COMMITTEE MEETING OF FEBRUARY 2017

- Update on the development, management and outlook of Amundi Patrimoine.

RISK MANAGEMENT COMMITTEE MEETING OF MARCH 2017

- IT and communications security with respect to social media (oversight, management and reputational risk) and IT security (monitoring of intrusions, hosting of websites and cloud).
- JV activity and control.

RISK MANAGEMENT COMMITTEE MEETING OF OCTOBER 2017

- PRIIPS and MiFID issues and principles.

2.1.4.3 STRATEGIC AND CSR COMMITTEE

(i) Composition

The composition of the Strategic Committee did not change in 2017. The committee is composed of three members, one of whom, the Chairwoman, is an independent director (see "The five specialised committees" above). Xavier Musca was appointed in his capacity as Deputy CEO of the majority shareholder, a partner in the strategic thinking of the Amundi Group, Yves Perrier in his capacity as CEO of the Company, and Laurence Danon-Arnaud, for her expertise in executive roles and experience in corporate management in many different industrial and financial sectors. The Board decided in the course of 2017 to add a CSR dimension to the Strategic Committee to emphasise the importance of CSR issues in Company strategy.

(ii) Missions

Article 4.6 of the Board's Internal Regulations

The remit of the Strategic and CSR Committee is to deepen the strategic thinking of the Group across its various business lines, both in France and abroad. The Strategic and CSR Committee will first examine the projects set out in Article 2.2 [(1)] and formulate its opinion on these projects.

It will review, at least annually, the Group's CSR actions.

The work and opinion of the Strategic and CSR Committee will be reported to the Board of Directors by the Chairman or another Committee member designated by them.

(iii) Activities and matters examined in 2017

The Strategic and CSR Committee met once to analyse the principles for integrating Pioneer Group companies into Amundi and confirm the strategic orientation.

2.1.4.4 COMPENSATION COMMITTEE

(i) Composition

The composition of the Compensation Committee complies with the AFEP-MEDEF Code: its three members include two independent members, one as chair, and no Executive Company Officers. (see "The five specialised committees" above).

Robert Leblanc and Laurence Danon-Arnaud were appointed to the committee in light of their careers as leaders of companies in different sectors and their past or current involvement in drafting the AFEP-MEDEF Code. Robert Leblanc, who is also a member of the Audit Committee, can therefore provide the Compensation Committee with the opinions of the Audit Committee on the impact of compensation on the Company's accounts. Laurence Danon-Arnaud can also share her past experience as a member of the Compensation Committee of a bank. Xavier Musca sits on the committee in his capacity as representative of the majority shareholder of Amundi.

(1) Article 2.2 of the Internal Regulations refers to the Powers of the CEO set out in 2.4.3 below

(ii) Missions

Article 4.4 of the Board's Internal Regulations

The Compensation Committee, reporting to the Board of Directors, shall have the remits of annually reviewing and drawing up proposals and opinions, which it shall notify to the Board (in accordance with, in particular, Article L. 511-102 of the French Monetary and Financial Code), on:

- *the compensation paid to the Company's Chairman of the Board of Directors and Chief Executive Officer, whilst taking account of any statutory and regulatory provisions that apply to them;*
- *upon the proposal of the Chief Executive Officer, the compensation of the Company's Deputy Chief Executive Officer(s);*
- *the principles of the compensation policy for employees who manage UCITS or alternative investment funds, and of categories of staff that include risk takers, individuals that exercise a control function, as well as any equivalent employee in terms of income bracket;*
- *the compensation policy, and in particular the variable compensation policy, for the Group and on its monitoring in respect of the persons concerned in accordance with the applicable regulations, on share subscription or purchase plans, and plans to distribute shares free of charge, if applicable, which are to be submitted to the AGM, as well as on the principles and procedures for implementing long-term profit-sharing and bonus plans; and*
- *the amount of the Directors'attendance fees envelope, which is to be submitted to the AGM, the distribution of this envelope among the members of the Board of Directors and the compensation of the non-voting members.*

In addition,

- *it shall be responsible for: monitoring the implementation of the compensation policy in order to ensure compliance with policies and regulatory provisions, and reviewing, to this end, the opinions and recommendations of the Risk Division and Permanent Control Division in relation to this policy; and*
- *directly controlling the compensation of the Head of the Risk Management and, where necessary, the Head of Compliance.*

(iii) Activities and matters examined in 2017

The committee met three times with a 100% attendance rate.

In the first half of the year, the committee analysed the principles of compensation policy applicable to all Amundi employees and executives. It studied the implementation of the performance share plan and the list of beneficiaries, compensation of Board members and compensation of Senior Executives and Company Officers, including the fixed and variable compensation awarded to the CEO for 2016, the principles underlying the compensation and the targets set for 2017. Finally, the committee studied the draft resolutions for the 2017 AGM on compensation.

Then, in the second half of 2017, the Compensation Committee met again to work on the implementation of the new performance share plan, following the acquisition of the Pioneer businesses and the need to integrate their employees. It gave its recommendations to the Board of Directors regarding implementation of the new performance share plan.

2.4.1.5 NOMINATIONS COMMITTEE

(i) Composition

The Nominations Committee is composed of three members. It is chaired by an independent director, and has no Executive Company Officers, in accordance with the AFEP-MEDEF Code. (see "The five specialised committees" above).

Hélène Molinari and Robert Leblanc were selected from among the Independent directors, by virtue of their professional backgrounds and notably their expertise in governance rules in the AFEP-MEDEF Code. Hélène Molinari can contribute her experience as a member of the Nominations Committee of a listed company, and her knowledge of the asset management field. Robert Leblanc was selected for his experience and expertise in the field of company organisation and team management. Xavier Musca, Crédit Agricole S.A. Deputy CEO, was chosen to represent the majority shareholder, closely involved in the composition of the Company's Board of Directors.

(ii) Missions

Article 4.5 of the Board's Internal Regulations.

The Appointments Committee, reporting to the Board of Directors, shall have the following remits (in accordance with, in particular, Article L. 511-98 of the French Monetary and Financial Code):

- *identifying and recommending to the Board of Directors candidates that are suitable for appointment as Directors and that have been proposed by the shareholders, evaluating the criteria for determining the independence of those Directors who are classified as independent;*
- *evaluating, on an annual basis, the balance and the diversity of the knowledge, skills and experience that the Board members possess individually and collectively, as well as the structure, the size, the composition and the effectiveness of the tasks of the Board, and submitting any appropriate recommendations to it;*
- *setting an objective that is to be attained so there will be a balanced representation of male and female employees, and devise a policy aimed at achieving this objective;*
- *periodically reviewing the policies for selecting and appointing the members of the General Management and the Head of Risk Management, and making recommendations in this regard; and*
- *ensuring that the Board is not dominated by one person or a small group of individuals in a way that is harmful to the interests of the institution.*

(iii) Activities and matters examined in 2017

The committee met once with an attendance rate of 100%.

It reviewed the independence criteria of the Independent directors. It also considered issues related to the composition and balance of the Board, its collegial powers and its equality rules. It analysed the results of the Board's first collective self-assessment exercise and passed on its recommendations to the Board.

It approved the reappointment of Directors whose terms of office were expiring and contributed to the "Governance" chapter of the Registration Document.

At the start of 2018, the Nominations Committee met again to prepare the 2017 annual close and its submissions to the Board meeting to approve the financial statements ahead of the AGM. This year it reviewed two additional subjects: firstly, analysis of the results of the new individual self-assessment questionnaire on the competence of Directors, put in place in 2017 under the committee Chairwoman, and secondly, the procedure for the succession plan for the Company Officers and members of the Company's Senior Management.

Finally, the Nominations Committee proposed Gianni Franco Papa, an Italian, as Non-voting member, to replace François Veverka in accordance with its recommendations on opening up the Board to international membership.

2.1.5 Reference to a Corporate Governance Code

The Company refers to the Corporate Governance Code for Listed Companies, published by Afep and Medef (the "AFEP-MEDEF Code" as revised in November 2016). The Code can be viewed at http://www.afep.com/or http://www.medef.com/.

Since its IPO on the regulated market of Euronext Paris, the Company refers to the AFEP-MEDEF Code and complies with all recommendations of this Code.

The following points should however be noted:

21 TERMINATION OF EMPLOYMENT CONTRACTS FOR COMPANY OFFICERS	
"When an employee is appointed as Company officer, it is recommended to terminate his or her employment contract with the Company or with a company affiliated to the Group, whether through contractual termination or resignation".	Mr Perrier is a member of the Executive Committee and Deputy CEO in charge of the Savings, Insurance and Real Estate Division of Crédit Agricole S.A. In this respect, he oversees other activities of the Crédit Agricole Group, such as the insurance and real estate activities of certain subsidiaries such as Prédica, Pacifica and Crédit Agricole Immobilier and accordingly has an employment contract with Crédit Agricole S.A. Mr Perrier will continue to benefit from the above contract with Crédit Agricole S.A., by virtue of the above functions. Recommendation 21-3 of the AFEP-MEDEF Code regarding the termination of the employment contract of a Company Officer does not apply to "employees of a group of companies who act as Senior Executives and Company Officers in a listed or unlisted subsidiary of the Group". Yves Perrier's contractual position therefore complies with the Code.
22 OBLIGATION OF SENIOR EXECUTIVE AND COMPANY OFFICERS TO HOLD SHARES	
"The Board of Directors defines a minimum number of registered shares that the Company Officers must retain through to the end of their term of office. This decision is reviewed at least on each extension of their term of office".	The Company's Articles of Association require that each director hold at least 200 shares of the Company. The decision to acquire additional shares is to be made by each director individually. The Chairman of the Board of Directors and Chief Executive Officer, who is also a Director, therefore comply with the Articles of Association. As the requirement to hold a minimum number of shares is imposed by the Articles of Association, this number is not reviewed at each reappointment. No other special provisions have been put in place for the Senior Executives and Company Officers. Any such provision would be redundant as no share options or performance shares have been granted to Senior Executives or Company Officers and a substantial part of Executive Company Officers'compensation depends on and/or is indexed to Amundi's performance.
24 COMPENSATION OF SENIOR EXECUTIVE COMPANY OFFICERS	
24.5.1 Departure of Senior Executive Company Officers	
Benefits for taking up a position, termination and non-competition.	Mr Yves Perrier's mandate contract does not foresee any severance pay in case of a termination of his service within Amundi. If Mr Yves Perrier were to receive any severance pay, it would be on the basis of the termination of his employment contract with Crédit Agricole S.A. and the end of his term of office within Crédit Agricole S.A. and this compensation would not be subject to performance conditions. This compensation would be paid in its entirety by Crédit Agricole S.A. and no part would be re-invoiced to Amundi. This compensation would correspond to two years of compensation (fixed + variable).

2.2 INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The Board of Directors' Internal Regulations are published in full on the Company's website: http://legroupe.amundi.com/Actionnaires/Notre Groupe/La Gouvernance.

They consist of four main sections, related to the powers of the Chairman of the Board, the powers of the Board and of the CEO, the functioning of the Board, and to its specialised committees. The important points of these sections are contained in the above paragraphs.

Two Charters (Directors' Charter and Stock Market Ethics Charter) are attached to the Internal Regulations. All Directors and Non-voting members are required to accept these regulations individually when taking office.

In 2017, the Board of Directors made a number of changes to its Internal Regulations, as follows:

- updates to the Audit Committee's missions to include the new tasks imposed by the European Audit Directive;
- update to the Strategic and CSR Committee's missions to stipulate its new CSR responsibilities;
- update to the Annex containing the Stock Market Ethics Charter to bring it into line with the European Market Abuse Regulation (MAR).

2.3 ADDITIONAL INFORMATION ON COMPANY OFFICERS

2.3.1 Profiles of Company Officers

CHAIRMAN OF THE BOARD OF DIRECTORS

Xavier Musca

Member of the Strategic and CSR Committee, member of the Compensation Committee and member of the Nominations Committees

Biography:

Mr Musca began his career at the French Inspectorate-General for Finance in 1985. In 1989, he joined the French Treasury Directorate, where he became Head of the European affairs office. In 1993, he was called to the cabinet of Prime Minister Edouard Balladur, as technical adviser, then returned to the French Treasury Directorate in 1995, successively as head of the financial markets office then as Deputy Director for Europe – monetary and international affairs, and Head of the French State's Financing department, and the Economy department. Between 2002 and 2004, he was Cabinet Director for Francis Mer, Minister of Economy, Finances and Industry. In 2004, he became director of the French Treasury. He left the French Treasury Directorate in February 2009 to become Deputy Secretary General to the French President, in charge of economic affairs. In February 2011, he became Secretary General to the French President.
Since 2012, Xavier Musca has been Deputy Chief Executive Officer of Crédit Agricole S.A., and second Effective Director since 2015. He has been Chairman of the Amundi Board of Directors since 2016.

Age:
57

Nationality:
French

Date of first appointment:
24/07/2012

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2018

Number of shares held:
300

Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Crédit Agricole	Deputy Chief Executive Officer, Member of Management Committee, Member of Executive Committee	2012
CA Assurances Crédit Agricole Creditor Insurance Cariparma	Director	2012 2012 2012
Predica	Vice-Chairman of Board of Directors	2012
Pacifica	Permanent representative of Crédit Agricole S.A., Director	2012
CA Consumer Finance	Chairman of the Board of Directors	2015
In other listed companies:		
CAP Gemini	Director Chairman of the Audit Committee	2014 2016
In other unlisted companies:		
None		
In other entities:		
None		

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 2 Monetary and Financial Code: 2

Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi Banco Espirito Santo Bespar	Director	2012-2016 2012-2014 2012-2014
CA Egypt UBAF	Vice-Chairman of the Board of Directors	2012-2015 2012-2015
Crédit du Maroc	Vice-Chairman of the Supervisory Board	2012-2015
Amundi	Chairman of the Nominations Committee and Compensation Committee	2012-2015
CACEIS	Director	2014-2015
Cariparma	Member of the Compensation Committee	2012-2017
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR AND CEO

Yves Perrier

Member of the Strategic and CSR Committee

Biography:

Yves Perrier began his career in auditing and consultancy, where he worked for ten years. He joined Société Générale in 1987, where he was Finance Director from 1995 to 1999. From 1999 to 2003, he was a member of the Executive Committee of Crédit Lyonnais, in charge of finance, risk management and internal audit functions. Following the acquisition of Crédit Lyonnais by Crédit Agricole, he became Deputy CEO of Calyon (later CA-CIB) and member of the Crédit Agricole S.A. Executive Committee. In September 2007, he took over as Head of Asset Management and Institutional Client Services at Crédit Agricole S.A., as Chairman and CEO of Crédit Agricole Asset Management and Chairman of the CACEIS Board of Directors. In 2009, he was the architect behind the creation of Amundi and was appointed its CEO on 1 January 2010.
Since September 2015, Yves Perrier has been Deputy CEO in charge of the Savings, Insurance and Real Estate Division of Crédit Agricole S.A. In this role, he heads Amundi and oversees Crédit Agricole Assurances and Crédit Agricole Immobilier.

Age:
63

Nationality:
French

Date of first appointment:
23/12/2009

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2018

Number of shares held:
200

Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi (Group)	Chief Executive Officer	2010
Amundi Asset Management**	Chairman and Chief Executive Officer	2007
Crédit Agricole SA	Deputy CEO in charge of the Savings, Insurance and Real Estate Division	2015
Pacifica Crédit Agricole Assurances	Director	2015 2015
Predica Crédit Agricole Immobilier	Permanent representative of Crédit Agricole S.A., Director	2015 2015
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
AFG	Honorary Chairman	2017

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 Monetary and Financial Code: 1

Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Crédit Agricole SA	Head of Asset Management and Institutional Client Services division	2007-2015
CACEIS Société Générale Gestion**	Chairman of the Board of Directors	2007-2015 2009-2015
CA Titres	Member of the Supervisory Board	2007-2015
Euro Securities Partners LCH Clearnet SA LCH Clearnet Group	Director	2013-2015 2014-2016 2014-2016
In other listed companies:		
None		
In other unlisted companies:		
Maike Automobile SAS	Member of the Supervisory Board	2013-2016
In other entities:		
AFG	Chairman	2015-2017

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*
***Amundi Group Company.*

DIRECTOR (INDEPENDENT)

Virginie Cayatte

Member of the Audit and Risk Management Committees

■ **Biography:**

Virginie Cayatte began her career in 1995 as an analyst in the Merger & Acquisitions team of the AXA Group, then became Head of the Financing and Cash Management Division of the AXA Group. From 2002 to 2003, she served as Deputy Head of the "Savings and Financial Markets" office in charge of regulations relating to management and employee savings, accounting and corporate governance, within the General Directorate of the French Treasury. She then became Head of the "Savings and Financial Markets" office, with responsibility for the regulation of financial markets and their operators, from 2003 until 2005. From 2006 to 2007, she was Secretary General to the Finance and Innovation Competitiveness Division. In 2007, Ms Cayatte returned to AXA IM where she was appointed Corporate Finance and Strategy Director, then Chief Financial Officer in 2010. She became director of AXA IM IF, and left the Group at the end of 2014.
From January 2015 Virginie Cayatte was CFO with responsibility for Finance, Real Estate and Purchasing at Solocal Group, a role she left at end-2017. In 2018, she joined Adisseo Group, owned by Chinese group Blustar, as CFO.

Age:
47

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2018

Number of shares held:
250

■ **Offices held at 31/12/2017**

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
None		
In other unlisted companies:		
Adisseo	CFO	2018
In other entities:		
None		

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 1*

■ **Offices held in the last five years (2013-2017) which have expired**

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
Solocal Group	CFO, member of the Executive Committee	2015-2017
In other unlisted companies:		
Pages Jaunes SA AXA IM IF	Director	2015-2017 2013-2014
Axa IM	Head of Corporate Finance and Strategy	2007-2014
In other entities:		
None		

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR (INDEPENDENT)

Laurence Danon-Arnaud

Chairwoman of the Strategic and CSR Committee, member of the Compensation Committee

■ Biography:

Laurence Danon started her career in 1984 at the Ministry for Industry. In 1989, she joined the ELF Group where she exercised commercial duties within the Polymer Division. In 1991, she became director of the Industrial Specialty Division before being appointed in 1994 as Head of the Global Division of Functional Polymers. In 1996, she was entrusted with the Executive Management of ATO-FINDLEY Adhésives, which subsequently became BOSTIK, a subsidiary of the TOTAL Group, the world number 2 in adhesives.
Appointed as Chairwoman and CEO of PRINTEMPS and member of PPR's Executive Committee in 2001, she left her post in 2007 after the successful sale of PRINTEMPS in October 2006.
Laurence Danon then joined Edmond de Rothschild Corporate Finance in 2007 as a Management Board member, and was then Chairwoman of the Management Board until December 2012. She joined the investment bank Leonardo & Co. in early 2013 as Chairwoman of the Board of Directors.
Subsequent to the sale of Leonardo & Co. SAS to Natixis in June 2015, Laurence Danon joined her family business.

Age:
61

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2019

Number of shares held:
400

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
TF1	Director, Chairwoman of the Audit Committee	2010
GECINA Groupe Bruxelles Lambert	Director	2017 2017
In other unlisted companies:		
PRIMEROSE SAS	Chairwoman	2015
In other entities:		
Académie des Technologies	Member	2015

*Compliance with rules on multiple offices *: YES*
AFEP-MEDEF Code: 4   *Monetary and Financial Code: 5*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
Diageo Plc	Director	2006-2015
BPCE	Member of the Supervisory Board and Chairwoman of the Nominations and Compensation Committee	2009-2013
In other unlisted companies:		
Natixis Partners	Senior Advisor	2015-2016
Léonardo & CO	Chairwoman of the Board of Directors	2013-2014
In other entities:		
MEDEF	Chairwoman of Commissions	2005-2013

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Rémi Garuz

■ Biography:

Rémi Garuz began his career as a farmer before becoming President of a farming cooperative in 1990, as well as Chairman and CEO of PRODUCTA, an agricultural trading cooperative, from 1997 to 2012. In parallel, he joined the Crédit Agricole Group in 1990 as director of the Sauveterre Local Bank, of which he became President in 1999. In 1996, he became director of the Regional Bank of Gironde, then in 2001, director of the Regional Bank of Aquitaine. In 2000, he then became a member of its office, then Vice-Chairman, and finally Chairman (since 2012).

Age:
65

Nationality:
French

Date of first appointment:
14/02/2014

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2017

Number of shares held:
200

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Régionale du Crédit Agricole d'Aquitaine	Chairman of the Board of Directors	2012
CA Grands Crus	Representative of the Caisse Régionale du Crédit Agricole d'Aquitaine, member of the Supervisory Board	2012
Grand Sud-Ouest Capital SA SEML Route des Lasers	Representative of Caisse Régionale du Crédit Agricole d'Aquitaine, Director	2012 2012
Caisse d'Assurances Mutuelles du Crédit Agricole (CAMCA) Caisse Locale de Sauveterre	Director	2014 1999
In other listed companies:		
None		
In other unlisted companies:		
EARL Martinez Garuz	Manager	2013
In other entities:		
Economic, Social and Environmental Committee, Aquitaine Region	Member	2012
Commission Départementale d'Orientation de l'Agriculture (CDOA)	Representative of ECO3 (SCI), Member	1999
Mairie de Saint Brice	Municipal Councillor	2014

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 2*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Laurent Goutard

■ Biography:

Laurent Goutard joined the Société Générale Group in 1986 within the General Audit. In 1993, he was appointed as Deputy Director of the Grande Entreprise agency, Paris Opéra, then in 1996, Advisory Banker at the Major Accounts Division Management of the French network. From 1998 to 2004, Laurent Goutard served as director and CEO then as Chairman of the Board of Société Générale Marocaine de Banques. From 2004 to 2005, he served as Vice-Chairman of the Management Board and as Deputy CEO of Komerčni Banka. From 2005 to 2009, Laurent Goutard was Chairman and CEO of Komerčni Banka and a member of the Société Générale Group Management Committee since 2007.
Laurent Goutard has been Head of Banque de Détail France Société Générale since 2009, and a member of the Executive Committee of Société Générale Group since September 2014.

Age:
56

Nationality:
French

Date of first appointment:
06/02/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2017

Number of shares held:
200

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
Société Générale	Head of Retail Banking Member of the Executive Committee	2009 2014
FGDR	Representative of SG, Chairman of the Supervisory Board	2016
In other unlisted companies:		
Compagnie Générale d'Affacturage	Permanent representative of SG Financial Services Holding, Director	2009
Franfinance	Chairman of the Board of Directors	2014
Komerčni Banka	Member of the Supervisory Board	2014
Sogecap	Director	2015
In other entities:		
None		

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 Monetary and Financial Code: 3

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Société Générale Gestion**	Director	2009-2015
In other listed companies:		
None		
In other unlisted companies:		
Genefim Sophia Bail	Chairman of the Board of Directors	2009-2013 2009-2013
Sogessur	Director	2010-2015
In other entities:		
None		

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*
***Amundi Group Company.*

DIRECTOR (INDEPENDENT)

Robert Leblanc

Member of the Audit and Nominations Committees, Chairman of the Compensation Committee

■ Biography:

Robert Leblanc began his career in 1979 as a consultant within Andersen Consulting, Paris. In 1987, he was appointed as project manager with the CEO of the Société des Bourses Françaises, a position he left in 1990 to join the AXA Group as Deputy CEO of Meeschaert Rousselle. From 1992 to 1998, he served as Deputy CEO, then as CEO, of Uni Europe (later AXA Courtage). In 1998, Robert Leblanc joined the SIACI Group, of which he was CEO until 2001, then was Chairman of the Management Board, from 2001 to 2007. In April 2007, he was appointed Senior Advisor of APAX FRANCE, a position he occupied until 2009. Robert Leblanc was also Chairman of the Ethics Committee of the MEDEF between 2008 and 2013 and Chairman of the Movement of Christian Entrepreneurs and Managers (Mouvement des Entrepreneurs et Dirigeants Chrétiens) between 2010 and 2014.
Robert LEBLANC is currently the Chairman and CEO of Aon France (since 2009) and is a member of the Global Executive Committee of Aon Risk Solutions. Author of “Liberalism is a humanism” (Albin Michel, 2017).

Age:
60

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders’meeting called to approve the financial statements for the year ending 31/12/2018

Number of shares held:
200

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi	Member of Médicis Committee	2011
In other listed companies:		
None		
In other unlisted companies:		
RL Conseil AON Holdings France SNC	Manager	2007 2009
AON France SAS	Chairman and Chief Executive Officer	2009
AON Risk Solutions	Member of Global Executive Committee	2009
International Space Brokers France – ISB France AON Tunisia	Director	2009 2010
In other entities:		
Chambre Syndicale des Courtiers d’Assurance	Honorary Chairman	2008
Fondation Avenir Patrimoine à Paris	Chairman	2014
MEDEF	Chairman of the Ethics Committee	2016

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 3*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
MEDEF	Chairman of Ethics Committee	2008-2013
Movement of Christian Entrepreneurs and Executives	Chairman	2010-2014

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Michel Mathieu

Biography:

Michel Mathieu began his career at Crédit Agricole Gard in 1983. He went on to become Manager in 1990 and in 1995 joined the Caisse Régionale du Midi as Deputy CEO. In 1999, he was appointed CEO of the Caisse Régional du Gard and then, from 2005, of the Caisse Régionale du Midi. The Caisses Régionales du Gard and du Midi were merged in 2007 and Michel Mathieu took charge as CEO of the newly created merged Bank, the Caisse Régionale du Languedoc. In 2010, Michel Mathieu moved to Crédit Agricole S.A. as Deputy CEO responsible for Group central functions and, from May 2015, for asset management and insurance. In August 2015 he became Crédit Agricole S.A. Deputy CEO responsible for retail banking subsidiaries, including LCL and international, and for the operations and transformation function.
Since April 2016, he has been CEO of LCL, and remains in charge of Crédit Agricole S.A.'s retail banking subsidiaries division (including LCL and international), Member of the Executive Committee.

Age:
59

Nationality:
French

Date of first appointment:
28/04/2016

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2017

Number of shares held:
200

Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Cariparma Crédit Agricole Egypt	Director	2010 2012
Crédit Agricole SA	Deputy CEO, Head of Subsidiaries and Local Banking divisions	2015
Crédit du Maroc	Vice-Chairman of the Supervisory Board	2015
LCL	Chief Executive Officer	2016
Predica	Permanent representative of LCL	2016
CACI	Chairman of the Board of Directors	2016
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 2 *Monetary and Financial Code: 2*

Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
CACEIS Predica CA-CIB LESICA CA Payment Services	Director	2011-2013 2011-2016 2012-2016 2013-2016 2015-2016
In other listed companies:		
Eurazeo	Member of the Supervisory Board	2012-2017
In other unlisted companies:		
None		
In other entities:		
None		

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR (INDEPENDENT)

Hélène Molinari

Chairwoman of the Nominations Committee

Biography:

Hélène Molinari began her career in 1985 with Cap Gemini as information technology consultant. She then joined the Robeco Group in 1987 to develop the institutional sales activity. In 1991, she helped to set up AXA Asset Managers (later AXA Investment Managers), with responsibility for the Retail team, before becoming the Marketing and E-business Director in 2000. Then, in 2004, she became Global Communication and Brand Director. In 2005, she joined Laurence Parisot at the head of MEDEF, of which she was appointed Deputy CEO and member of the Executive Council in 2011.

In 2013, she joined the strategic committee of BE-BOUND, a digital start-up. In parallel, she became a corporate officer of AHM Conseil, a company specialised in the organisation of cultural events.

Age:
54

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2019

Number of shares held:
200

Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
Lagardère SCA	Member of the Supervisory Board and member of the Nominations, Compensation and Governance Committee	2012
In other unlisted companies:		
Be Bound	Member of the Strategic Committee	2013
Ahm Conseil	Manager	2014
Capival	Senior Advisor	2014
In other entities:		
Tout le monde chante contre le cancer Women of influence awards	Member of the Steering Committee	2010 2013
Boyden Foundation	Director	2013

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 2 *Monetary and Financial Code: 3*

Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
None		
In other listed companies:		
AXA IM SA	Director	2005-2013
In other unlisted companies:		
AXA IM Ltd	Director	2005-2013
In other entities:		
Nos Quartiers ont du Talent Les journées de l'entrepreneur Entreprendre pour apprendre	Director	2005-2013 2006-2013 2010-2013
MEDEF	Deputy CEO and member of the Executive Board	2011-2013

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Christian Rouchon

Chairman of the Audit and Risk Management Committees

■ Biography:

Christian Rouchon joined the Crédit Agricole Group in 1988 as Accounting and Finance Manager of Caisse Régionale de la Loire, then of the Caisse Régionale Loire Haute-Loire in 1991, before becoming Chief Financial Officer thereof in 1994. In 1997, he was appointed as Information Systems Manager of the Loire Haute-Loire Regional Bank. In 2003, he then became Deputy Chief Executive Officer in charge of the operation of the Caisse Régionale des Savoie before joining the Caisse Régionale Sud Rhône-Alpes in September 2006 as Deputy Chief Executive Officer in charge of development.
In April 2007 – six months later – he became Chief Executive Officer.

Age:
57

Nationality:
French

Date of first appointment:
23/12/2009

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2019

Number of shares held:
200

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Régionale du Crédit Agricole Sud Rhône Alpes	Chief Executive Officer	2007
Square Habitat Sud Rhône Alpes CA-Chèques	Director	2007 2015
Sep Sud Rhône Alpes	Non-partner manager	2008
Credit Agricole Home Loan SFH	Chairman of the Board of Directors	2013
FNCA	Chairman of the Financial Organisation Committee, rapporteur for the Finance and Risk Commission, Member of the Companies and Wealth Project Committee and the Rates Committee	2013
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
ANCD	Vice-Chairman	2011

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 1*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
CAAGIS	Director and Chairman of the Audit Committee	2009-2013
Foncaris Fonds d'Investissement et de Recherche du Crédit Agricole – Fireca GIE CA Technologies et Services	Director	2009-2013 2010-2014 2010-2014
C3A	Representative of CRCAM Sud Rhône Alpes, Director	2008-2014
SAS Capida	Chairman	2009-2015
BforBank	Chairman of the Board of Directors	2010-2017
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Andrée Samat

■ **Biography:**

Andrée Samat began her career with the Crédit Agricole Group in 1996 as director of the Caisse Locale du Beausset, where she became Chairwoman in 2000.
From 2003 to 2014, she served as director of the Caisse Locale à Vocation Départementale Du Var, and became Deputy Chairwoman in 2008. In 2006, she also served as director of the Caisse Régionale de Provence Côte d'Azur, where she became Chairwoman of the Board of Directors in March 2009.
Andrée Samat is also a Municipal Councillor, Deputy Mayor of St Cyr sur Mer and Deputy Mayor and Deputy Chairwoman of the Var Department Council (83).

Age:
67

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2019

Number of shares held:
200

■ **Offices held at 31/12/2017**

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Régionale du Crédit Agricole Provence Côte d'Azur (PCA)	Chairwoman of the Board of Directors	2009
Caisse Locale de Beausset (PCA Group) Fondation d'Entreprise du Crédit Agricole Provence Côte d'Azur (PCA Group) SAS CREAZUR (PCA Group)	Chairwoman	2000 2009 2012
Crédit Foncier de Monaco Indosuez Wealth Carispezia FNCA, Handicap et Emploi au Crédit Agricole (HECA)	Director	2010 2011 2011
Sofipaca SA (PCA Group)	Representative of CRCAM Provence Côte d'Azur, Director	2009
FNCA, Handicap et Emploi au Crédit Agricole (HECA)	Vice-Chairwoman	2013
Carispezia	Member of Crédit Agricole Related Parties Committee	2017
FNCA	Member of Health and Aging Committee	2013
FNCA	Member of the Customer Relations Commission	2015
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
Mairie de Saint-Cyr sur Mer	Deputy Mayor	2008
Var Departmental Council	Vice-Chairwoman	2015

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 1*

■ **Offices held in the last five years (2013-2017) which have expired**

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Locale à Vocation Départementale du Var	Director	2003-2014
Caisse Locale à Vocation Départementale du Var	Vice-Chairwoman	2008-2014
FNCA	Member of Finance and Risk Management Committee	2011-2013
Fédération Régionale du Crédit Agricole Provence Côte d'Azur	Chairwoman	2013-2015
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*

DIRECTOR

Renée Talamona

Member of the Risk Management Committee

■ Biography:

Renée Talamona began her career at the Caisse Nationale de Crédit Agricole, where she was named Head of Economic Studies in 1980, then in 1983, Head of Studies for Finance Management, and in 1986, Internal Auditor and then Project Leader for the Internal Audit Department. In 1992, she was named Finance and Risk Director at the Caisse Régionale Sud Méditerranée and then, in 1996, Marketing Director at the Caisse Régionale Pyrénées Gascogne. From 2000 to 2002, she was Deputy CEO of Caisse Régionale Champagne Bourgogne. In August 2002, she was named Deputy CEO of Caisse Régionale Pyrénées Gascogne and Chairwoman of Bankoa, a subsidiary of the Regional Bank in the Spanish Basque area. In April 2009, she became Deputy to the "Group Risk Manager" of Crédit Agricole S.A. Finally, between November 2011 and September 2013, Renée Talamona served as director of "French Regions Management" at Crédit Agricole-CIB.
Renée Talamona currently holds the position of Chief Executive Officer of Caisse Régionale de Lorraine.

Age:
60

Nationality:
French

Date of first appointment:
30/09/2015

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2017

Number of shares held:
200

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Régionale du Crédit Agricole Lorraine	Chief Executive Officer	2013
Crédit Agricole SA	Director, member of the Strategic Committee	2016
CALF BFT IM** Amundi	Director	2013 2014 2015
FNCA	Member of Crédit Agricole Mutual Life and Identity Commission	2014
CALF	Member of the Audit Committee, member of the Risk Management Committee	2015
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 1*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Crédit Agricole CIB French Regions Department	Manager	2011-2013
GIE Coopernic	Director	2014-2016
LCL	Permanent representative of SACAM Développement, Director	2015-2016
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
Syndicat National des Cadres Dirigeants	Director	2013

* *Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*
***Amundi Group Company.*

DIRECTOR ELECTED BY THE EMPLOYEES

Eric Tazé-Bernard

Member of the Risk Management Committee

■ Biography:

Éric Tazé-Bernard began his career in 1983 as an economic development consultant at SEDES, part of the Caisse des Dépôts Group, before in 1987 joining the Banque Indosuez Economic and Financial Research Department, where he became Deputy Director. In 1993 he moved into investment management at Indosuez Asset Management, then Crédit Agricole Asset Management, as Head of Strategy and Asset Allocation, before taking over multi-management at BNP Paribas Asset Management. He then moved on to become Chief Investment Officer for INVESCO France. He joined Amundi in June 2008 as Head of Multi-Management.
Éric Tazé-Bernard currently works as chief allocation advisor for institutional investors.

Age:
61

Nationality:
French

Date of first appointment:
12/10/2016

Term of office ends:
Ordinary general shareholders'meeting called to approve the financial statements for the year ending 31/12/2018

Number of shares held:
0***

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi Asset Management**	Chief Allocation Advisor	2013
Amundi ACBA**	Director	2015
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
France Foundation	Member of Finance Committee	2009

Compliance with rules on multiple offices: YES*
AFEP-MEDEF Code: 1 *Monetary and Financial Code: 1*

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi	Head of Specialist Products and Engineering, Multi-asset management, institutional clients	2010-2013
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
None		

** Number of offices as defined in Article 18.4 of the AFEP-MEDEF Code and Article L. 511-52 of the Monetary and Financial Code.*
***Amundi Group Company.*
**** As a Director elected by the employees, he has no obligation to hold shares in the Company.*

Jean-Michel Forest

Non-voting Member, permanent guest on the Audit and Risk Management Committees

■ Biography:

He joined Crédit Agricole in 1990 as director of the Caisse Locale de St Germain Laval. He then went on to hold the positions of director, then Deputy Chairman of the Caisse Départementale de la Loire, before taking a position as director of the Caisse Régionale Loire Haute-Loire in 2004, of which he was appointed Chairman on 14 March 2011.

Age:
60

Nationality:
French

Date of first appointment:
27/10/2015

Term of office ends:
Board of Directors'meeting called to approve the financial statements for the year ending 31/12/2017

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
Caisse Locale de Saint Germain Laval Markets, Customers and Innovation Commission (formerly CRC) - (FNCA)	Chairman	1995 2014
Fondation d'Entreprise Crédit Agricole Loire Haute-Loire pour l'Innovation	Chairman and Founding Director	2016
CRCAM Loire Haute-Loire Confédération Régionale de la Mutualité, de la Coopération et du Crédit Agricole FÉDÉRATION AUVERGNE RHÔNE-ALPES du CRÉDIT AGRICOLE FÉDÉRATION AUVERGNE RHÔNE-ALPES du CRÉDIT AGRICOLE (from 20/01/2016 - formerly FRACA)	Chairman of the Board of Directors	2011 2013 2016 2016
Caisse Locale de Développement Loire Haute-Loire SA COFAM (subsidiary of CRCAM LHL) SAS LOCAM (subsidiary of CRCAM LHL) SAS SIRCAM (subsidiary of CRCAM LHL) SAS Square Habitat Crédit Agricole Loire Haute-Loire BforBank LCL – Le Crédit Lyonnais	Director	2005 2011 2011 2011 2011 2013 2014
Espace Solidarité Passerelle	Member of the Board of Directors	2005
FNCA	Member	2011
SAS SACAM Avenir	Member of the Executive Committee	2013
LCL – Le Crédit Lyonnais	Member of the Appointments Committee	2016
Crédit Agricole Group	Committee member, Senior Executives Commission Member of the National Compensation Commission	2017 2017
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
CRMCCA Rhône-Alpes	Chairman	2013
CRMCCA Rhône-Alpes	Member of the Board as representative, appointed as Chairman of the Fédération Auvergne Rhône-Alpes du Crédit Agricole	2016

■ Offices held in the last five years (2013-2017) which have expired:

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
Amundi * SAS Pleinchamp	Director	04/2015-11/2015 2012-2017
SAS SACAM Pleinchamp	Member of the Executive Committee	2012-2017
In other listed companies:		
None		
In other unlisted companies:		
None		
In other entities:		
MSA Ardèche Drôme Loire	Commissioner for the 3rd Collège of St-Etienne canton	2010-2015
MSA Ardèche Drôme Loire	Member of the Comité Départemental Loire 3rd Collège	2010-2015
CAR RHÔNE-ALPES (Regional Agriculture Council)	Member - Representative appointed by the CRMCCA Rhône-Alpes	2013-2016
CESER Rhône-Alpes	Member representative of CRMCCA Rhône-Alpes	2013-2017

* *Amundi Group Company*

François Veverka

Non-voting Member, permanent guest on the Audit and Risk Management Committees

Term of office ended at end of the Board of Directors'meeting of 8 February 2018

■ Biography:

A graduate of ESSEC and former ENA student, François Veverka held a number of different positions in the public economic sphere, notably in the French Ministry of Finance and the Stock Exchange Committee. He subsequently worked in various executive roles at Standard & Poor's (1990-2006), including Chief Executive Officer for Europe, then for Institutional Affairs, acting alongside prudential control and regulation authorities on all issues affecting banking and financial markets. He was then appointed Chief Executive Officer of Compagnie de Financement Foncier, before going on to become a banking and finance consultant and Independent director.

Age:
65

Nationality:
French

Date of first appointment:
21/04/2011

Term of office ends:
Board of Directors'meeting of 08/02/2018

■ Offices held at 31/12/2017

> COMPANY	> POSITIONS AND OFFICES HELD	> START OF TERM OF OFFICE
In Crédit Agricole Group companies:		
CA Indosuez Switzerland	Director, Chairman of Audit and Risk Management Committees	2017
Crédit Foncier de Monaco Indosuez Wealth Amundi Money Market Funds (Luxembourg)*	Director	2017 2016
Amundi UK Ltd*	Independent directors	2011
In other listed companies:		
None		
In other unlisted companies:		
Octo Finances	Chairman of the Supervisory Board	2011
Barclays France SA	Director, Chairman of the Risk Management Committee	2017
In other entities:		
None		

■ Offices held in the last five years (2013-2017) which have expired

> COMPANY	> POSITIONS AND OFFICES HELD	> TERM OF OFFICE
In Crédit Agricole Group companies:		
LCL Crédit Agricole SA	Director, Chairman of the Audit and Risk Management Committees	2008-2017 2008-2017
Crédit Agricole SA	Chairman of the US Risk Management Committee, member of the Strategic and CSR Committee, member of the Compensation Committee	2008-2017
CA CIB	Director, Chairman of Risk Management Committee	2009-2017
In other listed companies:		
None		
In other unlisted companies:		
Banque Finance Associés	Banking and financial activities consultant	2008-2015
In other entities:		
None		

* *Amundi Group Company.*

2.3.2 Declarations concerning Company Officers

All declarations below were made in 2017 in response to an individual questionnaire sent by Internet to all members of the Board, Directors and Non-voting members.

2.3.2.1 NO FAMILY TIES

To the Company's knowledge, as of the filing date of this Registration Document, there are no family ties among the members of the Board of Directors listed above and the members of the Company's Senior Management.

2.3.2.2 NO CONVICTIONS

To the Company's knowledge, during the last five years: (i) none of the above persons has been convicted of fraud; (ii) none of the above persons has been associated with any bankruptcy, receivership or liquidation; (iii) no accusation or official public sanctions have been pronounced against any of the above persons by statutory or regulatory authorities (including designated professional bodies); and (iv) none of the above persons has been disqualified by a court from acting as a member of the administrative, management or supervisory body of any company, or from being involved in the management or performance of business of any company.

2.3.2.3 CONFLICTS OF INTEREST

To the Company's knowledge, and subject to the relationships described in note 9.2 "Related Parties" of the consolidated financial statements (chapter 6 of this Registration Document), as of the filing date of this Registration Document, there are no potential conflicts of interest between the duties owed to the Company by the members of the Board of Directors listed above or the Company's Senior Management and their private interests.

However it is specified, pursuant to the Partnership Agreement between the Company, Société Générale and Crédit Agricole, dated 17 June 2015, that Crédit Agricole has made a commitment to Société Générale to ensure that, so long as all of the distribution agreements with Société Générale, Crédit du Nord and Komerční Banka and the management mandate with Sogécap are in effect, a director of the Company will be appointed based on the nomination made by Société Générale. In application of which, Mr Laurent Goutard has been appointed Member of the Company's Board of Directors.

Several Directors were appointed in their own name on proposal by Crédit Agricole, the majority shareholder: Xavier Musca, Yves Perrier, Rémi Garuz, Michel Mathieu, Christian Rouchon, Andrée Samat and Renée Talamona.

At the filing date of this Registration Document no restrictions have been accepted by the members of the Board of Directors or the members of the Company's General Management on sale of their shares in the Company, other than the following: (i) rules to prevent insider trading and (ii) recommendations of the AFEP-MEDEF Code obliging Directors to hold shares (except the Director elected by the employees), translated as the requirement to hold 200 shares set out in Article 10 of the Articles of Association.

Finally, no service agreement has been signed that binds any members of the administrative or management bodies of the issuer, or any of its subsidiaries, and provides benefits at its conclusion.

Elements relating to the management of conflicts of interest are mainly covered by the Company's Directors'Charter, as detailed below:

Annex I to the Internal Regulations – Article 9 Conflicts of interest and inside information

The Director reads and complies with Amundi's Market Ethics Charter.

Furthermore, the Director informs the Board of any conflict of interests including potential ones, in which he could be directly or indirectly implicated. He refrains from participating in the discussions and taking decisions on the subjects concerned.

The Director refrains from using for his personal benefit or for the benefit of whomsoever the inside information to which he has access. The Director refrains from carrying out any transaction on Amundi shares during the 30 calendar days that precede the publication of the yearly and half-yearly results and during the 15 calendar days that precede the publication of the quarterly financial information, as well as the day of the said publications.

The Director must, in application of the Market in Financial Instruments Directive (MiFID), declare any personal transaction on a financial instrument if he considers that he potentially is in a situation of conflicts of interests or if he holds confidential information likely to be considered as inside information and acquired in relation to his Director's duties.

A document summarising the transactions and persons concerned by the declarations under the MiFID, as well as the declaration methods and a form are attached to this Charter.

2.3.2.4 TRADING IN THE COMPANY'S SHARES

To the Company's knowledge, in 2017 no Amundi manager and/or other person mentioned in Article L. 621-18 of the French Monetary and Financial Code, including Directors, conducted any transactions of the types specified in the same article on the Company's shares.

As each director is by definition in permanent receipt of insider information, the rules on "opening and closing windows" for trading in Company shares apply to them.

2.4 PRESENTATION OF SENIOR EXECUTIVES AND COMPANY OFFICERS AND GENERAL MANAGEMENT

In accordance with Article 15 of the Company's Articles of Association and Article L. 511-58 of the French Monetary and Financial Code, which provides that the Board of Directors of a credit institution cannot be chaired by the CEO, the Board of Directors, at its meeting on 15 September 2015, decided that the functions of Chairman of the Board of Directors and of CEO of the Company would remain separate.

2.4.1 Presentation of the Chairman of the Board and his missions

Since 28 April 2016, Xavier Musca has chaired the Company's Board of Directors, having been a Director since 2012.

In fulfilment of his legal duties, the Chairman of the Board of Directors:

- draws up the agendas for Board meetings and ensures Directors have the information they need to make informed decisions;
- encourages and promotes discussion within the Board;
- ensures that decisions taken by the Board are clear.

Xavier Musca is also a member of the Strategic and CSR, Nominations and Compensation Committees, giving him a full and comprehensive vision of the smooth functioning of the Board of Directors.

In addition to meetings held at least every two months with the Company's General Management, the Chairman was heavily involved in 2017 in the work on the acquisition of the Pioneer group companies.

Biographical information about Xavier Musca, who is also a member of the Board of Directors, is included in Section 2.3, "Additional information about Company Officers".

2.4.2 Presentation of the CEO

Yves Perrier was appointed CEO of the Company on 18 September 2007, and was reconfirmed when Amundi [1] was formed on 23 December 2009. The Board of Directors' meeting of 15 September 2015 decided to reappoint him in his role for an indefinite period.

Biographical information about Yves Perrier, who is also a Director, is included in Section 2.3, "Additional information about Company Officers".

2.4.3 Overview of the constraints that the Board of Directors places on the powers of the CEO

Extract from the Articles of Association (Article 15) and Internal Regulations of the Board of Directors (Article 2.2) on the powers of the CEO:

"The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company. He/she exercises these powers within the limit of the corporate purpose and subject to those powers that the law expressly grants to the shareholders' meetings and the Board of Directors. He/she represents the Company in its dealings with third parties.

However, he/she must obtain the prior approval of the Board of Directors for the following transactions:

- *the creation, acquisition or sale of any subsidiaries or equity investments in France or abroad, where the overall investment is greater than €100 million;*
- *any other investment or divestment of any kind whatsoever in an amount greater than €100 million.*

If urgency makes it impossible to convene a Board meeting to vote on a transaction falling into one of these categories, the CEO must do the necessary to obtain the opinion of all of the directors and, at the very least, of the members of the Strategic Committee, before making a decision. Where that is impossible, the CEO may, by agreement with the Chairman, make any decision in the Company's interest in the areas listed above. He/she must report on any such decisions at the next Board meeting".

(1) *Formerly known as Crédit Agricole Asset Management Group, the Company was renamed Amundi at the time of the merger of the asset management companies of Société Générale and Crédit Agricole in December 2009.*

2.4.4 Organisation of the Company's management

Amundi's acquisition of the Pioneer Group was an opportunity to review the Company's internal governance.

Amundi's management structure is designed to allow its strategy to be coherently and effectively implemented in all countries where the Group is active. Strategy is set at global level, then implemented locally by delegating responsibility to teams based on the specificities of each country, in order to maximise the satisfaction of retail, institutional and corporate customers.

Global management of the Amundi Group is carried out by the Executive Committee which has cross-group responsibility. this committee has 24 members, defines the strategy for the Group as a whole and ensures its implementation. It sets the principles governing which activities to pursue and policy for marketing, control of results, risks and compliance.

At 1 January 2018, its membership was as follows:

	Name	Main function within the Group	Date joined the Executive Committee
Executive Commitee	Yves Perrier	CEO of Amundi	2010
	Bernard de Wit[1]	Head of the Business Support and Control Division	2010
	Fathi Jerfel	Head of the Retail Clients Division	2010
	Pascal Blanqué	Chief Investment Officer	2010
	Dominique Carrel-Billiard	Head of the Institutional and Corporate Clients Division	2016
	Guillaume Lesage	Head of the Operations, Services and Technology Division	2016
	Valérie Baudson	CEO of CPR AM and Head of ETF, Indexing and Smart Beta	2013
	Nicolas Calcoen	Chief Financial Officer	2011
	Isabelle Seneterre	Head of Human Resources	2011
	Dominique Aiello	Deputy Chief Financial Officer	2017
	Pedro Antonio Arias	Head of the Alternative and Real Assets Business Line	2013
	Alain Berry	Head of Communication	2010
	Jean-Jacques Barberis	Co-Head of Institutional Clients	2016
	Laurent Bertiau	Head of Japan	2010
	Éric Brard	Head of Fixed Income	2011
	Julien Fontaine	Head of Retail Marketing	2018
	Matteo Germano	Head of Multi-Asset and CIO Italy	2017
	David Harte	Deputy Head of the Operations, Services and Technology Division	2017
	Lisa Jones	Head of the Americas (USA, Canada, Latin America)	2017
	Werner Kretschmer	Head of Austria, Central and Eastern Europe	2017
	Vincent Mortier	Deputy Chief Investment Officer	2015
	Christian Pellis	Head of Third Party Distribution	2016
	Cinzia Tagliabue	Deputy Head of Retail Clients division, CEO Italy	2017
	Éric Vandamme	Chief Risk Officer	2013

(1) Bernard de Wit was appointed as Second Executive Director, within the meaning of Banking Regulations, replacing Bernard Carayon by decision of the Board of Directors at its meeting of 9 February 2017.

2.5 COMPENSATION POLICIES

2.5.1 General principles applicable to all Amundi employees and executive managers

Amundi's compensation policy is in line with the economic strategy and the long-term objectives, values and interests of the Company and funds under management and with those of investors, in sound and controlled risk management. Amundi's compensation policy applies to all Amundi employees and Senior Executives.

All employees are entitled to all or some of the following items of compensation, based on the responsibilities held and place of work:

- the fixed compensation rewards the missions, responsibilities and ongoing achievements as part of the position held by the employees;
- individual variable compensation measures the individual contribution to the collective performance;
- the collective variable compensation ensures employees'share in the returns of collective performance by Amundi;
- the employee benefits offer protection to employees and their families and help them prepare for retirement.

The total variable compensation is approved by the Board of Directors after review by the Compensation Committee and is determined on the basis of a percentage of the gross operating income.

The allocation of this budget within the different business lines and entities is based on the contribution of each team to the collective performance.

The individual allocation of items of variable compensation is determined on a discretionary basis and is based on management's assessment of individual performance, taking into account:

- objective, quantitative and qualitative criteria, as well as an appropriate timescale (short-to long-term), depending on the office held;
- compliance with rules, risk limits and client interest.

Since 2008, a portion of the variable compensation is deferred in accordance with the economic strategy, long-term objectives and sound risk management. The highest variable compensations are therefore deferred in part over a period of three years and are only paid if the performance conditions are met and excessive risk is not taken over the period.

The AGM held on 18 May 2017 authorised the Board of Directors to grant performance shares (existing or to be issued) to some or all of the Group's employees and Company officers. This authorisation is valid for up to 2% of the maximum share capital. In any one year, the total number of shares that can be granted under this authorisation to the Senior Executive and Company Officers cannot be greater than 10% of the performance shares granted during that year. Within the context of the Amundi-Pioneer merger, the Board of Directors of 13 December 2017 decided upon the terms, specific conditions and beneficiaries of a performance share plan. This plan pertains to the Group's main Senior Executives in France and abroad who were directly involved in the completion of the transaction between Amundi and Pioneer and the development plan. The performance shares thus awarded will be subject to a vesting period of four years (2017-2021) and will all be subject to performance conditions defined by the Board of Directors in relation to the Amundi-Pioneer combined Medium-Term Plan.

Furthermore, Amundi has not put in place any stock option plans for its employees.

Following the acquisition of Pioneer, the decision was made to align the compensation policies of the various Amundi and Pioneer entities with Amundi's compensation policy. In this regard, 2017 was a transition year during which a gradual alignment of these policies took place within the various European entities of Amundi and Pioneer.

As a result, variable compensation for the main key executives is now divided into two parts:

- the annual bonus as compensation for individual performance;
- the performance share plan (known as the LTI) aimed at motivating these executives to achieve the sales and financial objectives of Amundi's Medium-Term Plan disseminated to the market.

In addition, in order to involve the employees of the Amundi Group post-merger with Pioneer, the Board of Directors decided to use the delegation of authority granted by the AGM of 18 May 2017 and to carry out a capital increase during 2018 reserved for all Amundi employees who are members of the savings plan.

2.5.2 Governance of compensation

Amundi oversees the compensation policies and practices applicable to all Amundi entities to ensure consistent compliance with Group-wide guidelines and rigorous application of compensation policies in force (AIFM/UCITS V and CRD IV).

The Human Resources Department is responsible under the direct supervision of the Senior Management for implementing the compensation policy.

In accordance with regulatory requirements, permanent control functions play a role in the process of reviewing variable compensation, specifically for 'identified employees'. This applies primarily to the Risk Management Department and Compliance Department.

An *ad hoc* committee that meets at least twice a year and brings together the managers of business lines, the Human Resources Department and the control functions, reviews compliance of management and sales functions with risk limits and compliance procedures in place.

These items are referred to Senior Management so that the compensation policy takes these items into account when implemented.

Amundi's Compensation Committee provides an opinion on the compensation policy to enable the Board of Directors to make informed decisions. It monitors the implementation of this compensation policy for the "identified employees" referred to below. Each year, Amundi's Risk Management Committee ensures the compatibility of the compensation policy with the Company's economic and prudential situation.

The application of policies applicable under regulation CRD IV is in line with the governance of compensation implemented by Crédit Agricole S.A.

2.5.3 Compensation of Amundi's "identified employees" (AIFM/UCITS V and CRD IV)

Since asset management represented the majority of the Group's business in 2017, Amundi's policy is aligned with the regulatory framework specific to this business sector. Accordingly, for management companies, the compensation policy applicable to all of Amundi's "identified employees" is determined in accordance with the AIFM/UCITS V directives applicable to them. For some Amundi Group entities with the status of credit institutions, a limited number of employees are governed by the CRD IV regulation as described in section 2.6 of this chapter. In accordance with the compensation policy of Crédit Agricole S.A. Group, Amundi's banking scope is subject to the same compensation policies as its asset management scope (application of the most efficient regulations for the purposes of sound risk management and alignment of interests), which involve in particular:

- more stringent rules and thresholds for deferred compensation than those proposed by CRD IV;
- the indexation of deferred variable compensation to the performance of a basket of funds that are representative of the activity;
- linking the payment of the deferred bonus to the absence of risky professional behaviour.

The compensation of CRD IV "identified employees" whose professional activities have a significant impact on the risk profile of the relevant entities for the year 2017 is the subject of an "annual report on compensation policy and practices applicable to CRD IV identified employees" prepared in accordance with the applicable regulations presented in paragraph 2.6.

The policy applicable to Amundi's Chief Executive Officer is set out in paragraph 2.5.4.

2.5.3.1 SCOPE OF "IDENTIFIED EMPLOYEES" (AIFM/UCITS V AND CRD IV)

2.5.3.1.1 AIFM/UCITS V "Identified employees"

The compensation policy that applies to identified employees is aligned with Amundi's general principles and stems from a highly controlled regulatory environment that imposes rules on the structure of their compensation.

"Identified employees" include all categories of employees who have an impact on the Group's or their entity's risk profile by virtue of their function, level of authorisation or their compensation, as well as employees in the control functions in the Group or its entities.

"Identified employees" are designated by a joint decision-making process between the Amundi Group functions (Human Resources and the control departments) and its entities. This process is supervised by the Compensation Committee.

Under EU Directives AIFM 2011/61 of 8 June 2011 and UCITS V 2014/91 of 23 July 2014, "identified employees" of asset management firms, alternative investment funds and UCITS are defined as those who simultaneously:

- belong to a category of employees that has an impact on the risk profile of the Group's management companies managing AIF or UCITS, by virtue of the positions held;
- receive a high variable compensation.

2.5.3.1.2 CRD IV "Identified employees"

Amundi's "identified employees" pursuant to CRD IV are identified based on the consolidated group scope (Crédit Agricole S.A.) and the sub-consolidated scope (Amundi) under the joint responsibility of the Human Resources, Risk and Permanent Control and Compliance functions.

The following are therefore defined as "identified employees" within the Amundi Group in accordance with the qualitative and quantitative identification criteria established by CRD IV:

- the Chief Executive Officer and the Head of the Business Support and Control functions of Amundi;
- the Chief Executive Officer and the Deputy CEO of Amundi Intermédiation; and
- the Chief Executive Officer and the Deputy CEO of Amundi Finance.

2.5.3.2 COMPENSATION POLICY OF "IDENTIFIED EMPLOYEES" (AIFM/UCITS V AND CRD IV)

Amundi's compensation policy aims to ensure an adjustment of compensation to performance in the medium-to long-term and to effectively prevent conflicts of interest. Specifically, "identified employees" are subject to deferral rules applicable to variable compensation.

Variable compensation awarded to "identified employees" is deferred by a minimum of 50% of the amount awarded as of the first euro, by tranches over three years, as soon as it attains a materiality threshold agreed upon with the regulator.

"Identified employees" are also subject to bonus vesting and indexation conditions.

Each deferred compensation tranche only becomes vested based on performance conditions, the absence of risky professional behaviour and continued employment on the vesting date. The non-achievement of these conditions may lead to a decrease, or even a definitive loss of the amount to be vested.

The deferred portion of the bonus is indexed to a basket of funds that are representative of the activity of the Group or of its entities. The concerned employees are not authorised to use personal hedging strategies intended to counteract the effects of this indexation on the risk that is part of the management of deferred variable compensation.

In addition, when these individuals receive performance shares, specific conditions for the vesting of the rights associated with performance share plans are set:

- the shares allocated by the Board of Directors during its meetings of 11 February 2016 and 9 February 2017 are subject to conditions for the acquisition of rights that are similar to those for deferred bonuses (*i.e.* continued employment condition over three years, performance conditions, absence of risky professional behaviour and presence on the vesting date) in compliance with the authorisations granted to the Board of Directors by Amundi's AGM of 30 September 2015;
- the shares allocated by the Board of Directors during its meeting of 13 December 2017 are subject to similar conditions ((*i.e.* performance conditions, absence of risky professional behaviour and presence on the vesting date, except for the continued employment condition, which is four years), with the performance conditions being tied to the achievement of the objectives of the combined Amundi-Pioneer Medium-Term Plan and in compliance with the authorisation given to the Board of Directors by Amundi's AGM of 18 May 2017.

Payment of guaranteed variable compensation is strictly limited to hiring situations and has a duration of no more than one year. Guaranteed variable compensation is paid subject to the applicable deferred compensation plan.

The deferred payment rules specifically applicable to the Amundi Chief Executive Officer are detailed in Chapter 2.5.4.3.2.

2.5.4 Compensation of Senior Executives and Company Officers

2.5.4.1 COMPENSATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors of Amundi receives no compensation other than directors' fees. Any decision to waive payment of such directors' fees is at his/her sole discretion. In order to ensure that the Chairman of the Board of Directors is independent when carrying out his duties, he is not eligible for any variable compensation.

Mr Xavier Musca waived his right to receive directors' fees for all Board meetings after 20 May 2015. With the exception of directors' fees, which he has waived, no other form of compensation or benefit was paid to the Chairman of the Board of Directors by Amundi. Accordingly, assuming there is no change of Chairman of the Board of Directors during 2018, the 2019 AGM will not hold an ex-post vote pursuant to Article L. 225-100 of the French Commercial Code, given that there is no compensation.

Information on compensation paid by Crédit Agricole S.A. to Mr Xavier Musca as Deputy CEO of Crédit Agricole S.A. will be published in Crédit Agricole S.A.'s 2017 Registration Document for the year ended 31 December 2017, given that Crédit Agricole S.A. shares are listed on the Euronext Paris regulated market.

2.5.4.2 GENERAL PRINCIPLES OF COMPENSATION POLICY APPLICABLE TO THE CHIEF EXECUTIVE OFFICER

Compensation policy for the Amundi CEO is set by the Board of Directors on recommendation of the Compensation Committee and proposal by Crédit Agricole S.A.

Policy implementation is the subject of detailed proposals reviewed by the Compensation Committee and subsequently validated by the Board of Directors. The validation process considers both compensation for the past year and the parameters and criteria applying to next year's compensation. It relies on analyses performed to compare the Chief Executive Officer's compensation to that of executives of comparable companies in the business sector.

This policy and the details of its implementation will, as from the 2017 financial year, be put to the vote at the AGM of the Company pursuant to Article L. 225-37-2 of the French Commercial Code and AFEP-MEDEF Code recommendations.

The compensation applicable to Amundi's Chief Executive Officer is compliant with:

- the AFEP-MEDEF Code of Corporate Governance for Listed Companies ("AFEP-MEDEF Code"), as revised in November 2016, and all the guidelines contained therein;
- the regulatory framework set by the French Monetary and Financial Code and the Decree of 3 November 2014 on internal control of credit institutions and investment firms relating to the compensation of identified employees, which includes Amundi's Chief Executive Officer.

Contract of employment

Mr Yves Perrier, CEO of the Company, has a contract of employment with Crédit Agricole S.A. and receives no direct compensation from the Company for his work as CEO. This contract is maintained insofar as Mr Yves Perrier holds other positions within the Crédit Agricole S.A. Group. He is a member of the Executive Committee and Deputy Chief Executive Officer in charge of the Savings, Insurance and Real Estate Division of the Crédit Agricole S.A. Group [1].

Since 80% of the compensation and benefits that Crédit Agricole S.A. pays to Mr Yves Perrier under his employment contract is re-billed to Amundi on an annual basis, with the remaining 20% charged to Crédit Agricole S.A., this section describes Yves Perrier's compensation under his employment contract. The information presented below therefore represents 100% of Mr Perrier's compensation.

2.5.4.3 COMPENSATION AND BENEFITS IN KIND OF THE SENIOR EXECUTIVE AND COMPANY OFFICER, MR YVES PERRIER IN RESPECT OF 2017

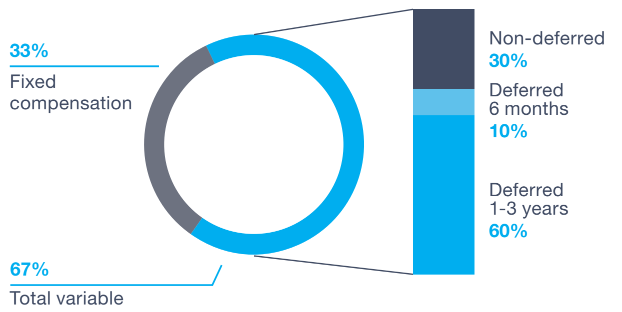
2.5.4.3.1 Fixed compensation 2017

Mr Yves Perrier received gross fixed annual compensation in respect of 2017 under his employment contract with Crédit Agricole S.A. of €860,000. Mr Yves Perrier's fixed compensation was raised from €800,000 to €860,000 on 1 January 2017.

Mr Perrier receives no specific variable compensation paid by the Company in respect of his position as Chief Executive Officer.

2.5.4.3.2 Variable compensation 2017

(i) Terms and conditions for determining the variable compensation



Variable compensation is expressed as a percentage of annual fixed compensation. In accordance with the AFEP-MEDEF Code, variable compensation is capped and may not exceed the maximum levels defined by the compensation policy. Furthermore, pursuant to Article L. 511-78 of the French Monetary and Financial Code, as modified in connection with the transposition of the CRD IV Directive, this variable compensation may not exceed 200% of annual fixed compensation, even if the objectives are exceeded.

(1) Recommendation 21-3 of the AFEP-MEDEF Code regarding the termination of the employment contract of a Company Officer does not apply to "employees of a group of companies who act as Senior Executives and Company Officers in a listed or unlisted subsidiary of the Group." Mr Yves Perrier's contractual position therefore complies with the Code.

The CEO's performance is measured by reference to the results achieved in each of the set objectives, taking account of the market environment and context in which they were achieved.

For financial year 2017, the Board of Directors, on the recommendation the Compensation Committee, noted that all economic objectives had been significantly exceeded, particularly those relating to Amundi both in terms of business activity and income. Similarly, the Board noted that the Pioneer acquisition had been completed according to the planned terms and conditions and deadlines and that the consolidation process was moving along quickly and efficiently. The overall level of achievement was 125%; 125.3% for the economic criteria and 124.7% for the other criteria. Although the objectives were exceeded, the application of the CRD IV regulations resulted in a limitation of the variable compensation to twice the fixed compensation, *i.e.* variable compensation of €1,720,000.

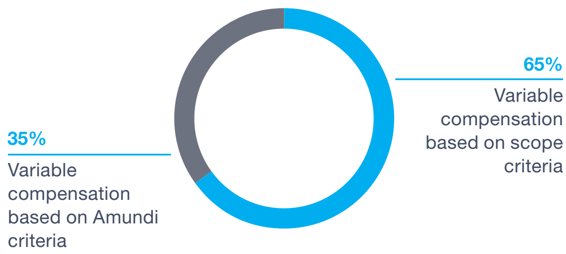
It should also be noted that the Chief Executive Officer does not benefit from the performance share plan established for executive managers of Amundi.

In addition, the Board of Directors, on the recommendation of the Compensation Committee, noted that the overall compensation of the Chief Executive Officer was significantly lower than that of the executives of comparable companies in the sector. In total, overall compensation paid to the Chief Executive Officer for 2017 totalled €2,585,295, *i.e.* an increase of 7.5% compared to 2016 compensation. This change should be compared to the 19.9% increase in net income and 14.1% increase in adjusted combined net income.

Payment of such items of variable compensation is conditional on their being approved at the AGM called to approve the financial statements for the year ended 31 December 2017.

The detailed objectives for 2017 were based on the following criteria:

BREAKDOWN OF THE CRITERIA CONSIDERED IN DETERMINING THE VARIABLE COMPENSATION OF MR YVES PERRIER



65% OF VARIABLE COMPENSATION BASED ON CRITERIA WITHIN THE AMUNDI SCOPE

- Economic criteria (35% of the total, 8.75% for each criterion): Net banking income ("NBI") [1], Cost-income ratio, Amundi's Net income Group share and Total net inflows.
- Other criteria (30% of the total): managerial criteria relating to Amundi, particularly the management of the integration of Pioneer.

35% OF VARIABLE COMPENSATION BASED ON CRITERIA WITHIN THE CRÉDIT AGRICOLE S.A. SCOPE

- Economic criteria relating to the Crédit Agricole S.A. scope (15% of the total, 3.75% for each criterion): NBI, Net income Group share, Cost-income ratio and ROTE [2].
- Other criteria for other entities within the Crédit Agricole S.A. scope (20% of the total): Business and net income indicators for the Insurance (15% for this criterion) and Real Estate business lines (5% for this criterion).

(ii) Terms and conditions for deferral and indexation of the annual variable compensation

Pursuant to the compensation policy, a portion of annual variable compensation is deferred.

Mr Yves Perrier will retain his right to receive unvested tranches of his deferred compensation if he leaves the Company except in the event of resignation or dismissal for gross or serious misconduct. Benefits will however be paid if departure is due to retirement, disability, death or exceptional circumstances attested by the Board of Directors. In these cases, unvested tranches of deferred variable compensation will be paid on their normal expiry date pro rata their degree of accomplishment.

DEFERRED PORTION OF ANNUAL VARIABLE COMPENSATION, ACCOUNTING FOR 60% OF THE TOTAL

60% of variable annual compensation is deferred in thirds over three years and is conditional upon achievement of Amundi's performance objectives and the beneficiary's continued presence at the Company.

Payment of the deferred compensation in respect of 2017 will depend 85% on Amundi Group indicators (net income Group share) and 15% on various Crédit Agricole S.A. Group ratios (growth in results of operations, relative performance of the Crédit Agricole S.A. share against a composite index of European banking stocks, and societal performance as measured by FReD index). This portion of variable compensation will also be 85% indexed to the Amundi share price and 15% to the Crédit Agricole S.A. share.

NON-DEFERRED PORTION OF TOTAL VARIABLE COMPENSATION, 40% OF THE TOTAL

The non-deferred portion of total variable compensation will be paid, assuming the 2018 AGM approves the payment of the items of variable compensation, in the following manner: 30% of the total at the end of the shareholders'meeting and 10% of the total in September 2018 (variable compensation deferred by six months). 85% of the final portion is indexed to the Amundi share price and 15% to the Crédit Agricole S.A. share.

2.5.4.3.3 Allocation of stock options and performance shares

No stock options or performance shares were awarded to the Chief Executive Officer in respect of 2017.

2.5.4.3.4 Post-employment benefits

Mr Perrier has an employment contract with Crédit Agricole S.A. for the reasons explained in section 2.5.4.2. Post-employment benefits under this contract are set out in the table below.

(1) The "NBI" or net banking income is the same as the "net revenues".
(2) Return on Tangible Equity.

Table 11 AMF Classification – Employment contracts, retirement benefits and benefits linked to terminating office for Senior Executive Company Officers

Senior Executive and Company Officers	Employment contract		Supplementary pension plan		Severance or other benefits due or likely to become due as a result of termination or change of office		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Yves Perrier Chief Executive Officer Start of current term of office: 15 September 2015 End of term of office: indefinite	X		X		X			X

(i) Supplementary Pension Plan

By virtue of his position in Crédit Agricole S.A., described above, Mr Perrier is covered by supplementary pension plans for Senior Management of Crédit Agricole S.A., which supplements the basic and mandatory additional retirement and pension plans.

These schemes combine a defined-contributions plan (Article 83 of the French General Tax Code) and a top-up type defined-benefits plan (Article 39 of the French General Tax Code). Top-up scheme rights are determined after deduction of the annuity constituted within the defined-contributions plan.

Upon liquidation, Mr Perrier's total retirement income is capped, taking into account all company and mandatory basic and supplementary retirement plans, at 16 times the annual Social Security maximum as of that date, and at 70% of reference compensation (1).

Total gross annual entitlements under the defined-benefits plan were estimated at €242,000 at 31 December 2017, or 19% of the reference compensation defined below or 9% of the compensation due in respect of 2017 (fixed and variable). Both ratios are below the 45% ceiling recommended in the AFEP-MEDEF Code (fixed and variable compensation due in respect of the reference period). These plans are entirely managed by Crédit Agricole S.A. and are not re-invoiced to Amundi.

DEFINED-CONTRIBUTION RETIREMENT PLAN

To contribute to the defined-contribution retirement plan, there is a condition of one year of service. The beneficiary may contribute to a supplementary retirement plan if he/she can demonstrate that his/her retirement pension rights with the mandatory pension scheme have been liquidated.

Mr Yves Perrier is a beneficiary of vested pension rights under this scheme, the amount of which is based directly on the accrued savings converted into an annuity on the liquidation date. Contributions to this scheme, calculated on the basis of the gross salary, are capped at eight times the annual social security cap, and amount to 5%, paid by Crédit Agricole S.A., and 3%, by Mr Yves Perrier. They include contributions to the supplementary pension scheme of agricultural organisations resulting from the agreement of 31 January 1996 (the so-called "1.24% plan").

The estimated amount of the annuity at the end of financial year 2017, calculated in accordance with the provisions of Article D. 225-104-1 of the French Commercial Code, is €7,000 gross.

This estimated amount is the gross amount before taxes and social charges applicable at the closing date, particularly income tax payable by individuals.

Crédit Agricole S.A. contributions to the pension plan are exempt from social security contributions and charges, within the limits set in Article L. 242-1 of the French Social Security Code, and may be deducted from Crédit Agricole S.A.'s taxable income.

DEFINED-BENEFIT RETIREMENT PLAN

The defined-benefit retirement plan consists of uncertain entitlements subject, in principle, to a condition of continued employment within the Company at retirement.

The retirement pension benefit under the defined-benefit retirement plan is reserved for participants who:

- have at least five years of service within the Group;
- have reached or passed the age of retirement on the date of liquidation of the pension rights or who are 60 years old and can demonstrate that they are entitled to liquidate their full retirement pension with the general social security scheme;
- are eligible for the plan the day before they liquidate their pension rights;
- have liquidated all of their basic and supplementary individual retirement pensions with all mandatory pension plans in and outside France and from international organisations under which they have entitlements (excluding any rights under the Agirc category C plan).

The agreement provides special regulations benefiting participants who have a disability, within the meaning of permanent work-related incapacity defined by the social security system, and who are made redundant.

The pension rate is equal to 0.3% of the reference compensation (1) for each confirmed quarter up a maximum of 120 quarters, equivalent to annual increments of 1.2% maximum. This increase is in line with Article L. 225-42-1 of the French Commercial Code, which caps annual growth of conditional entitlements at 3%.

In accordance with Article L. 225-42-1 of the French Commercial Code, annual vesting of rights is subject to the Amundi Group achieving, during the year in question, at least 50% of the Group's budgeted objective for consolidated net income Group share, it being specified that this condition is nevertheless deemed satisfied if the Amundi Group does not achieve this objective as a result of an adverse market environment that affects Amundi's competitors in a similar manner.

Amundi's Board of Directors noted during the meeting of 8 February 2018, that this performance condition relating to rights in respect of the 2017 financial year was achieved.

The entitlements built up within the Group prior to the effective date of the current regulations are maintained and, where appropriate, are included with the entitlements resulting from the implementation of the regulations in force, notably for the calculation of the ceiling for the annuity paid.

(1) The benchmark compensation is determined as the average of the three highest gross annual compensations received over the last 10 years of activity within a Crédit Agricole Group entity, including fixed compensation and variable compensation, the latter being taken into account up to a maximum of 60% of the fixed compensation, in addition to the family employee and single employee supplements.

The estimated amount of the annuity at the end of financial year 2017, calculated in accordance with the provisions of Article D. 225-104-1 of the French Commercial Code, is €242,000 gross, including €128,000 from the capital frozen at 31 December 2009 under the previous closed scheme, and €114,000 from extra entitlements under the new scheme from 1 January 2010.

This represents 19% of the reference compensation (as defined above) or 9% of the compensation due (fixed and variable) in respect of 2017, both ratios being below the ceiling of 45% (of fixed and variable compensation over the reference period) set by the AFEP-MEDEF Code.

This estimated amount is gross of taxes and social charges applicable at the closing date, notably personal income tax and social contributions of between 7% and 14% (depending on the size of the annuity) payable by the beneficiary.

Management of the defined-benefit retirement plan is outsourced to an organisation governed by the French Insurance Code. Funding of the outsourced assets is accomplished via annual premiums entirely paid for by Crédit Agricole S.A. and subject to the 24% contribution required by Article L. 137-11 of the French Social Security Code, in return for exemption from social security contributions and charges provided for in the same article. These premiums do not generate any fiscal charges for Crédit Agricole S.A.

Uncertain entitlements in the supplementary defined-benefit plan are conditional on the beneficiary still being employed by the Company on maturity and were estimated pro rata to his eight years of seniority at the closing date, which corresponds to 9.0% of the reference compensation at 31 December 2017, a 1.2% increase in uncertain entitlements since 2016.

This increase is in line with Article L. 225-42-1 of the French Commercial Code, which caps annual growth of conditional entitlements at 3%.

(ii) Severance or other benefits due or likely to become due as a result of termination or change of office

SEVERANCE PAY

Mr Yves Perrier is not entitled to any termination compensation under the employment contract, in the event of termination of his office with Amundi.

If Mr Yves Perrier were to receive termination compensation, it would be as a result of the termination of his employment contract with Crédit Agricole S.A. and the end of his office with Crédit Agricole S.A., set out above. This compensation would be paid in its entirety by Crédit Agricole S.A. and no part would be re-invoiced to Amundi.

In the event that his employment contract is terminated, Mr Yves Perrier will receive a contractual compensation of an amount equal to twice the amount of his fixed and variable compensation over the 12 months preceding termination of his employment contract, a portion of which is calculated in accordance with the terms of the Crédit Agricole S.A. collective bargaining agreement.

COMPENSATION UNDER A NON-COMPLETE CLAUSE

None.

2.5.4.3.5 Other benefits

Mr Yves Perrier has a Company car provided by the Company corresponding to the line “Benefits in kind” in table 2 hereafter.

2.5.4.4 STANDARDISED SUMMARY TABLES CONFORMING TO AMF RECOMMENDATIONS

Compensation and benefits paid to Xavier Musca, Chairman of the Board of Directors

Mr Xavier Musca waived his right to claim directors'fees for 2017. The Company paid him no other form of compensation or benefits in respect of his office as Chairman of the Board of Directors, which he has held since 28 April 2016. Information on compensation and benefits paid by Crédit Agricole S.A. to Mr Xavier Musca in respect of his position as CEO of Crédit Agricole S.A. is given in the Crédit Agricole S.A. Registration Document.

Compensation and benefits paid to Yves Perrier, Chief Executive Officer (1)

Table 1 – Summary table of compensation and options and shares granted to each Senior Executive Company Officer

Yves Perrier, Chief Executive Officer	2016	2017
Compensation due for the year (detailed in table 2)	2,405,295	2,585,295
Valuation of stock options awarded during the year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	**2,405,295**	**2,585,295**

(1) Compensation and benefits paid by Crédit Agricole S.A. to Mr Yves Perrier under his employment contract are 80% re-invoiced to Amundi each year, the remaining 20% being paid by Crédit Agricole S.A.. The information presented corresponds to 100% of Mr Perrier's compensation.

Table 2 – Table of compensation of each Senior Executive Company Officer

The following table provides a breakdown of the fixed, variable and other compensation paid to Mr Yves Perrier during the years 2016 and 2017.

Yves Perrier Chief Executive Officer	2016		2017	
	Amounts due (2)	Amounts paid (3)	Amounts due (2)	Amounts paid (3)
Fixed compensation (1)	800,000	800,000	860,000	860,000
Variable compensation (1)	1,600,000	1,260,536(5)	1,720,000	1,871,500
Non-deferred variable compensation	480,000	420,000	516,000	480,000
Variable compensation paid with a delay of six months	160,000	152,530	172,000	193,440
Deferred variable compensation, indexed and conditional	960,000	688,006	1,032,000	1,198,060
Exceptional compensation	0	0	0	0
Directors'fees (4)	0	10,000	0	0
Benefits in kind	5,295	5,295	5,295	5,295
TOTAL	2,405,295	2,075,831	2,585,295	2,736,795

Compensation and benefits paid by Crédit Agricole S.A. to Mr. Yves Perrier under his employment contract are 80% re-invoiced to Amundi each year, the remaining 20% being paid by Crédit Agricole S.A.. The information presented corresponds to 100% of Mr Perrier's compensation.

(1) Gross compensation before tax.

(2) Compensation due in respect of positions held during relevant year, regardless of payment date.

(3) Compensation paid in respect of positions held during year.

(4) Mr Perrier waived his right to receive directors'fees for 2016 and 2017.

(5) Of the variable compensation paid in 2016, €572,530 corresponded to non-deferred compensation in respect of 2015 (part-indexed to the Crédit Agricole S.A. share) and €688,006 to variable compensation in respect of previous years (2012, 2013 and 2014). These latter payments were deferred and indexed to the Crédit Agricole S.A. share in accordance with applicable regulations (see Table 2A for details).

Table 2bis – Summary table of deferred variable compensation paid to each Senior Executive Company Officer

Yves Perrier Chief Executive Officer	2016 In cash	2017 In cash
Deferred variable compensation awarded in 2013	289,800	
Deferred variable compensation awarded in 2014	219,006	396,000(1)
Deferred variable compensation awarded in 2015	179,200	327,600(2)
Deferred variable compensation awarded in 2016	-	474,460(3)

(1) Allocation in respect of 2013 of a €300,000 tranche of deferred variable compensation conditional on and indexed to the Crédit Agricole S.A. share.

(2) Allocation in respect of 2014 of a €280,000 tranche of deferred variable compensation conditional on and indexed to the Crédit Agricole S.A. share.

(3) Allocation in respect of 2015 of a €280,000 tranche of deferred variable compensation conditional on and indexed to the Crédit Agricole S.A. and Amundi shares.

2.5.5 Items of compensation due or awarded to each Senior Executive and Company Officer of Amundi in respect of 2017 and submitted to the annual general shareholders'meeting for approval

In accordance with Article L. 225-100, II of the French Commercial Code, the AGM must vote on the fixed, variable and exceptional components constituting the total compensation and benefits in kind paid or awarded in respect of 2017 to each Senior Executive and Company Officer of Amundi.

It is specified that the Chairman of the Board of Directors receives only the directors'fees due to him for his role as the Chairman of the Board of Directors. The Company does not pay him any other form of compensation or benefits. Mr Xavier Musca waived the payment of directors'fees for 2017 and, assuming there is no change of Chairman of the Board of Directors during 2018, the 2019 AGM will not hold an ex-post vote pursuant to Article L. 225-100 of the French Commercial Code.

Consequently, the AGM is asked to approve the following items of the compensation due or awarded to Mr Yves Perrier, Chief Executive Officer, for the year ended 31 December 2017.

Table – Items of compensation due or awarded in respect of the year ended 31 December 2017 to Mr Yves Perrier, Chief Executive Officer, subject to the approval of shareholders

Items of compensation due or awarded in respect of the year ended	Amount or accounting valuation to be voted on by shareholders	Overview
Fixed compensation [1]	860,000 €	Mr Yves Perrier's fixed compensation was raised from €800,000 to €860,000 in 2017. This increase was granted to Mr Perrier due to the substantial change in the scope of his responsibilities, particularly for the major Pioneer acquisition.
Variable compensation	1,720,000 €	During the meeting of 8 February 2018, the Board of Directors, on the recommendation of the Compensation Committee, noted that all economic objectives for 2017 had been significantly exceeded and, on this basis, set the Chief Executive Officer's variable compensation. The overall rate of attainment was 125%; 125.3% on the economic criteria and 124.7% on the other criteria. The rate of achievement of the economic targets is broken down as follows: ▪ 128.7% for the Amundi criteria; ▪ 117.3% for the Crédit Agricole S.A. criteria. Despite the objectives having been exceeded, in application of the CRD IV regulations, the Board limited the variable compensation to twice the fixed compensation, i.e. an amount of €1,720,000. Payment of such items of variable compensation is conditional on their being approved at the annual general shareholders'meeting called to approve the financial statements for the year ending 31 December 2017.
Of which non-deferred variable compensation[1]	516,000 €	30% of total variable compensation, i.e. €516,000, will be paid at the end of the 2018 AGM subject to the approval of said meeting.
Of which variable compensation paid with a delay of six months[1]	172,000 € (amount granted)	10% of the total variable compensation is indexed at 85% to the Amundi share price and at 15% to the Crédit Agricole S.A. share price.
Of which deferred variable compensation, indexed and conditional[1]	1,032,000 € (amount granted)	The deferred portion of the variable compensation amounted to €1,032,000 at the grant date, representing 60% of the total variable compensation awarded in 2018 in respect of 2017. This compensation is deferred in thirds over three years and is conditional upon being present on the payment date and upon the achievement of performance objectives: ▪ 85% on aggregates relating to the Amundi Group; ▪ 15% on aggregates relating to the Crédit Agricole S.A. Group. This portion of variable compensation will also be 85% indexed to the Amundi share price and 15% to the Crédit Agricole S.A. share.
Exceptional compensation	0 €	No exceptional compensation.
Stock options, performance shares or any other long-term compensation	Options: None Equities: None	Mr Yves Perrier was not awarded any stock options in respect of 2017. Mr Yves Perrier was not awarded any performance shares in respect of 2017.
Severance payment: Termination payment	No compensation paid in respect of 2017	None: Mr Yves Perrier is not entitled to any termination compensation in the event of termination of his office within Amundi. If Mr Yves Perrier were to receive severance pay, it would be on the basis of the termination of his employment contract with Crédit Agricole S.A. and the end of his functions within Crédit Agricole S.A. This compensation would be paid in its entirety by Crédit Agricole S.A. and no part would be re-invoiced to Amundi. In the event that his employment contract is terminated, Mr Yves Perrier will receive contractual compensation of an amount equal to twice his fixed and variable compensation over the 12 months preceding termination of his employment contract, calculated in accordance with the terms of the Crédit Agricole S.A. collective bargaining agreement. This payment will be the sole responsibility of Crédit Agricole S.A. and no part would be re-invoiced to Amundi.
Non-compete compensation	None	There is no non-compete clause.

(1) Compensation corresponds to 100% of compensation granted and paid by Crédit Agricole S.A. 80% of this is re-invoiced to the Company (see section 2.5.4.2).

Items of compensation due or awarded in respect of the year ended	Amount or accounting valuation to be voted on by shareholders	Overview
Supplementary pension plan	No payment in respect of 2017. Acquisition of conditional rights of 1.2% of the benchmark compensation for 2017	For his position with Crédit Agricole S.A., Mr Yves Perrier is covered by a supplementary pension scheme for executive managers of the Crédit Agricole Group, which supplements the collective and mandatory pension and death and disability schemes. These plans are entirely managed by Crédit Agricole S.A. and are not re-invoiced to Amundi. For the defined-benefit retirement plan, and in accordance with Article L. 225-42-1 of the French Commercial Code, annual acquisition of uncertain entitlements is subject to the Amundi Group achieving, during the year in question, at least 50% of the Group's budgeted objective Amundi's Board of Directors noted during the meeting of 8 February 2018, that this performance condition had been achieved. On account of this, Mr Yves Perrier benefits, for 2017, from an increase in conditional supplementary defined-benefit pension rights, of 1.20% of his final benchmark compensation, and this, capped in accordance with the supplementary pension regulation for executive managers of the Crédit Agricole S.A. Group.
Directors'fees	0 €	Yves Perrier waived his right to receive directors'fees as from 15 September 2015. No directors'fees were therefore awarded to him in 2017.
Valuation of benefits in kind	5,295 €	Yves Perrier has a Company car provided by Amundi

(1) Compensation corresponds to 100% of compensation granted and paid by Crédit Agricole S.A. 80% of this is re-invoiced to the Company (see section 2.5.4.2).

2.5.6 Directors' compensation

2.5.6.1 GENERAL PRINCIPLES OF THE POLICY

The terms and conditions for the distribution of the total amount of directors'fees are determined by the Board of Directors on the recommendation of and after examination by the Compensation Committee.

The total amount of directors'fees was set at €700,000 at the annual general shareholders'meeting of 30 September 2015 until further decision of the AGM.

Directors'fees are paid in year N+1 in respect of year N. The directors'fees listed below are therefore those paid in 2017 in respect of 2016.

They were awarded by the Board of Directors of February 2017 on the basis of the opinion of the Compensation Committee, through the application of the following distribution rule:

- €3,000 per director per Board meeting attendance;
- a supplementary lump-sum of €20,000 is allocated to the Chairman of the Board;
- €2,000 per director per committee meeting attendance, up to an annual maximum of €15,000 per committee;
- an annual lump-sum of €12,000 is allocated to the Chairman of the Audit Committee (no supplementary fees for each committee meeting);
- an annual lump-sum of €12,000 is allocated to the Chairman of the Risk Management Committee (no supplementary fees for each committee meeting).

Non-voting Members will receive the same amount as the directors, deducted from the total amount of the directors'fees.

Mr Xavier Musca waived his right to receive directors'fees as from 20 May 2015. The directors'fees shown as paid below take account of this decision.

Mr Yves Perrier waived his right to receive directors'fees as from 15 September 2015. The directors'fees shown as paid below take account of this decision.

Ms Renée Talamona waived her right to receive directors'fees as from the date of her appointment on 12 November 2015.

2.5.6.2 DIRECTORS'FEES AND OTHER COMPENSATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS IN 2016 AND 2017

The table below summarises the list of beneficiaries and the amount of directors' fees paid to them in 2016, in respect of 2015, and paid in 2017, in respect of 2016.

Table 3 – Directors' fees and other compensation received

Members of the Board of Directors	Gross amount paid during 2016 *(in €)* (1)	Gross amount paid during 2017 *(in €)* (1)
Jean-Paul Chifflet †		
Directors'fees	39,500	12,667
Other compensation	None	None
Yves Perrier (4)		
Directors'fees	10,000	None
Other compensation	None	None
Raphaël Appert (2)		
Directors'fees	12,500	-
Other compensation	None	-
Philippe Aymerich (2)		
Directors'fees	12,500	-
Other compensation	None	-
Séverin Cabannes (2)		
Directors'fees	26,000	-
Other compensation	None	-
Virginie Cayatte		
Directors'fees	3,000	32,000
Other compensation	None	None
Laurence Danon-Arnaud		
Directors'fees	3,000	28,000
Other compensation	None	None
Jean-Michel Forest (3)		
Directors'fees	13,000	37,000
Other compensation	None	None
Rémi Garuz		
Directors'fees	15,500	21,000
Other compensation	None	None
Laurent Goutard		
Directors'fees	13,000	15,000
Other compensation	None	None
Luc Jeanneau (2)		
Directors'fees	20,500	-
Other compensation	None	-
William Kadouch-Chassaing (2)		
Directors'fees	20,500	-
Other compensation	None	-
Jean-François Mazaud (2)		
Directors'fees	12,500	-
Other compensation	None	-
Robert Leblanc		
Directors'fees	3,000	35,000
Other compensation	None	None
Michel Mathieu (4)(5)		
Directors'fees	-	None
Other compensation	-	None
Hélène Molinari		
Directors'fees	3,000	25,000
Other compensation	None	None
Xavier Musca (4)		
Directors'fees	4,500	None
Other compensation	None	None
Yves Nanquette (2)		
Directors'fees	12,500	-

Members of the Board of Directors	Gross amount paid during 2016 *(in €)* (1)	Gross amount paid during 2017 *(in €)* (1)
Other compensation	None	-
Christian Rouchon		
Directors'fees	23,500	45,000
Other compensation	None	None
Andrée Samat		
Directors'fees	3,000	21,000
Other compensation	None	None
Renée Talamona (4)		
Directors'fees	None	None
Other compensation	None	None
Christian Valette (2)		
Directors'fees	12,500	-
Other compensation	None	-
Eric Tazé-Bernard (4)		
Directors'fees	-	None
Other compensation	-	None
François Veverka		
Directors'fees	23,500	30,000
Other compensation	None	None
TOTAL	**287,000**	**301,667**

(1) On a gross basis (before taxes and social charges).

(2) All the Board Directors resigned at the meeting on 15 September 2015, with effect from the date of the first listing of the Company's shares on Euronext Paris ("the stock market listing date"). The new members of the Board were elected by the AGM of 30 September 2015, post-IPO, with effect from the stock market listing date, 12 November 2015. Among the members elected at the AGM on September 2015, Mr Chifflet, Mr Garuz, Mr Goutard, Mr Perrier and Mr Rouchon were re-elected.

(3) Jean-Michel Forest was a director of Amundi from 28 April 2015. He resigned his position as a director at the same time as the other members of the Board of Directors during the Board meeting of 15 September 2015 effective on the date of the stock market listing, i.e. 12 November 2015. The Board of Directors appointed him as a non-voting Member effective on the date of the stock market listing, i.e. 12 November 2015.

(4) Xavier Musca waived his right to receive directors'fees as from 20 May 2015, Yves Perrier waived his right to receive directors'fees as from 15 September 2015, Michel Mathieu, Eric Tazé-Bernard and Renée Talamona waived their right to receive directors'fees as from their appointment.

(5) In accordance with Article L. 225-102-1 of the French Commercial Code, the amount of the compensation and benefits in kind paid by Crédit Agricole S.A. to Michel Mathieu is provided in the 2017 Registration Document of LCL.

2.6 ANNUAL REPORT ON COMPENSATION POLICY AND PRACTICES APPLICABLE TO CRD IV IDENTIFIED EMPLOYEES

Annual report on policy and compensation practices applicable to the individuals identified in Article L. 511-71 of the French Monetary and Financial Code and, where applicable, in application of European Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014

This report was prepared for the 2017 financial year in accordance with Article 450 of Regulation (EU) No. 575/2013 of 26 June 2013.

As their principal business is asset management, the asset management companies that make up most of the Amundi Group are subject to Directive 2011/61/EU ("AIFM") and Directive 2014/91/EU of 23 July 2014 on UCITS ("UCITS V"), in accordance with the European Securities and Markets Authorities guidance ESMA/2016/411.

Exclusively on its banking scope, Amundi is also subject to Directive 2013/36/EU, as implemented in France particularly through the Decree of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector subject to the oversight of the French Prudential Supervision and Resolution Authority (ACPR) (CRD IV).

In accordance with the compensation policy of Crédit Agricole S.A. Group, Amundi's banking scope is subject to the same compensation policies as its asset management scope (application of the most efficient regulations for the purposes of sound risk management and alignment of interests), which involve in particular:

- more stringent rules and thresholds for deferred compensation than those proposed by CRD IV;
- the indexation of deferred variable compensation to the performance of a basket of funds that are representative of the activity;
- linking the payment of the deferred bonus to the absence of risky professional behaviour.

The quantitative information contained in this report only applies to the "identified employees" described in Article L. 511-71 of the French Monetary and Financial Code within Amundi's banking scope, *i.e.*, six individuals including Amundi's Chief Executive Officer.

Only the compensation of Amundi's Chief Executive Officer is subject to the Crédit Agricole S.A. compensation policy applicable to credit institutions and investment companies for his functions within the Crédit Agricole S.A. Group (Member of the Executive Committee and Deputy CEO in charge of the Savings, Insurance and Real Estate Division of the Crédit Agricole S.A. Group). These arrangements are detailed in Section 2.5.4. of the Registration Document.

AMUNDI GROUP GOVERNANCE REGARDING COMPENSATION POLICY

Governance of compensation

The applicable governance for compensation is described in Section 2.5.2 of the Registration Document.

In addition, in compliance with regulatory requirements, the Group's Human Resources Department works with the control functions (Risk Management and permanent Control, and Compliance) in the formulation of the compensation policies and the review of the Group's variable compensation, as well as the definition of the identified employees.

Composition and role of the Compensation Committee

The composition and role of the Compensation Committee with regard to compensation policy are presented in Section 2.4.1.4.4 of the Registration Document.

COMPENSATION POLICY OF "IDENTIFIED EMPLOYEES"

General principles of the compensation policy

The general principles of the compensation policy are described in Section 2.5.1. of the Registration Document.

The policy applicable to CRD IV "identified employees" is identical to the one applied to AIFM/UCITS V "identified employees", whose main features are detailed below.

Amundi's compensation policy is in line with the economic strategy and the long-term objectives, values and interests of the Company and funds under management and with those of investors, in sound and controlled risk management.

It should be noted that employee compensation consists of the following components:

- the fixed compensation rewards the missions, responsibilities and ongoing achievements as part of the position held by the employees;
- the annual bonus as compensation for individual performance;
- performance shares (LTI) aimed at motivating the executives to achieve the sales and financial objectives of Amundi's Medium-Term Plan, disseminated to the market;
- the employee benefits offer protection to employees and their families and help them prepare for retirement.

Individual variable compensation is awarded on a discretionary basis and is based on management's evaluation of performance:

- based on objective, quantitative and qualitative criteria;
- involving, depending on the position held, a short- or long-term timescale;
- and taking into account compliance with risk limits and client interest.

The criteria used in evaluating performance and awarding variable compensation depend on the type of functions performed:

Portfolio management and selection functions

Common financial criteria:

- gross and net performance of managed funds over one and three years;
- information ratio and Sharpe ratio over one, three and five years;
- performance fees generated during the financial year if applicable;
- contribution to net inflows received during the financial year.

Common non-financial criteria:

- compliance with internal rules for risk prevention and management (Risk Management/Compliance);
- product innovation;
- exchange, sharing of best practices and collaboration;
- contribution to sales effort;
- management quality.

Sales functions

Common financial criteria:

- net inflows;
- profitability;
- market share.

Common non-financial criteria:

- compliance with internal rules for risk prevention and management (Risk Management/Compliance);
- proper consideration of clients' interests;
- client satisfaction and quality of the business relationship;
- management quality.

Support and control functions

For control functions, the evaluation of performance and the awarding of variable compensation are independent from the performance of the business sectors they control.

The following criteria are generally taken into account:

- primarily criteria associated with achieving their objectives (risk management, control quality, completion of projects, improvements in tools and systems, etc.);
- when financial criteria are used, they mostly involve the management and optimisation of expenses.

From a broader perspective, the aforementioned performance criteria, and particularly those applied to "Identified Employees" in investment management, comply with the regulations applicable to managed funds as well as the investment policy of the manager's investment committee.

The allocation of variable compensation is subject to deferred payment procedures specified below.

Finally, Amundi's compensation policy is consistent with sound and controlled risk management. Accordingly, Amundi's variable compensation system preserves its sound financial condition:

- by establishing the overall variable compensation amount according to the Group's financial performance;
- by making the payment of deferred variable compensation dependent on the achievement of its financial performance objectives.

The Amundi variable compensation system is consistent with sound and controlled risk management:

- by specifying, as criteria used in the awarding of individual bonuses, that risk and compliance regulations must be respected as well as these quantitative criteria associating risk to performance for managers (Information ratio/Sharpe ratio at one, three and five years);
- by incorporating the opinions of an *ad hoc* committee in:
  - the distribution of the amounts by teams,
  - the individual allocations,
  - the vesting of the deferred variable compensation, which makes it possible to adjust variable compensation according to the risks recorded ex-post.

The compensation policy specifically applicable to the Amundi Chief Executive Officer is detailed in Section 2.5.4 of the Registration Document.

Scope of identified employees

Amundi's "identified employees" pursuant to CRD IV are identified based on the consolidated group scope (Crédit Agricole S.A.) and the sub-consolidated scope (Amundi) under the joint responsibility of the Human Resources, Risk and Permanent Control and Compliance functions.

The following are therefore defined as "identified employees" within Amundi in accordance with the qualitative and quantitative identification criteria established by CRD IV:

- the Chief Executive Officer and the Head of the Business Support and Control functions of Amundi;
- the Chief Executive Officer and the Deputy CEO of Amundi Finance;
- the Chief Executive Officer and the Deputy CEO of Amundi Intermédiation.

Rules for deferred payments applicable to "identified employees"

Rules for deferred payments applicable to bonuses

Bonuses awarded to "identified employees" are deferred by a minimum of 50% of the amount awarded as of the first euro, by tranche over three years, as soon as they attain a materiality threshold agreed upon with the regulator.

Each deferred compensation tranche only becomes vested based on performance conditions, the absence of risky professional behaviour and continued employment on the vesting date. The non-achievement of these conditions may lead to a decrease, or even a definitive loss of the amount to be vested.

The deferred portion of the bonus is indexed to a basket of funds that are representative of the activity of the Group or of its entities. The concerned employees are not authorised to use personal hedging strategies intended to counteract the effects of this indexation on the risk that is part of the management of deferred variable compensation.

The deferred payment rules specifically applicable to the Amundi Chief Executive Officer are detailed in Section 2.5.4.3.2 of the Registration Document.

Conditions for the acquisition of rights associated with the allocation of performance shares

- The shares allocated by the Board of Directors during its meetings of 11 February 2016 and 9 February 2017 are subject to conditions for the acquisition of rights that are similar to those for deferred bonuses (*i.e.* continued employment condition over three years, performance conditions, absence of risky professional behaviour and presence on the vesting date) in compliance with the authorisations granted to the Board of Directors by Amundi's AGM of 30 September 2015.
- The shares allocated by the Board of Directors during its meeting of 13 December 2017 are subject to similar conditions ((*i.e.* performance conditions, absence of risky professional behaviour and presence on the vesting date, except for the continued employment condition, which is four years), with the performance conditions being tied to the achievement of the objectives of the combined Amundi-Pioneer Medium-Term Plan and in compliance with the authorisation given to the Board of Directors by Amundi's AGM of 18 May 2017.

Limitation of guaranteed bonuses

Payment of guaranteed variable compensation is strictly limited to hiring situations and has a duration of no more than one year. Guaranteed variable compensation is awarded subject to the applicable deferred compensation plan.

CONSOLIDATED QUANTITATIVE INFORMATION ON THE COMPENSATION OF IDENTIFIED EMPLOYEES

Compensation awarded for financial year 2017

Compensation amounts awarded in respect of financial year 2017, broken down between the fixed and variable portion and number of beneficiaries

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Total compensation				5.5			5.5
Amount of fixed portion				1.8			1.8
Amount of variable portion (including LTI)				3.7			3.7

The variable portion includes the total award of LTI in respect of four years of performance. The variable portion for 2017 represents €2.7 million, of which €0.3 million in LTI for 2017.

Amounts and types of variable compensation paid, broken down between vested or non-deferred amounts and conditional deferred amounts for employees whose compensation is deferred (in million euros) and number of beneficiaries

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Amount vested				0.9			0.9
Deferred payment amount, in indexed cash				0.2			0.2
Deferred conditional amount (including performance shares)				1.4			1.4

Amounts and type of variable compensation paid, broken down between payments in cash, in shares or in other instruments to employees whose compensation is deferred (in million euros) and number of beneficiaries

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Payments in cash				1.0			1.0
Payments in shares or other instruments				1.5			1.5

Outstanding variable compensation – in million euros

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Amount of outstanding non-vested deferred compensation for 2017				2.6			2.6
Amount of outstanding non-vested deferred compensation for previous financial years				1.0			1.0

The amount of outstanding unvested deferred compensation for 2017 includes the total award in respect of LTI for four years of performance.

Deferred variable compensation paid or reduced due to net income for the 2017 financial year – in million euros

	For 2013	For 2014	For 2015
Amount of deferred compensation paid	0.4	0.4	0.5
Amount of reductions made to deferred compensation	0	0	0

Amounts paid for hires and terminations during financial year 2017

	Amounts paid	Number of beneficiaries
Amount of severance payments paid and number of beneficiaries	0	0
Amounts paid for new hires and number of beneficiaries	0	0

Guarantees for severance pay

	Amounts paid
Amount for guarantees for severance pay	0
Number of beneficiaries	0
Highest guarantee	0

Consolidated information on identified employees receiving total compensation exceeding €1 million

	France	Europe excluding France	Rest of World
From €1 million to €1.5 million			
From €1.5 million to €2.0 million			
From €2.0 million to €2.5 million			
In excess of €2.5 million	1		

Amounts calculated take into account the amount in respect of LTI for 2017, i.e. one quarter of the total award.

2.7 PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF ALL FIXED, VARIABLE AND EXCEPTIONAL AMOUNTS OF TOTAL COMPENSATION AND BENEFITS IN KIND THAT MAY BE GRANTED IN RESPECT OF 2018 TO EACH SENIOR EXECUTIVE AND COMPANY OFFICER OF THE COMPANY

2.7.1 Principles and criteria for the determination, distribution and allocation of compensation and benefits in kind that may be granted in respect of 2018 to the Chairman of the Board of Directors of Amundi

In application of Article L. 225-37-2 of the French Commercial Code, the AGM will be asked to approve the financial statements for the year ended 31 December 2017, to approve the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to Xavier Musca, Chairman of the Board of Directors of Amundi. Subject to their approval at the AGM, these principles and criteria would apply to any successor to the current Chairman of the Board of Directors of Amundi, until shareholders decide otherwise at a AGM.

The Chairman of the Board of Directors of Amundi receives no compensation other than directors'fees. Any decision to waive payment of such directors'fees is at his/her sole discretion. In order to ensure that the Chairman of the Board of Directors is independent when carrying out his duties, he is not eligible for any variable compensation.

Mr Xavier Musca waived his directors'fees and will therefore receive no compensation as Chairman of Amundi's Board of Directors for the financial year 2018.

The following resolution will be submitted to the AGM called to approve the financial statements for the year ended 31 December 2017:

"(Approval of the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to the Chairman of the Board of Directors)

The AGM, voting under the quorum and majority conditions required for ordinary shareholders'meetings, having reviewed the report of the Board of Directors and the report on corporate governance, in accordance with Article L. 2225-37-2 of the French Commercial Code, approves the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to the Chairman of the Board of Directors, as presented in the report on corporate governance in Chapter 2 of the Registration Document."

Table summarising the compensation principles and criteria

Principles and criteria for determination, distribution and allocation	Overview
Directors'fees	The Chairman of the Board of Directors is compensated by directors'fees according to the rules defined annually (comprised of a flat-rate fixed portion and a variable portion dependent on participation in the meetings of the Board and its committees. The Chairman has the option of waiving payment of these fees.

2.7.2 Principles and criteria for the determination, distribution and allocation of compensation that may be granted in respect of 2018 to the Chief Executive Officer

In application of Article L. 225-37-2 of the French Commercial Code, the AGM will be asked to approve the financial statements for the year ended 31 December 2017, to approve the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to Mr Yves Perrier, Amundi's CEO. Subject to their approval at the AGM, these principles and criteria would apply to any successor to the current CEO, until shareholders' decide otherwise at a shareholders' meeting.

The Board of Directors' meeting of 8 February 2018 decided to raise the gross fixed annual compensation of Mr Yves Perrier from €860,000 for 2017 to €1,000,000 for 2018. This decision was made based on the favourable opinion issued by the Compensation Committee of 1 February 2018 noting the significant variance with the compensation level of executives of other asset management companies in Europe, and the specific compensation structure under regulation CRD IV limiting the weight of variable compensation and thereby preventing the Chief Executive Officer from benefiting from the performance share plan (LTI) established for executive managers.

The following resolution will be submitted to the AGM called to approve the financial statements for the year ended 31 December 2017:

"(Approval of the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to the Chief Executive Officer).

The AGM, voting under the quorum and majority conditions required for ordinary shareholders' meetings, having reviewed the report of the Board of Directors and the report on corporate governance, in accordance with Article L. 2225-37-2 of the French Commercial Code, approves the principles and criteria for the determination, distribution and allocation of all fixed, variable and exceptional amounts of total compensation and benefits in kind that may be granted in respect of 2018 to the Chief Executive Officer, as presented in the report on corporate governance in Chapter 2 of the Registration Document."

Table summarising the compensation principles and criteria

Principles and criteria for determination, distribution and allocation	Overview
Fixed compensation	Mr Yves Perrier's fixed compensation is determined by the Company's Board of Directors on the recommendation of the Compensation Committee and the proposal of Crédit Agricole S.A., taking into consideration the practices in the market and compensation packages observed for the same or similar functions in other major French listed companies and European listed asset management companies. The Compensation Committee analyses the CEO's remuneration once a year, with no presumption that the review will result in any change. A revision of fixed compensation may be considered, particularly in the event of a substantial change in the scope of responsibilities or a significant variance in relation to the market. The compensation is paid by Crédit Agricole S.A. in respect of his employment agreement. Mr Yves Perrier receives no fixed compensation from the Company in respect of his position as Chief Executive Officer.
	In accordance with Article L. 225-100 of the French Commercial Code, shareholders at the AGM held to approve the financial statements for the year ending 31 December 2018 will be asked to approve the items of fixed compensation whose principles and determination criteria they were asked to approve at the previous AGM, called to approve the financial statements for the year ended 31 December 2017. Payment of such items of fixed compensation is not conditional on their being approved at the AGM called to approve the financial statements for the year ending 31 December 2018.

Variable compensation – Terms and conditions of determination	***Terms and conditions for determining the variable compensation*** Variable compensation is expressed as a percentage of annual fixed compensation. This variable portion will be calculated based on the extent to which the objectives were met. These are set on the basis of different criteria. In respect of 2018, these criteria are: 50% financial criteria and 50% other criteria. In accordance with the AFEP-MEDEF Code, variable compensation is capped and may not exceed the maximum levels defined by the compensation policy. Furthermore, pursuant to Article L. 511-78 of the French Monetary and Financial Code, as amended as a result of the transposition of the CRD IV Directive, variable compensation may not exceed 200% of annual fixed compensation, even if the objectives are exceeded. Each year, the amount of Mr Yves Perrier's variable compensation due in respect of the current year is determined by the Board of Directors, on recommendation of the Compensation Committee and on the proposal of Crédit Agricole S.A. The compensation is paid by Crédit Agricole S.A. in respect of his employment agreement. Mr Yves Perrier receives no variable compensation from the Company in respect of his position as Chief Executive Officer. The criteria for 2018 are as follows: **Financial criteria, accounting for 50% of variable compensation** The financial criteria, accounting for 50% of variable compensation will depend on the financial results of Amundi and Crédit Agricole S.A.: ▪ Amundi scope (35% of the total, 8.75% for each criterion): net banking income (NBI), cost-to-income ratio, Amundi's net income Group share and total net inflows; ▪ Crédit Agricole S.A. scope (15% of the total). **Other criteria, accounting for 50% of variable compensation** The other criteria, accounting for 50% of variable compensation, are set each year in light of the Group's strategic priorities. For 2018, 30% of the total is based on managerial criteria relating to Amundi (particularly the consolidation of Pioneer for 20% of the total as well as the development of the SRI and solidarity finance for 10% of the total) and 20% on the quantitative criteria relating to the other European entities overseen, particularly the net income Group share of Crédit Agricole Assurance and Crédit Agricole Immobilier. For each criterion, the assessment of the performance of Mr Yves Perrier will be determined based on a comparison of results achieved and the target defined. The assessment of how far the target was met, which will be overseen by the Compensation Committee, will take account of the competitive environment, market context, the integration of Pioneer, any of which may require an adjustment to how certain of the criteria are measured.
Variable compensation – Terms and conditions of deferral	***Terms and conditions for deferral and indexation of the annual variable compensation*** The terms and conditions for deferral and indexation will remain unchanged from those of 2017. Beneficiaries will retain their rights to receive unvested tranches of their deferred compensation if they leave the Company except in the event of resignation or dismissal for gross or serious misconduct. Benefits will however be paid if departure is due to retirement, disability, death or exceptional circumstances attested by the Board of Directors. In these cases, unvested tranches of deferred variable compensation will be paid on their normal expiry date pro rata their degree of accomplishment. **Deferred portion of annual variable compensation, accounting for 60% of the total** 60% of variable annual compensation is deferred in thirds over three years and is conditional upon achievement of Amundi and Crédit Agricole S.A. performance objectives and the beneficiary's continued presence at the Company. For payment of the deferred compensation in respect of 2018, all the performance objectives that determine payment of Mr Yves Perrier's deferred variable compensation, as determined by the Company's Board of Directors on recommendation of the Compensation Committee and proposal of Crédit Agricole S.A., are 85% linked to the Amundi Group's own indicators and 15% to those of the Crédit Agricole Group (financial, stock market and societal performance conditions). This portion of variable compensation will also be 85% indexed to the Amundi share price and 15% to the Crédit Agricole S.A. share. **Supplementary portion of total variable compensation, accounting for 40% of total** The supplementary deferred portion of total variable compensation will be paid in its entirety in the 15 days following the AGM called to approve the financial statements for the year ending 31 December 2018, provided that (i) shareholders approve the payment of the items of variable compensation and (ii) shareholders at the AGM called to approve the financial statements for the year ended 31 December 2017 have approved the principles and criteria used to determine those items.
Variable compensation – Terms and conditions of payment	In accordance with Article L. 225-100 of the French Commercial Code, shareholders at the AGM held to approve the financial statements for the year ending 31 December 2018 will be asked to approve the items of variable compensation whose principles and determination criteria they were asked to approve at the previous AGM, called to approve the financial statements for the year ended 31 December 2017. Payment of such items of variable compensation is conditional on their being approved at the AGM called to approve the financial statements for the year ending 31 December 2018.

Exceptional compensation	There is no exceptional compensation, except in specific circumstances relating to transactions that affect the Company's structure. Payment of items of exceptional compensation is conditional in all circumstances on their being approved at the AGM called to approve the financial statements for the year ending 31 December 2018.
Directors'fees	Yves Perrier has waived his right to receive directors'fees.
Valuation of benefits in kind	Yves Perrier has a Company car provided by Amundi. In accordance with Article L. 225-100 of the French Commercial Code, shareholders at the AGM held to approve the financial statements for the year ending 31 December 2018 will be asked to issue an opinion on the items of compensation corresponding to benefits in kind whose principles and determination criteria they were asked to approve at the previous AGM, called to approve the financial statements for the year ending 31 December 2017. Payment of items of compensation corresponding to benefits in kind is not conditional on the approval of the AGM called to approve the financial statements for the year ending 31 December 2018.
Stock options, performance shares or any other long-term	There are no plans to award performance shares to Mr Yves Perrier in respect of 2018. There are no plans to award stock options to Mr Yves Perrier in respect of 2018.
Severance payment: termination payment	Mr Yves Perrier is not entitled to any termination compensation under the employment contract, in the event of termination of his office with Amundi. If Mr Yves Perrier were to receive severance pay, it would be on the basis of the termination of his employment contract with Crédit Agricole S.A. and the end of his functions within Crédit Agricole S.A. This compensation would be paid in its entirety by Crédit Agricole S.A. and no part would be re-invoiced to Amundi. In the event that his employment contract is terminated, Mr Yves Perrier will receive contractual compensation of twice the amount of his fixed and variable compensation over the 12 months preceding termination of his employment contract, calculated in accordance with the terms of the Crédit Agricole S.A. collective bargaining agreement. This compensation would be at the sole charge of Crédit Agricole S.A. and would not be subject to any reinvoicing to Amundi.
Non-compete compensation	There is no non-compete clause.
Supplementary pension plan	For his position with Crédit Agricole S.A., Mr Yves Perrier is covered by a supplementary pension scheme for executive managers of the Crédit Agricole Group, which supplements the collective and mandatory pension and death and disability schemes. These plans are entirely managed by Crédit Agricole S.A. and are not re-invoiced to Amundi. These schemes combine a defined-contributions plan (Article 83 of the French General Tax Code) and a top-up type defined-benefits plan (Article 39 of the French General Tax Code). Top-up scheme rights are determined after deduction of the annuity constituted within the defined-contributions plan. Under the agreements imposing these schemes, they are applicable to Group managers, defined as being executive employees and corporate officers of the Group's companies not subject to the adaptation and reduction in working time plan. Upon liquidation, Mr Perrier's total retirement income is capped, taking into account all company and mandatory basic and supplementary retirement plans, at 16 times the annual Social Security maximum as of that date, and at 70% of reference compensation.

Economic, social and environmental information

Acting as a responsible financial institution is a core commitment of Amundi's development strategy. This commitment is reflected in our responsible management and the offer of responsible investment solutions tailored to our customers' needs. Our commitment is also reflected in our corporate societal and environmental policy (CSR). The objective of this report is to give a clear picture of the direct and indirect social and environmental impacts of Amundi's business and to show how the Company takes into account, and satisfies, the expectations of its stakeholders. 2017 was a year of transition for Amundi, marked by the mid-year merger with Pioneer Investments. For this financial year, Amundi's CSR report includes Pioneer entities from the second half of the year. The CSR policy and the action plans deployed now apply to the entire Amundi Group.

3.1 CSR AT AMUNDI

With almost €1,426 billion of assets under management, Amundi is Europe's largest asset management company and in the top ten worldwide. Amundi must act responsibly and ensure that it conducts its business in the public interest. For this reason, at its creation in 2010, Amundi made the inclusion of sustainable development and social utility criteria in its investment policies - in addition to financial criteria - its fourth fundamental principle.

Today, with more than €168 billion in socially responsible investment (SRI) and nearly 11 billion in investments supporting the energy transition, Amundi is positioning itself as a responsible player. Our objective is to increase the inclusion of public interest criteria, which is to say environmental, social and governance criteria (ESG) in all of the Group's investing. Assessing the potential impact of climate risks on our clients' investments is also one of our responsibilities. Our top commitment is also to provide our clients with high-performing, transparent investment and saving solutions as part of a long-lasting relationship based on trust.

Finally, Amundi's responsibility is to apply the principles of sustainable development to its own operations. Reducing and managing its environmental impact, eliminating discrimination, promoting equal opportunity, ensuring transparency and integrity in its governance, developing a long-term philanthropic policy and encouraging the social involvement of its employees are Amundi's CSR objectives. This policy is carried out both in France and abroad.

3.1.1 Amundi's CSR commitments

Amundi strives to reflect its sustainable responsibility in the way it conducts it business, in the way it operates and in its environment. Furthermore, in terms of the general issues inherent to asset managers, Amundi's specific challenges and the analysis of the direct and indirect impacts of its activities, the Company has made three principal commitments:

- commitment to our clients: Act as a responsible financial institution;
- commitment to our employees: make individual and collective development central to our responsibility as an employer;
- our commitment to society and the world around us: to act as a community-minded, eco-aware citizen.

3.1.2 The Crédit Agricole Group's FReD programme

With the goal of improved co-ordination and oversight of its CSR policy, the Crédit Agricole Group has implemented the FReD programme [(1)] in its various entities, including Amundi. This purpose of this tracking and measurement software for CSR activities is to provide a common framework for all entities. This program has been carried out at Amundi since 2012 and incorporated into the Company's CSR policy. In 2017, 12 action plans [(2)] were carried out along the three dimensions of CSR: economic, societal and environmental.

(1) FReD is the acronym for FIDES (economic section), RESPECT (social and societal commitments) and DEMETER (environmental action). For further information regarding FReD: https://www.credit-agricole.com/en/responsible-and-committed/csr-a-factor-of-sustainable-performance-for-credit-agricole-group/fred-an-original-csr-approach.

(2) Amundi's actions plans and their progress are detailed on: https://www.credit-agricole.com/en/responsible-and-committed/csr-a-factor-of-sustainable-performance-for-credit-agricole-group/fred-an-original-csr-approach/fred-s-results.

3.1.3 Charters and securities market practices to which we are committed

3.1.3.1. CHARTERS TO WHICH WE ARE COMMITTED

Amundi is committed to and conducts its CSR strategy on a voluntary basis in accordance with the values and principles articulated in the following charters:

- 2003: signed the UN Global Compact;
- 2006: accepted the principles for responsible investment;
- 2008: signed the Diversity Charter;
- 2015: signed the Parenthood Charter.

3.1.3.2. SECURITIES MARKET PRACTICES

Amundi is an active participant in working groups conducted by market bodies aimed at moving responsible finance, sustainable development and corporate governance forward. Amundi's memberships include the French Asset Management Association (AFG), the European Fund and Asset Management Association (EFAMA), in which it now chairs the responsible Investment group, the French Institute of Directors (IFA), the Corporate Social Responsibility Observatory (ORSE), the French Association of Investment Analysts (SFAF), French, Spanish, Italian, Swedish, Canadian, Japanese and Australian Sustainable Investment Forums (SIF), and the French "Enterprises for the Environment" (*Entreprises pour l'Environnement*) association. Amundi is also a member and director of Finansol.

As a major player in asset management, Amundi actively participates in projects related to the regulation of this activity. It is common practice for European and national regulators to consult with players in the industry, directly or via professional associations. Among the entities that help to draft or amend regulations relating to asset management and financial markets, Amundi contributes in particular to the work of the AFG, notably as a member of its Responsible Investment Committee, but also to the work of the AFIC, ASPIM, AF2i, AMAFI and Paris Europlace in France, the EFAMA and EACB in Brussels, as well as the AFME, ICMA and ISLA (1) in London. Lastly, Amundi's subsidiaries in Europe belong to the professional associations of their respective countries.

Amundi is striving to reconcile the effectiveness of markets and of asset management business with the promotion of a more responsible finance that is more oriented to serving the economy. This year, Amundi continued its commitments to encouraging investors to include ESG criteria in their decisions, and in particular the criteria highlighted at COP 21 and resulting from the law on the energy transition for green growth.

In 2017, Amundi took part in over thirty consultations on European or French regulations in the process of being drafted or revised, as well as consultations with IOSCO (International Organization of Securities Commissions) at an international level. In particular, Amundi contributed actively to the European HLEG consultation (High Level Expert Group on Sustainable Finance), making several comments on the recommendations of the expert group on the integration of sustainable development into the European regulatory framework on financial matters. This year, Amundi also took part, inter alia, in the consultation of the TCFD (Task Force on Climate-Related Financial Disclosures), completed the AMF's "SRI - Green Finance" questionnaire to provide an inventory of its responsible investment policy and provided the AFG with statistical data on all its responsible management. As a member of the SRI Label Committee, Amundi also continues to take part in the reflections on the evolution of the SRI label.

(1) AFG (French Association of Financial Management); AFIC (French Association of Investors for Growth); ASPIM (French Association of Real Estate Investment Companies); AF2i (French Association of Institutional Investors); AMAFI (French Association of Financial Markets); EFAMA (European Fund and Asset Management Association); EACB (European Association of Cooperative Banks); AFME (Association for Financial Markets in Europe); ICMA (International Capital Market Association); ISLA (International Securities Lending Association).

3.1.3.3. AMUNDI'S SUPPORT FOR COLLECTIVE INITIATIVES

Coordinated at the international level, investor coalitions have as their goal to encourage governments to adopt incentives and companies to improve their practices. The areas of concern are climate change, water, deforestation and healthcare in developing countries. The coalitions also work to get petroleum and mining companies to show greater transparency in their dealings with the countries where they operate.

Initiative	Theme	Supported by Amundi since
Institutional Investors Group on Climate Change (IIGCC)	Climate change	2003
Carbon Disclosure Project (CDP)	CO_2 emissions, transparency of ESG data	2004
Forest Footprint Disclosure Project (FFD)	Deforestation	2009
Water Disclosure Project	Utilisation of water resources	2010
Access to Medicine Index	Access to medicines	2010
Access to Nutrition Index	Access to nutrition	2013
UN Global Compact Engagement on Leaders & Laggards	ESG Reporting	2008
Extractive Industries Transparency Initiative (EITI)	Responsible management of natural resources	2006
Clinical Trials Transparency	Clinical trials	2014
Human Rights Reporting and Assurance Frameworks Initiative (RAFI)	Human rights	2014
Portfolio Decarbonisation Coalition	Climate change	2014 (co-founder)
Asia Corporate Governance Association (ACGA)	Governance	2014
UNPRI Letter Calling Stock Exchanges to put in place voluntary guidance for issuers on reporting ESG information by the end of 2016	ESG Reporting	2015
IGCC Letter to 77 EU companies on their positions and lobbying activities on EU Climate and Energy Policy	Climate change	2015
PRI Human Rights Engagement	Human rights – ESG Reporting	2015
Paris Green Bonds Statement of the Climate Bonds Initiative	Climate change	2015
Montreal Carbon Pledge	Climate change	2015
Green Bonds Principles	Climate change	2015
Finance for tomorrow	Sustainable finance	2017
Workforce Disclosure Initiative Letter	Working conditions - Corporate reports	2017
Climate 100+	Climate change	2017

3.1.3.4. SUPPORT FOR ACADEMIC RESEARCH

As a committed company, Amundi leads the asset management industry forward and supports the initiatives that further it. Amundi actively supports academic research and has formed several partnerships by establishing university chairs such as a Sustainable Finance and Responsible Investment Chair with Toulouse School of Economics and Polytechnic and the Climate Economics Chair with Paris-Dauphine.

Amundi notably sponsors the Financial Research and Sustainable Development prize and another for Carbon Markets and Prices Research, in partnership with the Université de Paris Dauphine.

3.2 ACT AS A RESPONSIBLE FINANCIAL INSTITUTION

Because trust rests on responsibilities that are undertaken, Amundi is committed to acting as a responsible financial institution. This commitment has two thrusts: (i) promoting responsible finance incorporating human and environmental criteria, and (ii) respecting clients' interests.

3.2.1 Promoting responsible finance

Amundi is a committed player in the promotion of responsible finance, integrating the consideration of ESG criteria and climate issues.

Our convictions are reflected in the 17 Sustainable Development Goals (SDGs) established by the United Nations, through three main axes, our ESG analysis criteria, our ESG solutions and our commitment policy.

3.2.1.1. SOCIALLY RESPONSIBLE INVESTMENT

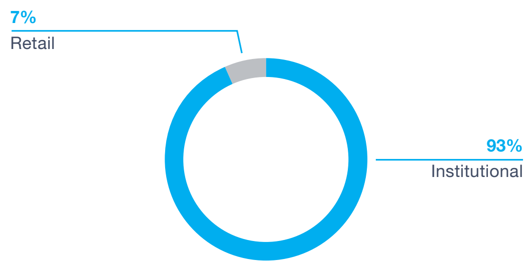
Amundi is one of the pioneers of SRI and has significantly improved the integration of ESG criteria in its investment decisions in recent years. Amundi is now one of the world leaders with €168.4 billion in assets under SRI management.

As part of its SRI management, Amundi uses strict rules for applying ESG criteria, in addition to financial criteria. Amundi is convinced that this approach, which takes a 360-degree view of companies, secures value creation.

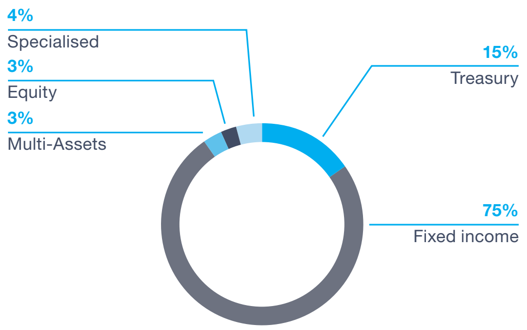
Changes in SRI assets over time (as at 31 December)	**2013**	**2014**	**2015**	**2016**	**2017**
Assets under management	€68.4 billion	€71.6 billion	€159.1 billion	€167.7 billion	€168.4 billion
As a % of total Amundi assets	8.8%	8.3%	16.1%	15.5%	11.8%

Breakdown of SRI assets under management as at 31 December 2017

Breakdown by client segment



Breakdown by asset class



Best-in-Class approach

Amundi has chosen to base its SRI strategy on the best-in-class approach, which consists of comparing the companies in one sector to each other in order to highlight the best practices and set all issuers on the path to improvement. Amundi is convinced that SRI must be broad, motivating and encourage all sectors to make progress in integrating ESG criteria in their activities. This approach also makes it possible to avoid setting financial performance against extra-financial criteria. Instead, it unites the two types of criteria for increased value creation.

ESG integration

Amundi signed the Principles of Responsible Investment (PRI) as soon as they were introduced in 2006. They call for the integration of environmental, social and governance (ESG) questions in the analysis process and the investment decisions of financial institutions.

The implementation of these principles [1] at Amundi specifically means:

A strict exclusion policy

Amundi does not implement a general sectoral exclusion policy but prefers to apply the best-in-class principle to each activity sector. Nevertheless, it completely excludes from its active asset management any companies that deal in controversial weaponry, beyond the regulatory requirements: companies involved in the manufacture or sale of anti-personnel mines and cluster bombs: chemical, biological or depleted uranium weapons. In addition, companies that seriously and repeatedly violate one or more of the ten principles of the Global Compact are excluded. Governments that systematically and deliberately violate human rights (war crimes and crimes against humanity) are also excluded.

In 2016, Amundi made the decision to disengage from issuers that derive over 50% of their revenue from coal extraction. In 2017, Amundi pursued its proactive approach by changing its policy of divestment from the coal sector. Companies that derive more than 30% of their revenue from coal mining or, following a qualitative and prospective analysis, companies producing 100 million tons or more coal per year, are now excluded from the portfolios.

(1) Amundi's 2017 "Responsible Transparency Investment report" is online at Amundi's website (http://www.amundi.com).

These decisions reflect Crédit Agricole Group's commitments to combating climate change and managing the energy transition. In the same year, Amundi expanded its exclusion policy by excluding tobacco-producing companies from its open-ended SRI funds.

In 2017, 256 issuers (Corporates and Governments) were excluded from the managed portfolios [(1)].

ESG analysis

The ESG analysis facilitates the better identification of risks and opportunities. This is a way for the investor to be protected against long-term risk, such as financial, regulatory, operational or reputational risk, and also be an entirely responsible investor:

- the ESG analysis of companies is based on documents of universal application such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, those of the International Labour Organisation (ILO), etc. It examines corporate behaviour in the three fields: Environment, Social and Governance;
- the ESG analysis of governments is intended to assess and compare the integration levels of the ESG criteria in institutional systems and public policies. It is based on around 100 indicators divided into three dimensions: Compliance (e.g. ratification of international treaties), Actions (public expenditure in terms of ESG policy) and Results (quantifiable and measurable).

Distribution of ESG ratings to all managers

The extra-financial ratings of issuers are circulated in real time to all management teams and investment analysts. At all times a manager will know the financial and extra-financial rating of the securities in his or her portfolio and benchmark index. The manager will also know his or her ESG footprint, which equals the average ESG rating of his or her portfolio.

In addition to reviewing sectors, analysts produce in-depth studies on topics related to major sustainability challenges. In 2017, these topics were as follows: aggressive tax optimization, human rights and businesses, palm oil, opportunities for deep-sea mining and transparency in the food sector. These studies enable us to adopt positions on controversial activities. Some of these become the subject of ESG Discussion Papers and are available on the Amundi website dedicated to its research publications (Research centre).

Solutions for all client types

As a leading European asset manager committed to developing responsible finance, Amundi is able to meet the most varied demands in terms of extra-financial criteria. Amundi offers a wide range of open-ended SRI funds, a complete SRI offering for company savings and retirement schemes, and tailored ESG solutions in all asset classes and using various approaches, meeting the needs of institutions.

SRI Label

Amundi was the first management company to obtain the SRI Label for several of its funds. Created at the start of 2016 by the French Ministry of Finance and Public Accounts with support from Asset Management professionals, the SRI Label aims to provide better visibility of SRI fund offerings to investors, particularly individual customers who are showing a growing interest in socially responsible investment.

A certified SRI approach

As a pledge of confidence for our clients, Amundi [(2)] is the first management company to have its SRI approach certified by AFNOR. This certification is renewed every year. It is issued by a recognised independent organisation that guarantees the quality and the transparency of its SRI approach through seven service commitments (expertise, data traceability, information, responsiveness, etc.).

Governance devised specifically for responsible finance

ESG governance within the Amundi Group centres around two committees – guarantors of the strength of ESG analysis and the Group's societal commitment:

- the internal ESG Committee, chaired by a member of Amundi's Senior Management, validates and disseminates the ESG ratings;
- the Advisory Committee tasked with alerting and advising the Group is chaired by an external individual. It is primarily composed of external experts with recognised skills and Amundi practitioners.

Amundi also leads the Medicis Committee, a think tank dedicated to responsible finance, which brings together the CEO of Amundi and prominent individuals from various nationalities and backgrounds. The Committee's purpose is to study the major economic, social and environmental questions and how they translate into responsible finance. Folllowing a cycle devoted to the study of ESG criteria and the evolution of SRI, new policies were defined in 2017. The new work revolves around the question of values, in the world and in companies, and the role of responsible players - companies and financial players in particular - *vis-à-vis* these changes. The first angle is that of understanding the world in geopolitical terms, where globalisation and the return of forms of nationalism are in opposition. The second area concerns the new social question and its place in the policy of putting corporate responsibilities into practice.

(1) Excluding index funds and ETFs constrained by their reference index.

(2) Certification also covers SRI funds of BFT Investment Managers and CPR Asset Management, both management companies and Amundi subsidiaries.

Specialised teams

Amundi has enlisted numerous resources to implement SRI management:

- a department dedicated to responsible investment and impact performs the ESG analyses on over 5,000 issuers, applies the formalised engagement policy, and ensures relations with market groups and the promotion of these topics;
- Amundi's Corporate governance and Quantitative research teams are focused on ESG matters. They help to set our voting policy at Annual General Meetings (AGMs), dialogue with companies and devise research protocols to analyse the effect that ESG criteria have on funds' performance;
- outside contractors who supply the extra-financial data. To analyse quality quantitatively, you need coverage of the greatest number of issuers, by the best agencies, and then compare the analyses against each other. Amundi relies on the analyses of its reputable partners, including Vigeo-Eiris, MSCI, Sustainalytics or Oekom and those of specialised entities on certain topics (weapons, controversies, etc.).

Awards

Once again in 2017, Amundi was recognised for the quality of its ESG analysis and its ability to integrate ESG criteria into its various management activities:

- For the third year in a row, Amundi obtained the PRI's A+ rating for its ESG approach, for its commitment and voting policy, and for its ability to implement a responsible approach within its various management activities:
  - Amundi was awarded the top ranking in the SRI & Sustainability survey published by Extel and the UK SIF in the Asset management firms best for SRI/ESG category in 2015, 2016 and 2017;
  - out of 40 management companies in the running, Amundi won the SRI Investor Awards organised by Boursorama, for the quality of its responsible approach;
  - the IRRI (Independent Research in Responsible Investment) ranking has rewarded Amundi as one of its best governance and SRI analysts (two Corporate Governance analysts hold 1st and 3rd places in the ranking).

Initiatives promoting SRI

In 2017, Amundi organised several events and actions to promote SRI in its distribution networks and its corporate and institutional clients. Over the year, nearly 200 awareness-raising actions (road shows, web conferences, events, internal training, etc.) were conducted with Amundi's customers, sales and marketing teams and its partner networks.

Amundi's Afnor certification requires that it informs and trains its employees. These awareness-raising sessions are led by the SRI team. In 2017, 88 individuals were trained, bringing the number of employees trained since 2013 to 445.

During the year, Amundi also participated in some 30 conferences on responsible investment, for example:

- March: Amundi organised the CDP Workshop at its premises, attended by over 200 people, and contributed to the CDP report (formerly the Carbon Disclosure Project) on the topic of water;
- June: Amundi partnered the 2017 RI Europe Conference held in London and participated at one of its round tables;
- September: Amundi sponsored and participated in the Annual Conference of PRI in Person (principles for responsible investment);
- October: Amundi hosted the annual seminar of RAIR (a network of directors of supplementary pension plan institutions, both public and private) on the concept of impact;
- November: Amundi organised the 5th edition of its Partners Club, which brings together the main players in the Social and Solidarity Economy (ESS), which Amundi supports.

In 2017, Amundi organised several events and actions to promote SRI in its distribution networks, as well as for individual clients.

Among these awareness-raising actions in 2017 were:

- three web conferences on Responsible Investment, organised to raise awareness of all Amundi sales teams;
- SRI training was organised with around 20 LCL Private Banking advisers;
- a video presenting the various SRI approaches for Private Banking clients was designed and presented to LCL Private Banking customers during Solidarity Finance Week;
- a video on SRI was distributed to Amundi's various partner networks;
- a training day on SRI was organised with more than 70 bankers from our partner AXA. After a plenary session on our SRI expertise, our ESG analysis and the presentation of our SRI funds, workshops were offered with our on-line digital tool, the Amundi Investment Game;
- a web page for AGIPI, AXA's retirement partner was developed. This page for AGIPI's clients includes a presentation of Amundi's SRI expertise, marketing leaflets on the four referenced SRI products, as well as a video on SRI, detailing the Environmental, Social and Good Governance analysis process for issuers implemented at Amundi.

3.2.1.2. A FORMALISED COMMITMENT POLICY

Amundi's commitment policy takes three forms: commitment for influence, data collection for rating purposes, as well as voting at AGMs and the pre-meeting dialogue. It is an essential component of Amundi's fiduciary responsibility and its role as a responsible investor.

Engagement for influence

Amundi has a policy committing it to influence specific issues, helping companies move towards better practices. Since 2013, the ESG analysis team has been particularly active regarding six topics. The ESG analysis and Corporate Governance Analysis teams publish this work in an engagement report, available at www.amundi.com.

In our fifth commitment report, we present the results of our dialogue with companies on our new topic, the living wage, as well as on one of the topics initiated in 2016, that of child labour in the cocoa and tobacco industries.

This commitment process is part of a wider framework of the policy of integrating ESG criteria into Amundi management.

In addition to these, we support international collective shareholder initiatives (see Section 3.1.3.3).

Data collection for rating purposes

To refine the ratings given by the ESG analysis, the extra-financial analysts meet with companies throughout the year. These are selected based on the fraction of equity owned by Amundi and the relative size of the holding in the portfolios or in the benchmark indexes. In 2017, Amundi's extra-financial analysts met with 192 companies.

Voting at Annual General shareholders' Meetings (AGMs) and the pre-meeting dialogue

Starting in 1996 we have adopted our own voting policy, updated yearly, that incorporates environmental and social criteria. We exercise our voting rights in the AGMs of the companies our portfolios have invested in.

Our voting policy [(1)] meets a threefold objective: To protect the interests of shareholders, formalise and make public our expectations in terms of governance so as to facilitate dialogue with the companies and to contribute to the effectiveness of corporate governance as a whole and thus to the proper operation of the markets.

The shareholder dialogue consists of regular, constructive discussions with companies where we have the heaviest investment, highlighting our desires as a responsible investor in regard to the topics presented at the AGMs. It is structured around a formalised system (for example: pre-alerts before AGMs) and enables greater transparency, additional commitments, and changes to, or even the discontinuation of, some of the Company's practices. In 2017, this engagement involved 233 issuers through alerts and dialogues initiated by the companies.

Voting campaign	2015	2016	2017
GSMs dealt with	2,565	2,623	2,540
Resolutions dealt with	32,396	32,771	32,443

Significant events in 2017

In 2017, we chose to focus on further examining the principles implemented in 2016, including the development of direct dialogue with the Boards of Directors. This trend, which has developed in many European countries, has taken off in particular in France in 2017.

In light of this development, we are convinced of the usefulness of this practice, which goes beyond a quantitative approach (independence, diversity, list of skills, etc.) imposed by the weakness of the documentation, and reaches the core of governance, enables us to understand the role of the Board and to create with it a long-term relationship of trust. The recognition of the role of the Chairman of the Board in dialogue with shareholders in the German Code in February, then that of directors in the dialogue by the High Committee of Corporate Governance in October and finally the report of the Commission "Director-Shareholder Dialogue" of the *Club des Juristes* (in which Amundi participated) demonstrate the importance of this approach.

This type of shareholder dialogue allows us to go beyond a limited vision of governance and extend the scope of commitment to other issues. 2016 had been marked by the rejection of resolutions asking for more information on climate risk management strategy in the United States, for example at Exxon, where this resolution was narrowly rejected. After public support for these resolutions in 2016, Amundi decided to co-propose a new similar resolution at Exxon in 2017 as part of an international coalition of investors. In 2017, despite a still negative recommendation from the Company, the resolution was approved by more than 60% and the Company announced at the beginning of December that it would implement the investors' requests. Environmental and societal issues are increasingly permeating our governance dialogues, demonstrating the development of an increasingly integrated approach by issuers, although much work remains to be done. That is why Amundi participated in the panel for the first Integrated Thinking Awards to recognise this practice and reward best practices in integrated thinking.

Lastly, in 2017, there was also opposition to remuneration, which was frequently reported by the media. Germany had its "shareholder spring" this year, with the rejections, to which we contributed, of compensation policies at Munich Re and Merck. An interesting example is perhaps that of SAP, which received 45% opposition to its compensation policy in 2016 and did not change its policy for 2017. Investors sanctioned this lack of responsiveness by opposing the discharge of the Board with 49.5% of votes "against", a sign of their continued desire to see a more transparent compensation policy, as well as their wish for the Supervisory Board to be more receptive to messages from a significant portion of its shareholders.

(1) A report on voting rights exercised and shareholder discussions, updated half-yearly, is available on the Amundi website (www.amundi.com).

3.2.1.3. SOCIAL IMPACT MANAGEMENT

Key 2017 figures for social impact managemen

- €2,341 million of AuM, up 30.5% since 2016;
- 29 social enterprises financed;
- 18 Finansol certified funds.

social impact funds	2014	2015	2016	2017
Changes in assets (at 31 December, in € millions)	1,031	1,318	1,796	2,341

Amundi has developed a complete, innovative line of social impact funds. These funds are designed for all clients and offer a financial performance objective with a measurable social impact.

With growth of more than 30% in its assets under management, Amundi's social impact management experienced significant growth in 2017. This growth is due to a greater diversification of the types of customers interested in solidarity-based savings funds offering both financial and social performance. Our client base remains strongly anchored in employee savings. It is diversifying with larger subscriptions from institutional clients and private clients from partner networks and private banking.

In 2017, we continued our long-term partnership strategy with this innovative economy and the source of major solutions for societal issues both today and tomorrow. Growth in assets has allowed us to invest in new businesses and to participate significantly in the development of the business models of companies already in the portfolio; this allows them to increase their impact and replicate their models on a larger scale.

We are currently financing 29 solidarity companies, including 3 new ones in 2017: Simplon.co, Grameen Crédit Agricole and Laiterie du Berger. These companies are active on seven topics: employment (education, training, inclusion), housing, health, the environment, non-profit associations, over-indebtedness and international solidarity. An internal model lets us analyse and select from among the companies we meet with each year (around 100 in 2017) those best able to have a long-term social impact along with a long-term outlook for growing as a business.

Amundi is helping to foster this new aspect of the economy and to stimulate local development by supporting these companies' innovative projects. These include helping people excluded from the job market, aiding people who have lost their independence, financing the construction of environmentally-friendly housing for impoverished families and assisting clean-tech SMEs, etc.

Amundi has defined three commitments: to assist companies over the long-term, to diversify the selection of social enterprises and to publish specific, consistent information. The social impact report keeps investors informed about the social impact of funds and projects completed, with testimonials from the beneficiaries.

With respect to governance, the ratings given to our social enterprise partners and the social investments selected are approved by a dedicated committee, the "Impact Committee", which is chaired by a member of Amundi's Senior Management.

Amundi also calls periodic meetings of its social impact partners to discuss the challenges and issues in the social enterprise economy and to put together, with their input, ways of advancing social impact finance. At the end of 2017, the annual meeting of our Partners' Club was opened to our customers so that they can interact directly with the social impact partners about developments in impact investing in 2017. It also allowed all social entrepreneurs to present their activity and impact.

3.2.1.4. ACTIONS IN FAVOUR OF THE ENERGY TRANSITION AND CONTRIBUTION TO THE FIGHT AGAINST GLOBAL WARMING

As climate change poses major mid- and long-term threats, in 2017 Amundi has continued its commitments with several initiatives to support the energy transition and is proposing an innovative process to protect its assets against potential loss of value. Assets supporting the energy transition and green growth reached €10.6 billion as of 31 December 2017.

In addition to its longstanding incorporation of non-financial risks, Amundi has developed genuine financial innovations to support its investor customers in confronting climate change. Amundi is offering turnkey investment solutions in the form of either open funds or bespoke funds run as investment mandates or dedicated funds. These solutions are part of a range of financial innovations (low-carbon index solutions, green bond funds, thematic funds, joint management company with EDF, etc.) and form part of a series of actions (e.g. the strategic partnership with the International Finance Corporation, or participation in the Executive Committee of the Green Bond Principle), aiming to mobilise investors in the transition to a low carbon economy. A contract with data-supplier Trucost, combined with a methodology developed in-house for the carbon assessment of States, enables Amundi to develop tools to measure the carbon footprint of its funds.

Taking extra-financial ratings into account

Thanks to its extra-financial expertise, Amundi encourages issuers to adopt best practices regarding the three priorities, E, S and G. The environmental aspect has therefore traditionally been taken into account in its investment decisions, with a particularly high focus placed on the most polluting sectors. In order to reduce greenhouse gas emissions in particular, we employ a two-fold ESG approach:

- identify the most exposed sectors, energy companies and other sectors: utilities, oil and gas, chemicals, metals, automotive, capital goods, real estate, insurance;
- analyse companies' ability to control their direct and indirect impacts on the environment.

Portfolio decarbonisation

The objective of these solutions is to reduce the carbon impact of these portfolios, meaning to reduce the portfolio-weighting of the issuers that emit a significant amount of CO_2 or of those that hold "stranded assets", fossil fuel reserves that may not be exploitable. Decarbonisation may be applied to traditional portfolios or to index solutions. The result is a reallocation of capital from the companies most exposed to the carbon risk towards more virtuous companies, whose business model is better adapted to lower carbon consumption.

Amundi became a pioneer by launching, as early as September 2014, index funds based on the MSCI Low Carbon Leaders indices, with the support of large institutions such as AP4 (Fourth Swedish National Pension Fund), FRR (Pension reserve fund) and ERAFP (Additional pension institution for public-sector employees). These innovative indices duplicate some standard world or European market indices, while reducing the weighting in companies exposed to climate risk and retaining the same exposure to the markets. By adopting these indices, investors are able to reduce their exposure to the carbon risk without incurring a negative impact on their market exposure and therefore their returns.

Total solutions integrating a carbon filter (in open funds, dedicated funds or management mandates) now represent nearly €7.8 billion in assets under management at Amundi.

Financing the energy transition

In addition to decarbonisation solutions, investments in green financing are part of the climate strategies promoting a low-carbon economy. These investments most often concern the fields of energy efficiency and green infrastructure, and aim to provide an answer to the environmental, social and economic challenges posed by the increasing scarcity of natural resources, as well as the management of environmental damage associated with water, air, soil, waste and ecosystems.

In 2017, Amundi formed a strategic partnership with the International Finance Corporation (IFC) to launch the largest green bond fund dedicated to emerging markets and accelerate the development of the green bond market in developing countries. In the same year, Amundi was elected representative of the Investor community in the Executive Committee of the Green Bonds Principles, and became, inter alia, one of the founding members of the French initiative Finance for Tomorrow, and signatory of the Global Investor Statement on Climate Change.

These various actions in favour of the energy transition confirm Amundi's vocation to become a world leader in green finance. As part of our climate solutions package, we offer topic-based funds dedicated to financing the energy transition. Accordingly, the Amundi Valeurs Durables fund is invested in shares of European companies that derive a minimum of 20% of their revenue from the development of green technologies. Furthermore, it takes into consideration the Amundi SRI criteria and excludes companies that produce fossil fuels and nuclear energy.

In 2017, a Luxembourg feeder fund of Amundi Valeurs Durables, Amundi Equity Green Impact, was launched to meet a growing demand from our international clientele.

This partly explains the increase in Amundi Valeurs Durables' assets under management, which doubled in 2017.

For investors seeking bond products, we launched Amundi Green Bonds in 2015. This fund enables investors to participate in the financing of the energy and ecological transition by investing not only in the "green bonds" market, but also in the debt securities of specialised companies or leaders in the development of green technologies. Amundi launched Amundi Impact Green Bonds in 2016. Consisting entirely of green bonds, this fund enables investors to measure the positive environmental impact of their investments by means of dedicated impact reporting expressed in tonnes of CO_2 averted. As at 31 December, these two funds dedicated to the financing of the energy transition totalled €186 million.

In 2017, the strategic partnership with IFC is a $2 billion project that aims to develop local markets and increase funding for investment projects related to global warming. Amundi was selected following an invitation to tender, and this fund is the first product of a joint venture between IFC and Amundi aimed at developing green financing in emerging markets.

Amundi's commitment is also reflected in our participation in the main market initiative (Green Bonds Principles) and in the signature of the Paris Green Bonds Statement aimed at promoting the development of this market.

Finally, in 2016 Amundi signed a partnership with EDF that fits under the framework of financing the energy transition. Through a joint management company, Amundi Transition Energétique (ATE), its objective is to offer managed funds in the main fields of energy infrastructure (wind and solar energy, small hydraulic plants, etc.) and B2B energy efficiency (particularly electro-intensive manufacturing companies) to institutional investors. This unique partnership between an industrial company and a management company is intended to develop an asset class whose performance is de-correlated from that of traditional financial markets, with attractive returns. In early 2017, ATE launched and fully invested its first Private Equity Infrastructure product. ATE acquired a majority stake from Dalkia in a portfolio of 132 French cogeneration facilities producing both electricity and heat to meet the needs of industrial or public clients.

The commitments of two other funds launched in 2017 - more than €1.5 billion (including debt) will be rolled out over the next four to five years. ATE is committed to investing exclusively in real energy transition assets such as renewable energy production units, systems that improve energy efficiency or services that promote energy transition.

In addition, ATE has an ESG Charter setting out the principles and commitments it intends to implement as well as an ESG policy detailing the integration of these principles and commitments into the investment process and fund management.

Various projects aiming to boost the financing of the energy transition are being studied within ATE and more generally within Amundi's PARA Division.

Shareholder commitment

Commitment is also a lever with increasing influence in favour of a low carbon economy, which intensified in 2017, in line with the movement initiated by the COP 21.

Starting in 1996, we adopted our own voting policy that incorporates environmental and social criteria. Our voting policy is an integral part of our risk management. It is an essential tool for the protection of our clients' interests. It enables us to implement the voting policies of those of our clients that show significant integration of energy transition, specifically by not approving the financial statements in the event of an energy transition policy that is deemed lacking.

In addition, Amundi participates in several collective initiatives whose relevance was reinforced during COP 21: the Carbon Disclosure Project, the principles for responsible investment, and the IIGCC. We also support the resolutions regarding financial risks associated with climate filed by the investor coalition 'Aiming for A' with the Oil Majors (BP, Shell, Total, Chevron and Exxon) and large mining companies (Rio Tinto, AngloAmerican, and Glencore).

A targeted disinvestment policy

From an environmental standpoint, there has been a noticeable acceleration in the movement to disinvest from fossil fuels since COP 21. A large number of investors are gradually pulling out of fossil and carbon-intensive fuels (coal, oil and gas). It is in this context that, since 2016, Amundi has implemented a policy of excluding issuers who derive more than 50% of their revenue from coal mining, a percentage lowered to 30% in 2017 (see part 3.2.1.1).

The carbon footprint of the portfolios

Amundi chose Trucost, the world leader in environmental research and carbon data, to calculate the carbon impact of its funds. Direct and indirect emissions (scopes 1, 2 and part of scope 3 correspond to the indirect emissions of first-tier suppliers), as well as carbon reserves, are covered. This enables us both to satisfy the quantitative provisions of Article 173 as to the inclusion of CO_2 emissions related to assets under management and to develop, thanks to the expertise of Amundi's specialised teams, innovative strategies to reduce the carbon footprint of the investment portfolios.

Amundi has developed tools for measuring the carbon footprint of its funds, which make it possible to provide carbon reporting to its clients that includes the following indicators:

- the coverage rate: (i) calculation of the amount of rateable assets in the portfolio considered and (ii) calculation of the amount of the rated assets, *i.e.* those for which we have data provided by Trucost;
- carbon emissions per million euros invested: indicator of the emissions as a result of the investments in this portfolio;
- carbon emissions per million euros of turnover: indicator of the carbon intensity of the value chain of portfolio companies;
- sector distribution of the carbon emissions (in %);
- geographic distribution of carbon emissions (in %);
- carbon emissions per million euros invested.

In 2017, Amundi developed internally a methodology for measuring the carbon footprint of States, which will be rolled out in 2018.

3.2.1.5. THE RESPONSIBLE COMMITMENTS OF AMUNDI'S SPECIALISED FUNDS

Amundi Immobilier

Since 2010, Amundi Immobilier has tried to quantify the energy usage of all its properties, in France and internationally, of whatever size, period of construction, building type or geographic location. Amundi Immobilier, in partnership with Sinteo, has created its own measurement tool, with a two-fold objective: systematically and regularly assess assets under management and new investments. Built around six main criteria - energy, water, waste, transport, pollution, health and well-being - the tool reveals for each building: its intrinsic performance, the impact of its use by its occupants and its potential for recovery.

A survey has been done of all Amundi Immobilier properties under management in order to identify opportunities for improvement. These opportunities are leveraged on a daily basis by the asset managers as they strive to add more value to their properties.

This approach meets the needs of lessees looking for buildings with proven environmental quality and helps retain lessees, which is an assurance of stable lease revenue for our real estate investment companies SCPIs [(1)] and OPCIs [(2)].

Amundi Private Equity Funds

During the audits of the equity, infrastructure and private debt funds, the ESG policies of the managers are carefully reviewed and made part of the total assessment of the investment proposals.

Amundi Private Equity Funds intends to continue broadening this effort. This will take the form of an analysis made during the investment period of pertinent quantitative and qualitative ESG indicators, both as to the managers and as to the underlying positions. As an active shareholder participating in the governance of the companies in which we invest, Amundi also ensures that ESG issues are discussed in the board meetings of the companies in which it participates, and that these companies make progress on these issues throughout the duration of the investment (five years on average).

Pragmatism is also important for small companies backed by private equity. We then have a very *intuitu personae* relationship with management teams and company managers. We also adapt the ESG criteria to be analysed and their number, and this in a "best effort" scenario. Our commitment approach involves recommendations covering periods that vary in length, adapted to the Company and its sector. We note in annual reviews that these roadmaps are highly appreciated by small companies, which can therefore structure their so-called "CSR" policy more easily.

(1) SCPI: Civil Real Estate Investment Company.

(2) OPCI: Real Estate Mutual Funds.

3.2.2 Keeping the promise to clients

Our top commitment is to provide our clients with high-performing, transparent investment and saving solutions as part of a long-lasting relationship based on mutual trust.

Amundi is organised around two main business lines:

supplying savings products that meet the needs of private individuals in our partner networks and of third-party distributors;

developing specific investment solutions for our institutional clients and corporate clients' customers.

In 2016, Amundi established an advisory committee composed of leading experts to discuss the global economic and geopolitical outlook, analyse their potential impacts on the financial markets and sharpen our understanding of our clients' needs in the particular countries where we intend to accelerate our development.

3.2.2.1. DEVELOP A LONG-LASTING RELATIONSHIP WITH PARTNER NETWORKS AND THEIR CLIENTS

Amundi is a partner in four banking networks in France (Crédit Agricole Regional Banks, LCL, Société Générale and Crédit du Nord) and in twelve other networks in Europe and Asia. The Amundi teams work closely with each of the partner networks in identifying the needs and the most appropriate materials and services for their clients. Over 100 Amundi employees (centrally as well as in subsidiaries abroad) are assigned to work on relations with European and Asian partner networks.

Beyond the partner networks, Amundi is developing a growing business with other French and foreign distributor networks (banks, insurance companies, brokers), which most often distribute savings solutions built by Amundi using open architecture and intended for customers of their networks.

Know the needs of individual clients

We constantly monitor all published public and private studies that touch on saving in the broadest sense of the term. We also assiduously monitor competition in France and abroad. Moreover, we periodically carry out studies among our panel of 200 individual client and non-client savers of our partner networks.

Product validation

The Product and Services Committee, a decision-making and governance body chaired each month by the Head of Retail Marketing, formally validates the creation of a fund or a service. This body assembles one representative from each Amundi business line. No product can be marketed without the favourable opinion of the Risk, Legal and Compliance business lines. The request for the approval of the appropriate supervisory authority can then be initiated so that the Amundi sales forces, whether in France or internationally, can market the product. The merger with Pioneer in 2017 did not change this process.

Supporting our partner networks in France and abroad

In order to facilitate the adoption of Amundi's offers by the financial advisers of the various distributor networks, in 2017 Amundi redesigned the range of supporting information made available to the agency networks. We give them access to standardized, uniform and comprehensive "Product" information on our range of flagship products. Of the 20 priority funds in Amundi's select range (including Pioneer funds), Amundi offers advisers kits including Brochures, Fund Teasers, KIIDs and Product Videos. These materials are regularly updated.

Amundi also provides its partners with regular information on market news with an analysis by its research team and its Advisory team. Every week, the "weekly market" review is sent to the distribution partners. A "Retail" version addressed to the end customers of our partners accompanies a "Pro" version offering a more in-depth analysis of the markets and aimed at the management and advisors of their distribution networks. Amundi currently produces these letters in six languages Each month, a letter (in six languages) and a video (in four languages) present Amundi's main advice and recommendations.

At the time of the rapid rise in digital use, Amundi has continued the development of a large number of tools intended to provide each interested distributor with interactive or digital customised training solutions:

- **Amundi Academy**: Amundi continued the development and began the rollout of the Amundi Academy platform, in test phase in 2017 and fully operational in 2018. Amundi Academy aims to meet the widest spectrum of needs of partner networks in terms of training sales teams. It aims to:
  - contribute to a better general knowledge of financial markets advisers, both theoretical and practical, so that they can properly understand the products they have to distribute,
  - respond precisely to the needs of managers (create customised training programs, campaign packagers, etc.) and allow them to have tools for measuring the knowledge of their advisers;
- **Amundi Reality** is a "serious game" intended to provide training that is both complete and fun regarding all the features of a new fund that the advisers must thoroughly understand in order to market it effectively to their clients. Amundi Reality also includes tools for measuring acquired skills and allows management to control the rise in competence of its teams properly. In 2017, to support the launch of the highly innovative CPR Global Disruptive Fund, a version of Amundi Reality adapted to the characteristics of this fund was developed;
- **Amundi Certification** is a skills acquisition validation module. It was originally built to accompany an Amundi Reality. It takes the form of an interactive questionnaire, intended to measure the level of understanding of the product features and product behaviour under different market conditions. The advisor must correctly answer a minimum of 90% of the questions to obtain his/her aptitude certificate for distributing the product. The management of the sales force is informed of the results obtained by its team of advisers. The use of Amundi Certification was expanded in 2017 and can be freely calibrated by the network and the management that uses it. The MCQ by which the measurement of the skills of the advisers is operated is based on all or part of the topics selected in Amundi Academy;
- **Amundi Investment Game**: Amundi has also designed and developed this interactive, fun and collective learning tool in which advisers compete over a period of several months to each manage a fictional portfolio invested in a range of mutual funds and connected to Amundi management tools. By taking into account the market context, they control their allocation, subscribe, redeem and arbitrate the funds of their choice from the list proposed, aiming for the best performance at the end of the competition. This type of tool allows excellent adoption of the characteristics of the

funds and the reflexes related to the reality of the marketplace to control portfolio management;

- **Amundi Digital Advisory**: As part of the development of the recommended management and of the securities management mandates, equity savings plans and Life insurance with the retail clients of partner networks, Amundi has developed monthly tools for advisers that enable them to effectively support their clients by clearly highlighting in an educational way the recommendations/ operations that resulted from the previous month's market context and Amundi's expectations. The quality of this supporting material enables advisers to quickly build up their skills.

Amundi manages and maintains (for each of the networks and for each of their types of client base) Intranets reserved for advisors that are directly accessible from their workstations and that give them direct access to information regarding offers, services and the products marketed. The teams in charge of the Amundi networks support and manage the partner networks through regular interventions during advisor training sessions, particularly those for new advisors, or for network trainers in charge of relaying this training to advisors.

There are also tools focused on each network. For LCL, Intranets reserved for advisers provide access to a complete range of information: offers, services and tools available as well as the Amundi strategy.

For the Crédit Agricole network, Premundi Coopération is very active in disseminating Amundi's numerous types of information to advisers. Web conferences, on-line training or information meetings, and on-site physical information meetings also contribute to better ownership of the concepts and characteristics of the products and services they have available to distribute. Much closer, one-off assistance, in particular by telephone, helps them better control situations encountered face to face with their customers.

Regarding employee savings, in 2017 Amundi ESR (Employee Savings and Retirement) launched the first stock market robo-advisor to help each employee take charge of their employee savings. Thanks to work involving teams in sales, marketing, managers, lawyers, IT departments and account management personnel, as well as co-creation workshops with its clients, Amundi now offers a digital, 100% personalised solution allowing each saver to define the optimal distribution of his or her investments within the employee savings plan according to his or her projects and risk appetite. With this system and for the first time in terms of employee savings, each employee saver can view his portfolio simply, see the allocation choices and take direct and simple action in relation to the savings with full knowledge of the facts.

Since 2013, Amundi-ESR also offers training for HR professionals and employees, as well as members of the Supervisory Boards and representatives of the Works Councils. These one-day training sessions cover financial management, retirement, ESR systems (profit-sharing, incentive plans, PEE (company savings plans), PERCO (collective retirement savings plans)), the role of the Supervisory Board and employee shareholding. They aim to develop the knowledge of these various audiences to enable them to better use these systems. Accordingly, in 2017, 36 training days were held either in an inter-company or intra-company setting throughout France.

The new course on the topic of financial management, combining the techniques of MOOCs and Serious Games, was deployed at Amundi in May and December 2017 for its employees, interns and trainees.

Measuring client satisfaction

Amundi is very interested in the opinions of all of its current and potential distributors. As such, every year Amundi acquires and analyses in detail the Fund Brand 50 survey by MackayWilliams Company, which carries out a very detailed annual telephone survey of 1,000 decision-makers in the main European firms that select funds and associated services, on their assessment of all the services of each of the asset management players operating in their market.

The latest edition published in early 2017 marks a continuation of Amundi's progress in the various rankings. Amundi occupies 11th place for the first time in this ranking dominated by US asset managers, far ahead of other major French asset managers. In France, Amundi ranks in 5th place, up by five places and also finishes in the top 10 in Belgium. Amundi's strong growth momentum in this ranking can largely be explained by the image of an innovative player with a strong ability to adapt to the market context. Amundi is particularly appreciated for the broad spectrum of its range of products and services, an area in which it ranks first. Amundi also stands out as one of the very few major players in France to focus on the quality of its offering to retail customers.

For individual customers, it is distributors who measure the satisfaction of their own customers using barometers. Amundi's French banking network partners have a barometer, the CRI (Customer Recommendation Index), which is the result of the entire relationship of the bank with its clients. For its part, Amundi strives to make a positive contribution to end-users' perceptions of the networks that distribute its products.

3.2.2.2. ESTABLISH RELATIONSHIPS OF TRUST WITH OUR CORPORATE AND INSTITUTIONAL CLIENTS AND OFFER THEM SOLUTIONS ADAPTED TO THEIR NEEDS

Institutional clients (Sovereign, Institutional, Corporate) expect an asset manager to have a detailed and thorough understanding of their particular needs and to supply appropriate solutions, all within a relationship of trust built over time.

As the leading European asset manager in terms of assets under management, our management is based on several principles: promote respect for international conventions on human rights, international labour organisation and the environment, as well as a model for society's sustainable and responsible development.

It is in this context that Amundi's actions in favour of the fight against climate change are seen. In 2017, Amundi worked to promote financing of the energy transition by setting up an innovative project in partnership with the International Finance Corporation (IFC) to develop the market for Green Bonds in emerging countries to finance a global energy transition. This initiative was promoted with institutional investors of various kinds around the world in order to mobilise as many as possible.

The initiative was accompanied by an acceleration of Amundi's involvement in issues related to green finance through market initiatives such as the signature of the Global Investor Statement on Climate Change, by the non-governmental organisation Climate Action 100+, and our election to the Executive Committee of the Green Bonds Principles.

By placing the need for transparency at the centre of our considerations, we also work to disseminate good reporting practices, in particular through our Impact Green Bonds strategy, which aims to measure the positive impact on the environment of our clients' investments.

In 2017, Amundi conducted a study among its sales representatives to analyse the expectations of their institutional clients in terms of responsible investment. One of the objectives of this study was to improve our knowledge of the different degrees of maturity of our clients regarding the integration of environmental, social and governance considerations into their investments and to identify regional specificities in terms of a responsible approach. This will help us propose an offer and provide support closer to the needs of our institutional clientele.

Quality of client service

As Amundi expands internationally, it must offer client service that meets client expectations and needs, whether it be in the framework of setting up a dedicated fund or mandate, or in all the operational, administrative or reporting aspects of the day-to-day relationship. The Client Service Department stands behind the quality of the service rendered, Amundi's responsiveness and the honouring of its commitments through its everyday interactions with all the links in the Amundi value chain. The Company implements a quality assurance program through a commitment charter for improving response times. The objective is to support the entire value chain and the interactions with the support and audit functions. To date, these commitments have meant that Amundi receives a very limited number of complaints.

The handling of complaints is a key component of the quality of the service provided to Amundi's clients. An internal process as well as a Quality Charter for clients were established within Amundi and were disseminated throughout all departments:

- clients can contact Amundi through all communication channels available to them (email, phone, fax) and all complaints are centralised in the Customer Service Department;
- each complaint receives an acknowledgement of receipt along with a response timeline or an initial response;
- answers are validated by the appropriate business line expert;
- requests are entered into the customer relationship management tool by customer service, which mentions: the name of the client - the subject of the request - date of receipt - date of acknowledgment of receipt - person in charge of processing - details of the reply - closing date.

Amundi is committed to handling complaints as promptly as possible and to providing consistent and systematic quality in its answers. Answers and processes are reviewed by the Compliance Department and, where necessary, the Permanent Control team of the Risk Management Department monitors the implementation of the actions plans.

The complaints process is part of the set of monthly performance indicators. It is also the subject of special reports to the Management Committee and the Quarterly Complaints Committee set up by the Compliance Department. The main complaint topics identified in 2017 involved delays in the circulation of net asset values.

In 2017, for the fifth consecutive year for Paris and the sixth for London, Amundi obtained the ISAE 3402 type II certification of the institutional scope for its internal control system. The ISAE 3402 certification (International Standard on Assurance Engagements 3402), in effect since 2011, is the internationally recognised standard for evaluating the quality of a risk management policy through the assessment of the operational relevance and efficiency of its key controls pertaining to services provided to clients. This certification bears witness to Amundi's desire and ability to control the risks associated with the transactions entrusted to it by its clients.

On the occasion of the 5th edition of the Asset Management Awards organised by the Option Finance magazine in partnership with Deloitte and State Street, in November 2017 Amundi received the Award for Best Customer Service to French Institutional Investors.

Research

Research plays an important role in portfolio management and the department works closely with managers and clients. Fully integrated worldwide, the team includes almost 200 employees, economists, strategy experts and high-level analysts. The knowledge produced by Amundi (market analyses, working papers, spotlights on current issues, etc.) is shared with its clients through the Research Centre, an open on-line platform.

3.2.2.3. AN INDEPENDENT COMPLIANCE AND RISK MANAGEMENT STRUCTURE, TO GUARANTEE OUR COMMITMENT TO CLIENTS

Amundi has an integrated and independent control system to respect the orientations and constraints set by its customers. In this way, the Risks and Compliance functions help strengthen the reliability of Amundi's products and services and help us meet our obligations to our clients.

Compliance

The Compliance teams play an essential, preventive role ensuring compliance with regulations, Good Conduct Codes and professional standards, which they safeguard. They look after the clients' interest, ensure the integrity of the market and the independence of our activities.

To conduct its mission, the Compliance Department has formalised a "Set of Compliance Procedures" detailing the compliance rules that apply, particularly those laid out in the Code of Professional Ethics, the Compliance Manual and the Anti-Money Laundering Manual, and that are carried out through written procedures. Internationally, this set of procedures is distributed to the local managers and applied to all entities.

The Compliance Manual is made available to employees on Amundi's Intranet. Every three years, training is given on the main compliance topics to all employees of the Amundi Group, as e-learning or face-to-face training. Awareness/prevention of fraud and corruption and anti-laundering/financing of terrorism also form part of the regular training sessions.

In order to increase client protection, in addition to the regulatory requirements, the Compliance Department approves all new activities and products, not only at the creation but also when substantial changes are made to them. For partner networks, this responsibility also extends to sales and marketing documents intended for the networks' clients or prospects and for the advisors. For client complaints, the Compliance Department ensures that all complaints are handled and processed in accordance with the law, regulations and procedures. It approves all replies to clients before they are sent.

In 2017, on the occasion of the merger with Pioneer, a new organisation was set up for the Compliance Business Line around three major themes:

- the expertise organised on the topics of Compliance (Market Integrity, Financial Security, Products and Investment Solutions, Corporate Compliance);
- regional coordination covering all subsidiaries and branches grouped together in the zones France, America, Ireland and Great Britain, Asia-Pacific, Europe (excluding France, Ireland and Great Britain), Japan;
- controls and reporting provide an overall view of the non-compliance risks and remediation activities.

The first Pioneer entities have been integrated, in particular Germany in Q4 2017.

In accordance with the focal points highlighted by Compliance for 2017, work has been undertaken to improve how monitoring of threshold crossings operates.

Regulatory training provided in 2017 (France scope)

% employees trained	92.7%
Number of employees trained	2,013
Number of training hours	4,832
Number of training sessions	9,237
Number of training hours per employee	2.4

In July 2016, for a term of three years, Amundi obtained the British Standards Institution Certificate of Registration (BSI) certification for its anti-corruption management system, thereby demonstrating to the regulator its desire to comply with best market standards.

In September 2017, Amundi launched a specific project to bring its processing of personal data into compliance in all its entities located in the territory of the European Union. A mapping of all the processes was made for the French entities on the basis of declarations made to the CNIL and for the international entities on the basis of the data uploaded using a methodology and common models defined by Amundi. The processing register is being finalized together with a gap analysis. Compliance of contracts with the regulations is being verified, and standard clauses for new contracts are defined. The DPO (Data Protection Officer) has been appointed. A single person for all Amundi entities, he will rely on a network of local contacts. The training of employees will be based on e-learning conducted by the CASA Group. An action plan responding to the gap analysis is being developed to bring all of our personal data processing into compliance.

In 2017, Crédit Agricole adopted a Code of Ethics common to the entire Group (Regional Banks, National Federation of Crédit Agricole, Crédit Agricole S.A. and its subsidiaries, including Amundi). This Charter underscores the Group's values of closeness, responsibility and solidarity and displays the Group's founding convictions, culture and business ethics. It is a reference document that incorporates the principles of actions and behaviour to be respected towards our customers, our employees, our suppliers, the Company and all our stakeholders.

Risk management

Limiting risks and honouring its obligations are basic to the relationship of trust that Amundi has with its clients. Amundi's Risk Management function is highly integrated, in order to give the Group a consistent, systematic approach to measuring and monitoring risks for all its activities.

This integration is based on a worldwide on-line business organisation and the sharing of methodologies and tools common to all Risk teams, so that everyone is speaking the same language. The organisation and controls deployed evolve regularly to ensure a risk management continually adapted to the Company's challenges and provide customers with the assurance that our explicit commitments and compliance with regulatory obligations are being implemented. Investments are audited by staff who are independent of fund management personnel. It is integrated with Amundi's Business Support and Audit Division, whose main mission is to protect the client's interest. Its role is to ensure, through a dedicated information system, that the investment constraints requested by clients or required by regulations are observed.

To keep the value creation chain secure, Amundi has established a risk function that is independent and globally integrated. This organisation, deployed in all Group entities, guarantees investors that we will meet our obligations, be they contractual or regulatory.

Risk control personnel install and monitor an internal system to regulate management processes, in three phases:

- devising, in systematic fashion, internal control rules and regulations specific to each investment strategy, based on a preliminary identification of the risk factors that underlie performance;
- overseeing on a daily basis the management actions taken, to check that the investment decisions and the positions in the portfolios are in keeping with the management rules and the objectives sought;
- evaluating ex post the quality of the management processes, based on independent measurements made using proven methodologies.

To ensure its adherence to principles of fiduciary duty, Amundi prepares and sends two documents to its clients, the prospectus and the KID (Key Information Document), describing the conditions on which the fund is managed, as well as the relationship between yield and the level of risk associated with such management. Several indicators reflecting the risk level of funds are included in these documents. They are calculated independently by the Risk Department.

Control business lines headcount (at 31 December in FTEs)	**2016**	**2017**
Compliance business line	64.8	108.0
Risk Management business line	165	225.8
Audit business line	26.6	42.9
As % of total headcount	**8.2%**	**8.1%**

3.3 MAKE INDIVIDUAL AND COLLECTIVE DEVELOPMENT CENTRAL TO OUR RESPONSIBILITY AS AN EMPLOYER

Through its human resources policy, Amundi tries to foster the growth of its employees, personally and as a group, in order to serve the performance of the Company. That performance is based on the development of skills, a shared management culture, the promotion of equal opportunities and a good two-way communications between management and employees. All of these factors are key to effectiveness, innovation and commitment.

In 2017, in the context of the acquisition of Pioneer Investments, the HR challenges were to support integration and implementation of the new organisation while remaining aligned with our commitments as a responsible employer. Beyond the synergies expected from the merger, the priority objective was to set up an agile and operational organisation. The system selected took into account, in detail, all the issues - strategic, financial, human - while aiming to minimize the social impact of the merger.

3.3.1 HR policies

Amundi is a growing group. The mission of the Human Resources Department is to support the Group's growth, in all of its human and functional components. The Group's human resources policy enables each employee to find the best fit in terms of job assignment and skills in response to the business's needs. Therefore, Amundi puts the development of individual and collective talent at the centre of its responsibility as an employer. Amundi's human resources policy focuses on five key goals:

- supporting employee talent within the business by emphasising performance and encouraging internal mobility;
- developing a "learning company" through training and skills transmission;
- a responsible corporate environment;
- the respect of the equal opportunity principle to promote various forms of diversity (disabled, gender equality, senior citizens, young people, etc.);
- encouraging a commitment to solidarity among employees.

3.3.1.1. EMPLOYMENT POLICY

In 2017, in the context of the acquisition of Pioneer and integration of the teams, the priority was to initiate the workforce reductions announced by the synergy plans and to ensure that the needs and resources, especially in developing sectors, were reconciled. In the long term, after the integration synergies phase, the Company's strategy remains a development strategy that should enable job growth.

During the integration phase, the following principles guided our actions in matters of employment:

- priority to internal mobility and reclassification, with a freeze on external recruitment during the merger;
- social treatment adapted to each country, and special attention to specific situations.

Change in headcount (1)

The acquisition of Pioneer strengthened Amundi's international scope, with a combined global workforce excluding joint-ventures, at 31 December 2017, of 4,649.6 employees (in full-time equivalents (FTE)), compared to 4,897 employees at 31 December 2016 (scope Amundi+Pioneer proforma).

The international workforce share now accounts for 54.3% of the total workforce. This proportion is 80.1% in Europe; France alone represents 45.7% of the Group's total workforce.

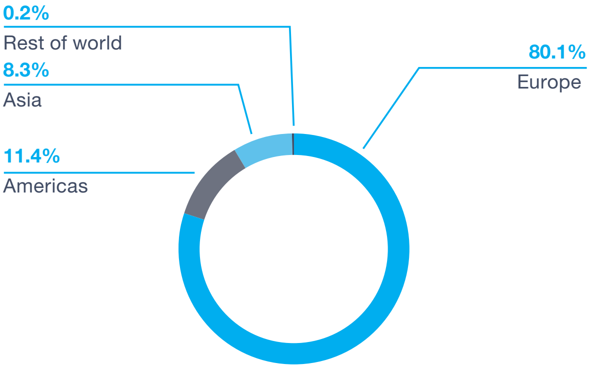
The change in Amundi's workforce by geographical area following the integration of Pioneer, is as follows:

Headcount (FTE)	31 December 2016 (2)	31 December 2017
World (excluding joint *ventures*)	3,108.7	4,649.6
Europe	2,646.1	3,722.0
of which France	*2,106.4*	*2,126.6*
Americas	80.5	528.5
Asia	372.1	388.1
Rest of World	8.0	11.0
Joint-Ventures (1)	997.5	1,230.3

(1) List of JVs: SBI Fund Management (India), ABC-CA Fund Management (China), Amundi ACBA Asset Management (Armenia), NH-CA Asset Management CP. Ltd (Korea), Fund Channe (Switzerland and Luxembourg).
(2) Amundi only

(1) Managed headcount (excluding joint ventures) including in non-consolidated entities

% Breakdown of workforce by geographical area as of 31 December, 2017



As part of the integration, Amundi has reorganised its business lines to adapt them to the new Group's structure. A global downsizing plan is currently underway. This plan covers about 500 job cuts, representing 10% of the global workforce with some 370 job cuts in Europe and around 130 in the rest of the world (mainly in Asia and the US). Synergies will be spread over all the Company's business lines (management, sales, support and control functions) and all of the sites.

These reductions, which the Group has undertaken to support via plans adapted to local social practices, began in 2017. They will continue in 2018 until mid-2019. The management of the workforce is subject to compliance with legislation in each country and the social timetables. Overall, 40% of the synergies were realized at the end of 2017 and 75% should be achieved by the end of 2018. The reduction of IT providers will begin in June 2018, in particular with the transfer of certain activities provided by service providers in France, which will be taken over by the permanent contract workforce in Dublin.

In France, the voluntary departure plan opened in January 2018 provides for the removal of 134 positions. Half of these concern front office, management and sales jobs, the other half are in support and control functions: 40% of the job reductions concern activities that will no longer be carried out in Paris, but elsewhere in the Group, while 60% are related to reorganisation of the sales, control and support functions.

At the same time, actions to reinforce and redeploy staff will be carried out according to Amundi's requirements.

The total headcount of the Group's joint ventures was 1,230.3 FTE employees at 31 December 2017, compared with 997.5 at 31 December 2016, an increase of 23% due to the strong business growth of our India joint venture.

Hiring

In 2017, during the Pioneer integration phase, external recruitments were very limited in order to favour internal mobility. This will be able to resume according to specific needs. Internationally recruitments will accompany the development of the Company. Many of these will be experienced professionals who will help us make rapid progress in our operations. All geographical areas will be affected. In France, targeted recruitment of profiles that are not available internally can complement the Company's expertise.

In 2017, 181.5 full-time equivalent permanent and fixed-term employees were recorded. New hires accounted for 3.9% of the worldwide headcount at 31 December 2017. In proportion to the number of employees, recruitments (mainly on permanent contracts) were made in a balanced way between international and France.

While adapting it to the context of the merger and synergies, Amundi was keen to renew its specific action towards young graduates through the Odyssey program [1]. Accordingly, in 2017, Amundi hired six new recent graduates, recruited from among its interns, work-study and VIE contracts, who are now assigned to several countries (Italy, USA, France or Japan). To date, this program has recruited nearly 40 young graduates.

The total numbers of new hires during the years ended 31 December 2016 and 2017 were as follows:

Hirings* (FTE)	2016	2017
Worldwide	186.0	181.5
of which France	*93.9*	*89.5*

* *Data includes external permanent and fixed-term hires, and hires under the Crédit Agricole Group mobility programme. Figures are calculated net of collective transfer and returns from extended leave (e.g.: illness, sabbatical, business creation leave, etc.).*

Departures

The number of departures in 2017 was 360.7 FTEs.

Departures	2016	2017
Worldwide	200.8	360.7
of which France	*94.4*	*73.9*

Breakdown of headcount by type of contract

Almost all employment contracts in the Amundi Group (98.2% at 31/12/2017) are permanent contracts.

The percentage of external sub-contractors in the workforce stood at 10.06% at 31 December 2017 compared to 11.3% in 2016. Sub-contracting mainly consists of IT services.

NB Odyssée is the name of the Amundi hiring programme for young graduates, selected from among the students who completed their internship, work-study or VIE within the Company.

Seniority and average age

Seniority/Average age	At 31 December 2017	
Amundi	12.9	44.0
Pioneer Investments	10.3	43.2

Age structure of headcount

The table below shows the age structure of the Group's workforce at 31 December 2016 and 2017 (data in physical headcount in the Total column):

Distribution by age and gender	2016		2017		TOTAL	
	Men	Women	Men	Women	2016	2017
Under 30	58.6%	41.4%	63.7%	36.3%	191	259
30-39	56.3%	43.7%	57.5%	42.5%	965	1,286
40-49	54.5%	45.5%	55.6%	44.4%	1,215	1,922
50-60	54.2%	45.8%	59.4%	40.6%	727	1,132
Above 60	58.0%	42.0%	63.0%	37.0%	69	135
TOTAL					**3,167**	**4,734**

Headcount distribution by gender

The table below shows the distribution of employees by gender at 31 December 2016 and 2017:

Headcount distribution by gender	31 décembre			
(in ETP and in %)	2016	2017	2016	2017
Women	1,364.9	1,929	43.9%	41.5%
Men	1,743.8	2,720.6	56.1%	58.5%
TOTAL	**3,108.7**	**4,649.6**	**100%**	**100%**

3.3.1.2. TRAINING

Professional training is intended to support the Amundi's development and respond to current and future challenges. Training helps employees adapt their skills and maintain and develop their core expertise. It is based on three priorities: developing skills, supporting managers in their HR responsibilities and providing educational expertise to the business lines and the teams.

Through these training and support measures, Amundi seeks:

- to ensure that employees can progress within the Group and occupy positions that make the most of their experience and match both their personal objectives and those of the Company;
- to ensure the long-term employability of its employees.

Policy is defined annually based on the Company's development needs and the business lines' financial, technological and regulatory changes. To support in-company transfers, which help employees' development, employability and motivation, Amundi provides individual monitoring and training support. Significant resources are allocated to support employees who change business line or whose line is being reorganised.

In 2017, the Phileas digital training platform totalled more than 3,200 single users and 124 training courses in French and English. The platform was opened on 3 July 2017, to all former Pioneer employees to support the first day of the merger.

The digital offer on Phileas has been enriched by an awareness module on intercultural communication to enable each employee in the new group as a whole to discover the cultural specificities of each colleague, according to his or her country of origin, and their impact within a multicultural team.

In addition to the very comprehensive e-learning module that was deployed in 2016, we strengthened the language learning system through generalisation of the "Get Together" discussion groups, informal discussion groups whose objective is to liberate colleagues so that can get the courage to speak in English in front of colleagues. These groups, initially in the pilot phase, were extended to all Paris employees and then to the Valence site.

The training effort also focused on strengthening managerial skills with complete overhaul of the training program for new managers taking up post. This program now alternates collective and individual periods, face-to-face or distance. Its goal remains that of providing the basics of managerial practice.

After a successful launch with the management circle in 2016, awareness of the culture of feedback was extended to all managers in 2017, *i.e.* 375 people trained in total. This training, delivered in the form of conferences and workshops, was subsequently offered to all employees in the form of conferences in 2017.

Finally, still at managerial level, and to accompany the organisational changes, a training course dedicated to remote management was started in December 2017 with the managers involved with distant teams.

Training (excluding Compliance/Regulatory)	31 December	
Scope: France, in number of natural persons, excluding staff provided by Crédit Agricole S.A.	**2016**	**2017**
Number of employees trained	1,366	1,350
% employees trained	63.5%	62.6%
TOTAL NUMBER OF TRAINING HOURS	**34,093**	**23,118**
Average number of actions per employee trained	1.67	1.68
Average number of training hours per employee trained	25	17.1

The reduction in the number of training hours between 2016 and 2017 follows three changes: change in the calculation methods of the hours of preparation for the CFA, retaining only the hours of presence on the course, reworking of the Managers' Appointment course, halving the training sessions and finally a very significant increase in the amount of Staff Leave taken for Language Training in 2017, thereby reducing the number of hours of training under the plan.

In 2017, over the entire scope of the new group, the number of employees trained was 2,852, a ratio of 60.2%.

3.3.1.3. INDIVIDUAL MANAGEMENT AND TRANSFERS

To foster individual growth and professional development within the Group, each employee receives individualised management by an assigned human resources manager and is reviewed annually by his or her manager. This exchange is of greater importance in this context of bringing together two companies from different cultures. It was therefore maintained in 2017, despite a new organisational structure and different information systems that should not obstruct exchanges. These meetings will have been the perfect opportunity to deepen the reciprocal knowledge of the new teams, to make progress in understanding the cultures and to send off the employees in their new missions. Annual employee reviews are organised jointly by management and the Human Resources Department to encourage the growth of each employee. Amundi's talent management policy is to identify and support key employees whose professional development is essential for an international group like Amundi, with the objective of establishing succession plans and providing the employees in question with career and growth opportunities. Accordingly, Management Committees, bringing together HR individual management personnel, are regularly held in order to study possible workforce reallocations based on expertise and activities and to identify candidates to whom to offer these opportunities.

In-company transfers, both geographical and occupational, are encouraged as a way to constantly adapt our human resources to the needs of the Company. In 2017, it was one of the pillars of the synergies realization plan following the acquisition of Pioneer, particularly in France under the negotiated Voluntary Departure Plan. The mechanisms and tools for internal mobility have been strengthened, in particular by expanding the international mobility committees and deploying the Myjobs information system in all new entities, giving all Group employees access to open job opportunities in each location. Every year, internal transfers make it possible for employees to develop new skills or to change jobs while capitalising on their knowledge of the Company.

In 2017, internal mobility was reinforced by a new geographical mobility policy, specifically adapted to the Amundi Group's new employment market in Europe. In 2017, across all Amundi entities, there were 249 internal transfers.

Amundi pays a great deal of attention to the long-term employability of its employees through the individual management of each employee. The establishment of professional interviews (in addition to annual assessment interviews) set out by the law of 5 March 2014 regarding professional training, employment and social democracy is a natural fit for Amundi's HR policy. As of 2017, these interviews are conducted every year.

3.3.1.4. DIVERSITY

Amundi has a policy of respecting professional diversity, aiming to maintain dialogue with its principal stakeholders on subjects such as disability, discrimination and equality between women and men. In 2008, Amundi signed the Diversity Charter, in which it undertook to comply with and promote non-discrimination. This commitment is specifically reflected in the requirement for fairness in the main human resources procedures: recruitment, compensation, training, evaluation and professional promotion.

Gender equality in the workplace

For several years, Amundi has conducted campaigns to fight all forms of discrimination and to promote equal opportunity between men and women, particularly in the process for managing employees. The gender equality policy developed by Amundi is part of this objective. It relies on three major priorities:

- turn gender equality (and more broadly, diversity) into a transformation lever for the Company and particularly for managerial performance:
  - the incorporation of a module on diversity and professional equality in management training in 2018,
  - the continuation of awareness-raising programmes regarding gender-based stereotypes;
- encouraging the career advancement of women to positions of responsibility through the identification and deployment of measures to assist women with potential;
- the performance of periodic diagnostics on the gender wage gap and the correction of any gaps found.

In 2016, Amundi signed a three-year agreement with labour partners on gender-based professional equality, designed to guarantee professional and salary parity between men and women, as well as the implementation of actions enabling employees to establish a better work-life balance. By signing this agreement, Amundi affirmed its commitment to the principle that gender balance within the business is a source of complementarity and mutual enrichment for employees, as well as a force for balance, social cohesion and economic efficiency for the business. In 2017, an international women's network was created in the Company with the support of management.

Employees by gender and job classification (France)	31 Decembre 2016	2017
% Female managers	42.5	42.2
% Male managers	57.5	57.8
% Female, non-manager	75.0	74.4
% Male, non-manager	25.0	25.6

Disability

In 2017, Amundi took pro-active initiatives to hire people with disabilities. Over the duration of the Crédit Agricole Group's 2017-2018-2019 triennial disability agreement, Amundi set itself the goal of achieving 18 new hires, all contracts (permanent, fixed-term, work-study and trainee) combined. In 2017, 11 new hires were made. At 31 December 2017, Amundi had 65 employees with disabilities.

Change in the employment rate of people with disabilities (1) (France)

31 December					
2012	2013	2014	2015	2016	2017
2.13%	2.50%	3.15%	3.31%	3.86%	4.50%

(1) Legal employment rate (AGEFIPH).

Intergenerational contract

A new agreement entered into force on 1 January 2017. Along the same lines as the previous agreements, the "Intergenerational contract" has a three-fold objective:

- to promote the employment of young people, in particular through a programme to recruit recent graduates;
- to retain seniors, while at the same time facilitating the transition towards retirement during the years preceding departure. Accordingly, a plan was put in place to permit employees to leave the Company two years before retirement to develop a charitable or family assistance project;
- to promote the transmission of knowledge and skills from one generation to the next.

Under the intergenerational contract and among other commitments to young people and senior workers, Amundi agreed that during the term of the agreement, permanent hirings of people aged under 30 would make up 40% of total hirings and that the fraction of employees older than 55 would be greater than 10% of the workforce.

As of 31 December 2017, the percentage of new hires under 30 years of age (France and international) was 28.0%, and the employment rate of employees older than 55 was 6.3%.

3.3.1.5. COMPENSATION

Amundi's compensation policy is based on three principles that combine individual and collective performance. It takes into account the economic environment, competitiveness and the labour market. As these considerations may differ from one country to the next, Amundi adapts its compensation policy to local situations and realities.

The key components of Amundi's compensation system are: fixed compensation, a bonus decided by the manager, reflecting the contribution to overall performance, and Variable Collective Compensation (VCC) that links employees to company earnings through profit-sharing and incentive schemes:

- fixed compensation is commensurate with the roles, responsibilities and ongoing achievements of the position held: this base salary may be increased with the acquisition of new responsibilities and improvement in job performance, assessed each year by the employee's manager during an annual assessment. At the same time, Amundi monitors market data in order to ensure that its compensation structure remains consistent with market practices and more specifically with the practices of other asset management companies;
- individual variable compensation (bonus) rewards an employee's contribution to Amundi's performance and is based on both individual and collective factors. Since 2008, Amundi has had a deferred bonus plan to align compensation with the Company's long-term performance and to strengthen its efforts to retain the best people. This plan was subsequently modified in light of various regulatory requirements. The deferred portion, which can amount to as much as 60% of variable compensation, is spread over three years. It is definitively acquired after meeting certain criteria related to performance, continued employment and refraining from excessive risk;
- variable Collective Compensation provides employees with a link to Amundi's financial performance. In France it is based on a total amount set as a function of a benchmark figure adjusted for changes in net income, in AuM and in the operating ratio.

The compensation policy is reviewed yearly by the Compensation Committee. It complies with recent regulatory changes (AIFMD, MIFID and CRD IV).

In 2017, Amundi continued to apply its compensation policy in three areas:

- to enhance the professional development of young employees and those who take on new responsibilities and assist employees who change jobs and join growth segments;
- to pay particular attention to entry-level salaries to ensure a degree of social equity;
- and lastly, to provide pay raises that reflect the Company's development and performance and the employee's performance.

An LTI plan common to both entities, Amundi and Pioneer, has been implemented, aiming to align the interests of the Group's senior executives in achieving the commercial and financial objectives of the Amundi Medium-Term Plan. Similarly, the international mobility policy, particularly in Europe, has been adapted to facilitate the mobility of Group executives within the international entities as required for the integration of teams and processes.

3.3.1.6. EMPLOYEE SHARE OWNERSHIP

At 31 December 2017, the percentage of employee share ownership in the share capital of Amundi stood at 0.2%. Since 2016, a director elected by the employees for a three-year term is responsible for representing the employees on the Board of Directors.

3.3.2 Employer-Employee communication, Psychosocial Risk (PSR) Prevention Policy and quality of life in the workplace

3.3.2.1. EMPLOYEE REPRESENTATIVE BODIES

Amundi's social policy is to engage in constructive dialogue with the various employee representative bodies, whether through formal bodies or through *ad hoc* groups facilitating more in-depth discussion. Amundi recognises that social dialogue and healthy employee representative bodies contribute to Amundi's development.

With the merger between Amundi and Pioneer, 2017 was a particularly rich year for social dialogue. The integration of Pioneer gave rise to very active collective bargaining in France from May 2017, with the start of negotiations for an agreement in principle on information/consultation procedures and accompanying measures related to the Voluntary Departure Plan (VDP).

In this context, two agreements were signed:

- an agreement in principle regarding the procedures for information/consultation within the framework of the Pioneer Project and the VDP project: The Trade Union Organisations and the Management of the Company wanted to share a roadmap guaranteeing a number of principles guiding the information and consultation process and securing the future of employees within the Company, in exchange for a fluidity and predictability of the information process, enshrined in the agreement;
- a majority agreement on the content of the VDP within the Amundi SEU was signed unanimously on 13 December.

The main principles guiding implementation of the VDP are:

- non-discrimination;
- priority given to internal mobility and commitment by management to the provision of resources so that each employee concerned not wishing to enter the plan may have the opportunity to change jobs at Amundi;
- no forced departures.

In addition, 2017 led the Company to negotiate four other agreements or amendments that focused on the following topics:

- bringing the profit-sharing agreement into compliance;
- agreement on the generation contract. This addendum is intended to integrate a complementary assisted part-time measure;
- Harmonization of mandatory group benefits in respect of health coverage:
  - to comply with the laws and regulations applicable to medical expenses, in particular the rules of exemption from social security contributions and tax deductibility, both for the Company and for the employees,
  - to bring these provisions in line with the new legislative and regulatory provisions, particularly the "terms and conditions of responsible contracts",
  - to offer employees quality guarantees at the best cost in the long term through the pooling of risks;
- agreement establishing a Company Retirement Savings Plan. The implementation of an Article 83 plan is part of Amundi's responsible and pro-active approach to help its employees build up additional retirement savings. This compulsory membership scheme supplements the optional PERCO scheme. It is funded entirely by Amundi. Employees who wish can make voluntary payments.

With respect to agreements on the employment of persons with disabilities and the management of employment and skills, Amundi applies the agreements signed at the Crédit Agricole S.A. Group level.

As a member of the Crédit Agricole Group, Amundi is also a member of the Group and European Works Councils formed at the Crédit Agricole Group level.

3.3.2.2. PSYCHOSOCIAL RISKS PREVENTION POLICY (PSR)

Amundi's policy on the prevention of PSR and on quality of life in the workplace is one of ongoing improvement and integration into HR policies. It is notable for its interdisciplinary approach – relying on managers, the Human Resources Department, occupational medicine, and employee representatives (IRP) [(1)].

In France, specific governance of psychosocial risks in the workplace begins with a joint interdisciplinary monitoring committee that meets quarterly and monitors the various indicators, and monthly meetings of a management committee specifically for HR monitoring of at-risk employees.

In 2017, the actions undertaken in previous years were continued with, in particular, maintaining a listening space for employees in difficulty and improving the monitoring of long absences in coordination with the occupational health service.

As part of the Amundi - Pioneer merger project, the Company has strengthened its PSR system. Indeed, the anticipation of PSR factors generated by a merger project is crucial both to identify possible adjustments to be made but also to determine the necessary support measures for employees. To do this, the Company has strengthened and made more reactive the existing system (reinforced HR system, alert system, monthly Monitoring Committee, Management Committee dedicated to sensitive situations).

In 2017, as part of PSR prevention and its awareness-raising aspect, a cycle of lectures open to employees was continued. These lectures each brought together 100 or so participants on subjects related to innovation and collective intelligence.

Internationally, initiatives have also been taken to fight against PSR. For example, in Austria, a detailed assessment of stress factors was conducted in 2015 which resulted in preventive measures. An additional individual annual evaluation is conducted by the health and safety manager.

(1) Employee representative bodies.

3.3.2.3. QUALITY OF LIFE IN THE WORKPLACE

For several years now, Amundi, as a socially responsible company, has sought to establish measures intended to improve quality of life in the workplace and to promote its employees' work-life balance.

The various tools and measures set up and with a role in this two-fold objective include:

- exceeding the legal requirements, in France the Company takes action through:
  - the organisation of work (meetings that comply with the team's working hours, defined planning ahead of time, etc.),
  - the establishment of measures that facilitate the life of parents (sick child leave, concierge services, maternity and parenting guides, etc.),
  - a policy supporting the social endeavours of the Works Council (access to childcare centres, childcare costs, etc.),
  - vigilance regarding professional equality (hiring, training, mobility, compensation, etc.),
  - and raising awareness among managers;
- the Human Resources Department has distributed two guides on maternity and parenthood to its staff;
- the collective bargaining agreements in effect within Amundi provide a certain number of measures designed to promote balance between professional life and family life (sick child leave, breastfeeding leave as standard, etc.);
- childcare solutions have been set up with the assistance of the Works Council, including reserved places in a childcare centre network. Similarly, the constraints associated with work-life balance are reduced by the possibility of the allocation of *Chèques Emploi Services Universels* (home help services money vouchers). For a better reconciliation of private and professional life, employees have access to a dedicated gym;
- the Human Resources Department has prepared a practical guide to better inform employees regarding the measures implemented within the Company to help balance professional life with caring for a family member. This guide also details the services offered by the RESPONSAGE platform to which all Amundi employees now have access;
- an agreement on the donation of days was signed in 2015;
- the Company has set up a concierge service in its Paris headquarters offering a range of services intended to facilitate employees' daily lives;
- the working hours agreement involves three main provisions: checking of compliance with daily rest periods, regulation of the use of remote connection tools outside working hours by granting the right to shared and mutual disconnection between the employee and the Company and the obligation to discuss during annual assessments for managers on a number of working days-type contract, the monitoring of work load;
- the implementation of a telecommuting pilot programme to experiment with this new way of organising work. Within Amundi, different categories of employees were already eligible for a teleworking system, particularly pregnant women, disabled workers and certain employees on medical advice;
- the improvement of workplace behaviour through regular "Working well together" campaigns to emphasise best practices (proper use of email, open space working, work-life balance and effective meetings);
- in 2017, prevention and awareness-raising actions were carried out to promote workplace health and support employees in taking charge of their health: four blood donation operations, two preventive visual aids were created on sports and "contact lenses", a vaccination campaign against seasonal flu in Paris and Valence and a conference dedicated to connected medicine. In 2017, 176 employees were trained in First Aid and the use of a defibrillator (two hours of training), 20 employees were trained as Workplace First-Aiders (training of two-days) and 22 employees completed refresher course of their Workplace First-Aider training (one-day training).

Internationally, in Ireland for example, numerous initiatives are taken to promote the quality of life at work:

- access for all employees to a platform of legal or psychological assistance allowing employees to get in touch with a professional at any time (personal life/professional life balance, stress, financial worries, mourning, relationship problems, etc.);
- financial participation of the Company in sports activities;
- the implementation of an annual program of well-being at work (flu vaccinations, fight against MSDs, seminar on healthy eating, yoga classes).

3.3.3 Measurement of employee commitment

The Engagement and Recommendation Index (ERI) is one of the priorities in the Crédit Agricole Group's Medium-Term Plan, "Strategic Ambition 2020". This plan involving all entities of the Crédit Agricole Group, including Amundi, aims to measure employees' sense of belonging to their company and to the Crédit Agricole Group. In 2017, Amundi undertook [1] the survey in France and in 12 countries abroad. The survey was sent to 2,912 employees, with a participation rate of 44%. The Amundi score was 69% favourable responses, up 3 points from 2016.

3.3.4 Societal involvement

3.3.4.1. POLICY FOR HOSTING YOUNG PEOPLE IN TRAINING

Amundi contributes significantly to the training of young people through internships offered to recently graduated students from diverse areas of study and through work-study, which enables a young person to both finance his or her education and gain his or her first work experience.

Accordingly, in 2017, almost 350 young people - mainly in France (72.2%) - were welcomed into the Amundi Group for internships, work-study contracts, VIE [2] programmes, CIFRE [3] doctorates, or summer jobs. Amundi benefits from the energy and fresh outlook of this talent pool, who in return receive support from employees, volunteer tutors and apprenticeship managers. Since the ultimate goal of these interns is to get a job, Amundi is particularly interested in facilitating their professional search by organising workshops to prepare them for job searching and to help them make use of their "Amundi experience".

In 2017, for the fourth straight year, Amundi was awarded the Happy Trainees label, recognising companies for the welcome and assistance they provide to interns and those on work-study.

3.3.4.2. JOINT INITIATIVES INVOLVING EMPLOYEES

Amundi's commitment to social responsibility has also led to involving employees in joint projects with charitable organisations. For example, since 2013 Amundi has run an annual philanthropic programme called "Give a Hand," which provides funds for its employees' social projects. In parallel, Amundi organises annually a Charity Challenge, a week of solidarity and the opportunity to commit to the benefit of many charities, including participation in the Challenge Against Hunger organised by ACF, with whom Amundi has been a partner since 2010.

Internationally, Amundi's employees are mobilising and engaging in numerous voluntary initiative projects, whether in areas related to education, solidarity, health or the environment. In Italy, for example, Amundi employees took part in the Milan Marathon, providing financial support to the Spagnolli-Bazzoni o.n.l.u.s non-profit association, engaged in aid and support projects in regions of Africa and Latin America. In Dublin, Amundi and dozens of volunteers support, through various initiatives, the Barretstown Ireland association, whose goal is to bring sick children and their families together in recreational camps: sponsorship of a weekend bringing together families of sick children, organisation of several fund-raising events or maintenance work in the camps. In the environmental field, employees of Amundi Japan and other entities of the Crédit Agricole Group participated in May 2017 in cleaning the coast of Enoshima Island, a popular tourist destination near Tokyo, to pick up plastic and other litter on the beaches. In Boston, US, Amundi-Pioneer employees volunteer throughout the year to serve dinner at Rosie's Place, a shelter for homeless women in the Boston community.

(1) Scope at 31/05/2017 prior to the merger with Pioneer Investments.

(2) VIE: "Volontariat International en Entreprise" (International Business Volunteering).

(3) CIFRE: Conventions Industrielles de Formation par la Recherche (Industrial Research Training Contracts).

3.4 ACTING AS A COMMUNITY MINDED, ECO AWARE CITIZEN

For Amundi, acting as a community-minded citizen means conducting sponsorship programmes over the long-term, adopting responsible purchasing practices and reducing its environmental impact.

3.4.1 Sponsorship

In 2017, Amundi maintained its commitments to its historical partners in culture, education and solidarity, with contributions totalling more than €1.1 million.

For almost 15 years, Amundi has been the main sponsor of the Académie de France and Villa Medici in three areas:

- the reception of artists in residence;
- cultural programming within the Academy;
- restoration, preservation and enhancement of the site.

Amundi is also involved with the Radio France Foundation with special support for the Maîtrise de Bondy, which offers high quality training to children who are at a considerable remove from the musical world.

As a principal partner of Action against Hunger (ACF), since 2010 Amundi has supported the Hunger Race, an inter-company challenge intended to raise funds to support ACF projects.

Amundi supports various associative projects internationally. In Dublin, Amundi supports the Dublin Simon Community by sponsoring the running costs of a Social Club. This structure allows the reintegration of people in social breakdown through cultural activities, games or excursions. In Austria, Amundi provided financial support to *LernLEO*, an association that offers free tutoring and daycare. In Dublin, Amundi also engages in educational projects with the association Junior Achievement Ireland, which encourages and supports young people to develop the skills necessary for business life through innovative and fun programs. Amundi Smith Breeden in the US has set up a committee dedicated to volunteering and charity. This includes, among other things, the creation of solidarity leave to encourage employees to volunteer.

3.4.2 Responsible purchasing

For four years, Amundi has been committed to a responsible purchasing policy that is part of the three CSR commitments taken by Crédit Agricole SA Group:

- professional responsibility in our purchasing, in order to guarantee the principles of loyalty and fairness in terms of our purchasing practices, risk prevention, and fair business relations with our suppliers;
- controlling social, environmental and ethical risks in our purchases of goods and services, while taking into account the sustainable dimension of the goods and services offered by our suppliers;
- the growing use of the sheltered sector and disability-friendly companies as well as the identification of new partnership opportunities to increase the volume of services entrusted to this sector.

The guidelines of the purchasing policy are based on agreements such as the United Nations Global Compact, the Diversity Charter and the Mediation Charter on Responsible Supplier Relations. All of the commitments set forth in these documents concern the respect for human rights and labour regulations, anti-discrimination of all types, the promotion of diversity, environmental protection and business ethics.

As part of its Responsible purchasing policy, the Amundi Purchasing governance launched several initiatives in 2015 that continued in 2017:

- establishment of fair contractual relations with its suppliers, aimed at complying with the commitments of the Responsible Supplier Relations Charter signed by Crédit Agricole S.A.;
- CSR rating of strategic suppliers by an independent third party in order to limit the risks posed by these suppliers and sub-contractors and to follow a rationale wherein CSR behaviours support purchasing decisions based on technical and financial criteria;
- prevention of fraud risk and fair purchasing commercial practice to guarantee the transparency of the process throughout an entire purchase and the implementation of best practices regarding tendering;
- distribution of dashboards and purchasing indicators to Senior Management covering, among other things, compliance with payment deadlines, the volume of invoices without orders, the compliance of supplier panels, the volume of business entrusted to the sheltered sector, etc.;
- incorporation within calls for tender and contracts of clauses relating (i) to the Mediator in the event of conflicts and (ii) to the commitment of our suppliers and sub-contractors to comply with the principles set out in international agreements, laws and regulations applicable in the countries in which the suppliers operate, as well as the practices of the business sector to which they belong (human rights, diversity and working conditions, environment, business ethics and value chain);
- CSR training for buyers and the main requirement specifiers helps to raise their awareness of best practices.

With regard to the rating of suppliers, in 2017, Amundi continued the rating system for strategic suppliers whose CSR policy had never been analysed by an independent third party and who did not have a CSR rating monitored by the Group Purchasing Department of Crédit Agricole S.A. A communications kit for suppliers was created jointly by the CASA Group Purchasing Department and Ecovadis (independent third party) in order to introduce the CSR rating system to our strategic suppliers. A minimum CSR performance threshold is required following the CSR analysis; however, in the spirit of continuous improvement, Amundi supports its suppliers in the implementation of improvement plans.

Regarding the use of the sheltered sector and disability-friendly companies, the actions initiated in 2015 were expanded in 2017: reception with APF Industrie, maintenance of our buildings with FACEO, maintenance of our printers/multifunction copiers with Gestform, telephone switchboard and maintenance of green spaces with AP'AIPS, new partnership with a caterer for cocktails. The objectives of increasing the turnover entrusted to this sector have allowed us to very significantly increase the spending with firms in the adapted sector (EA/ESAT) [1]. At end December 2016, business given to companies in the sheltered sector represented almost €540,000, up 59% from 2016. The number of units benefiting from this in 2017 is estimated at 25.6, versus 16.9 in 2016 and 9.0 in 2015.

The timely payment of invoices is an important criterion in Amundi's responsible purchasing procedures. For the past three years, Amundi's Purchasing Governance and Finance Department have been pursuing a goal of improving payment terms through quarterly monitoring of payment terms. Indicators as to compliance with payment periods are sent every two months to the employees who handle invoices and action plans for how to improve these payment times are shared in meetings of the Purchasing Committee.

Several actions initiated in 2015 have been pursued over the past two years to improve the invoice processing process:

- at earlier stages, raise awareness among the parties involved in the validation process, reiterate best practices for the processing of invoices, provide a guide on the Intranet portal of the Finance Department, reduce the number of invoices entered by reducing the number of suppliers for expenditures with high volume but small monetary amounts, and streamline high volume invoices;
- at later stages, communicate the performance indicators quarterly to those involved and to the Finance Department.

These actions significantly improved delays in processing, which improved from 73% in 2014, to 81% in 2015 and 83% in 2016 and 2017 (for an objective of 85% in 2017).

3.4.3 Direct environmental footprint

Amundi's operations do not have a major direct environmental impact. Nevertheless, in order to apply the principles of corporate social responsibility to its operations, the Company has undertaken to reduce its direct impact on the environment by limiting its $C0_2$ emissions through active management of its energy consumption and business travel. At the same time, Amundi is carrying out environmental actions for the responsible use of paper, recycling its waste, making employees aware of eco-gestures and developing green IT [2].

3.4.3.1. RESPONSIBLE RESOURCE MANAGEMENT

Responsible building management

Amundi's corporate headquarters in Paris was renovated in 2013 to comply with environmental standards, earning Amundi BBC [3] Effinergie certification as well as HQE Renovation [4] and BREEAM [5] certifications. The building has been HQE™ Exploitation certified since 2015.

Amundi-Tenue de Comptes, a subsidiary located in Valence (Drôme), is located in a building that meets environmental standards: control of impacts on the external environment and creation of a healthy and comfortable indoor environment.

In Boston (US), Amundi-Pioneer occupies LEED (Leadership in Energy and Environmental Design) certified premises. This certification recognizes the sustainability of buildings, ensures the control of electricity and water consumption, measures the carbon impact of buildings and ensures the improvement of the quality of the environment.

Energy audit and renewable energy

Following an energy audit of its buildings, performed in 2015, Amundi took a formal approach to improving its energy efficiency. An energy use improvement plan was implemented. Some of the actions decided include: the reduction of programme settings +/-2°C, the reduction of centralised air conditioning operating periods [6], the continuation of the policy of replacing lighting with LED lighting, the replacement of window contacts to cut fan units when open and the standardisation of temperature settings in IT premises to 25°C.

In 2017, Amundi continued the implementation of progress actions with, for example, recommissioning of the heat recovery network, automatic activation of presence detection lighting, reduction of operating hours of fans-convectors and investments in equipment better suited to our business and less energy hungry.

Since 2016, our buildings in Paris [7] have been powered with electrical energy from 100% renewable sources, essentially hydro-electric.

Responsible use of paper

Amundi pursues a responsible paper policy both in France and abroad, with the objective of reducing its use of paper, promoting careful use of paper and recycling used paper.

With regard to office equipment: automatically configuring printers to double-sided, black and white; swipe cards for withdrawing copies; lower-weight paper and use of certified paper.

In France, action was taken to dematerialize invoices. The percentage of dematerialized invoices reached 63% at the end of December 2017.

With regard to desktop publishing, Amundi Tenue de Comptes, the account-keeping subsidiary for employee savings schemes, continued to reduce its paper consumption and launched an "Objective zero paper for 2017" programme:

- 24/7 access to all its statements online;
- online archiving of all its statements and transaction notices;
- online transmission of supporting documentation (funds release, bank and account details);
- online execution of all transactions (payments, allocation of profit-sharing and incentives, modifications to investment choices, redemption requests).

In 2017, Amundi Tenue de compte recorded a rise in its rate of subscription to its e-services from 57% to 62%, which decreased its paper consumption by 14% over the year.

(1) EA: Adapted company/ESAT: Establishment and service for assistance through work.

(2) Green IT is a concept that aims to reduce the environmental, economic and social footprint of information and communication technologies.

(3) Low Consumption Building.

(4) High Environmental Quality.

(5) Building Research Establishment Environmental Assessment Method.

(6) Air Treatment Unit.

(7) Excluding data centres.

With regard to communication media: Printing on certified paper, selection of printers certified Imprim'Vert and making more documents available in electronic form.

Annually, Amundi launches a "Cleaning Weeks" operation in its Paris buildings with the aim of sorting and disposing of superfluous paper. 2.2 tons of paper were recovered by CEDRE for recycling. CEDRE is a sheltered workshop employing people with disabilities.

Over a one-year period, recycling efforts generate over 1,302 hours of work allocated to disabled individuals or 186 days of work, *i.e.* 3.15 UB (disabled employee equivalent).

In all, a drop of nearly 7% in paper consumption was recorded in 2017 compared with 2016.

Responsible management of waste

Amundi has adopted voluntary selective sorting, in collective bins, in all its buildings in France. Recyclable waste: Paper, plastic cups and bottles, cans, printer consumables, batteries, and waste electrical and electronic equipment (WEEE) are taken charge of by CEDRE. Since 2016, glass and plastic bottle caps have been integrated into the recyclable material sorting chain. The Company restaurant has set up a methanation program for bio-waste and the sorting of recyclable materials (cans, glass, plastic bottles) and has introduced bio-treatment of grease tanks for the 2 buildings, with the result of less waste and fewer truck trips to clean the tanks and remove grease to an external treatment plant.

Waste (Paris buildings, in tonnes)	2015	2016	2017
Recycled waste (1)	80.4	89.0	92.8
Non-recycled waste	138.1	104.0	113.2
TOTAL	**218.5**	**193.0**	**206.0**

(1) Paper, paper cups, plastic bottles, cans, printer consumables, batteries, WEEE, glass and plastic bottle caps.

Actions taken to combat food waste

The partnership envisaged with the association Le Chainon Manquant to give food that is not consumed to disadvantaged people did not materialise in 2017. Reflections are underway to put in place a solution in our Paris company restaurant.

3.4.3.2. GREEN IT POLICY

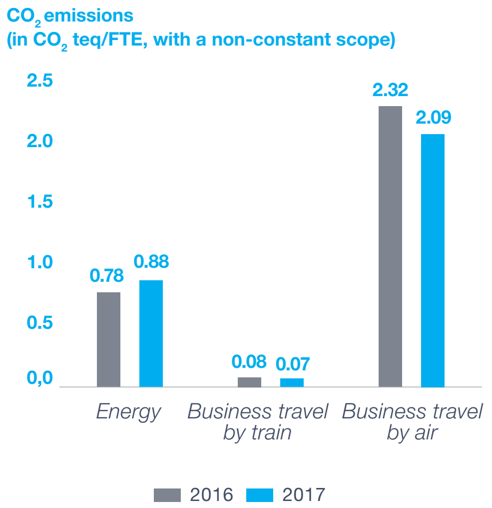
Amundi seeks to control the environmental impact of its information systems in several ways:

- at the individual use level, work stations are automatically switched off in the evening and restarted the next morning. To attain greater savings during absences, any work station that is unused as of 11am is switched off. Every day this saves 150kWh;
- office IT equipment (works stations, printers, microcomputers, laptops, small equipment, etc.) are recycled with the service provider ATF GAIA, a W3E certified company contracted by the Crédit Agricole Group. Equipment components that are not re-used for resale are systematically sent to a certified partner. Amundi also recycles its used magnetic cartridges. There are bins for recycling used toner drums. five recycling operations were entrusted to ATF GAIA in 2017. Of the 1,147 items of equipment from Paris that were treated, 616 were recycled and 531 reused;
- in 2017, we transferred equipment from one of our three data centres to consolidate its components on the Clichy site. This transfer saved the entire voltage regulation infrastructure (UPS, generators, etc.) as well as fire prevention equipment (very polluting). Finally, the cooling system requirements (common to the entire building) were reduced by an estimated at 40kWh;
- the selection of central infrastructure components is influenced by their electric consumption and heat dissipation characteristics. Accordingly, our overall electric consumption has not increased since 2012, whereas the processing power delivered has gone up significantly. Within Amundi, all IT equipment intended for users (screens, work stations, phones, printers) complies with international energy efficiency standards. Recently acquired central units are less energy-intensive than the older models;
- finally, 100% of the computer equipment we buy is certified or complies with recognized international standards.

3.4.3.3. CO_2 EMISSIONS CONTROL

Amundi regularly prepares a complete carbon footprint assessment on the entirety of its scope and monitors the CO_2 emissions of two major items on an annual basis: energy and business travel. At the same time, Amundi implements solutions to control and reduce its CO_2 emissions.

Annual monitoring of CO_2 emissions associated with energy consumption and business travel

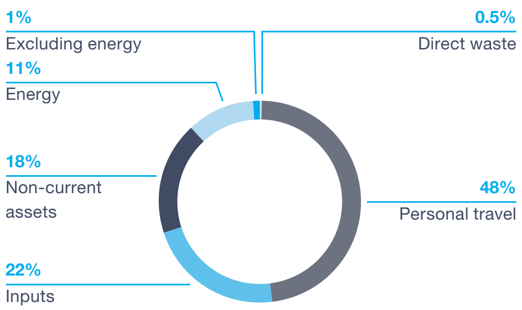


Group carbon footprint assessment

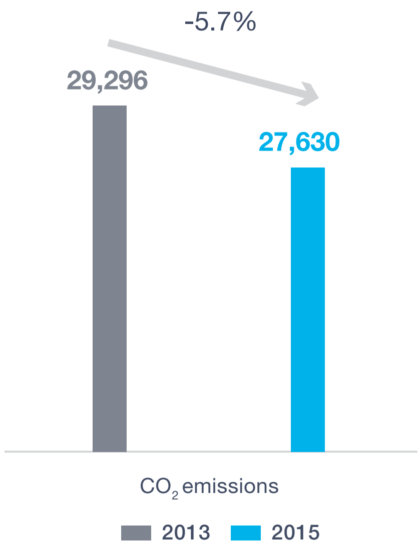
In its carbon footprint assessment, Amundi takes into account its greenhouse gas emissions associated with the direct impact of its business (scope 1), its indirect greenhouse gas emissions associated with its energy consumption (scope 2) and its other indirect greenhouse gas emissions associated with its business (upstream scope 3). The latest comprehensive carbon footprint assessment was completed in 2016 using 2015 data. A new Carbon footprint assessment will be carried out in 2018.

2015 Carbon Assessment

By emission items



By CO_2 emissions (in Teq)



Travel policy

Amundi's contribution to the fight against greenhouse gas emissions includes the existence of a policy on responsible business travel applicable to the entire Amundi Group. With integration of the Pioneer scope (mainly international and 37 locations), Amundi has reviewed its travel policy: validation of the relevance of the trip, prior authorisation for trips abroad, compulsory rail for journeys of less than three hours, limitation of taxi journeys, categorisation of rental vehicles according to the number of passengers, greater use of video conferencing. So as to make travellers more aware of the environmental impact, CO_2 emissions are mentioned on each reservation. In terms of commuting, Amundi pays for 80% of the cost of transport, excluding private car (e.g. Navigo public transport cards and Velib cycle cards, etc.). Amundi pays a bonus of €200 gross to employees commuting to work daily by bike and offers a bonus of €400 for the purchase of an electric bike. In Ireland, efforts have also focused on encouraging bicycle use with the installation of a shower and bicycle parking in October 2017. When selecting company cars, Amundi favours fuel-efficient vehicles and uses hybrid vehicles.

As part of the law on the energy transition for green growth, for its sites in Paris and Valence, Amundi will implement out a Corporate Travel Plan in the first half of 2018, designed to limit and optimize Home/Work travel and business trips for employees.

Equipping Amundi buildings for video-conferencing

The meeting rooms are equipped with video-conferencing equipment. The equipment ratio in the Paris buildings is 51.1%. Meetings between people in different geographical locations are increasingly taking place via SKYPE for Business, the Microsoft business solution for communicating and sharing documents remotely. Linked to the merger with Pioneer Investments, the number of Skype packs (Webcam+Headphones) deployed for employees increased sharply in 2017 in connection with development of the use of video-conferencing from the workstation and now stands at 950 in France. This action was also conducted in international entities. The statistics show significant use of this means of communication: 55,649 audio/video-conferences connected a total of 182,977 participants.

3.4.3.4. EDUCATING EMPLOYEES ABOUT "ACTING GREEN"

Every quarter, Amundi sends employees a quantitative and qualitative report on volumes of waste sorted and recycled.

Communication and awareness campaigns are regularly conducted with employees to highlight the need to improve the quality of selective sorting: feedback on the results of audits on the quality of sorting, quantitative reporting on the cleaning weeks, quarterly newsletters on the volume of waste, communication on good practices (use of mugs for drinking, using stairs rather than lifts, reducing paper consumption, etc.).

Internationally, many entities regularly carry out eco-gesture awareness campaigns with employees. In the UK, a poster campaign was conducted to raise employee awareness of the impacts of excessive paper consumption. In the United States and Japan, campaigns focused on water saving, selective sorting and sustainable mobility (cycling, public transport). In Italy, a campaign on eco-gestures is planned for 2018. In Ireland, for the first edition of "Environment Week", a number of presentations were made on topics related to the carbon footprint, recycling or other environmental issues. In 2018, this week will be repeated and employees will be given the opportunity to suggest by email the environmentally friendly measures they would like to see implemented.

Finally, in France, Amundi is committed to preserving biodiversity and bees, with beehives on its buildings in Paris and Valence.

3.5 METHODOLOGY AND INDICATORS

3.5.1 Methodological note

MATERIALITY ANALYSIS

To identify the specific issues Amundi faces in terms of its business and its impacts, a materiality analysis was conducted internally and discussed with the auditors prior to publication of this report.

ORGANISATION OF THE REPORTING SYSTEM

The CSR Department is in charge of the consolidation of the extra-financial data reported by the various contributors.

SCOPE OF REPORTING

For this financial year, Amundi's CSR report includes Pioneer Investments entities from the second half of 2017. The scope of the reporting is the entire financial scope of consolidation of the new Amundi Group as at 31 December 2017:

- **some indicators** do not include Pioneer Investments data. In this case, this information is noted in the indicator table;
- **some HR indicators** are only available at the Amundi SEU level. These data are noted in the indicator table.

Scope of the SEU: Amundi SA, Amundi Asset Management, CPR Asset Management, Etoile Gestion, Société Générale Gestion, BFT Investment Managers, Amundi Finances, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Funds, Amundi IT Services, Amundi Tenue de Comptes, Amundi Transition Energétique [1]:

- **environmental data** cover the France scope and subsidiaries with more than 100 employees, except for KBI Global Investors, a management company acquired by Amundi in 2016.

Scope of 2017 environmental data: France, Great Britain, Italy, Ireland, Austria, Germany, Japan and the United States. The scope of environmental data covers 88.5% of the Amundi Group workforce. If certain data were unavailable for part of the reporting scope, the coverage rate is recalculated and mentioned next to each indicator.

DATA PRESENTATION

Exceptionally, because of the merger with Pioneer Investments, which has modified the Group's profile, the data presented in the qualitative part of the report is only presented for two financial years:

- **HR data:** unless otherwise indicated, the population covered is that of "active" employees, presented in Full-Time Equivalents (FTEs).

The notion of working implies:

  - a legal tie in the form of a standard permanent or fixed-term employment contract (or similar, for international activities),
  - a presence on the payroll and in the position on the last day of the period,
  - working time percentage of 50% or greater;

- **environmental data:** For the 2017 financial year, environmental data is not presented at constant scope. Analysis at constant scope is not relevant because of the merger with Pioneer Investments. Environmental data for Pioneer entities only covers the second half of 2017.

METHODOLOGY FOR CALCULATING THE BENEFICIARIES OF SOCIAL IMPACT MANAGEMENT

In the absence of generally accepted practices and given the difficulty of identifying the beneficiaries of each company in a uniform, systematic way, impact estimates are made using a methodology individually agreed with each investee company and based on a ratio of "impact per €10,000 invested". Using the rule of three, Amundi's contribution can thus be calculated. Note that doing so calculates impacts on an assets basis and not an annual impact basis. Finally, the scope does not include funds whose impact is entirely realized internationally. The impacts of a financed company are deferred no later than one year after the investment. The impacts of companies whose financing started during the reporting year are not prorated. The scope of impacts covers 91.3% of total assets under management.

(1) Amundi Transition Énergétique is not part of the scope of financial consolidation.

3.5.2 Table of indicators

Employment indicators		Unit(*)	2017	2016	2015
EMPLOYMENT					
Headcount	Number of employees (1)	Number	4,734	3,167	3,124
	Number of employees (1)	FTE	4,649.6	3,108.7	3,068.8
	Number of employees in France	FTE	2,126.6	2,106.4	2,097.9
	Number of employees internationally (1)	FTE	2,523.0	1,002.3	970.9
	Number of employees in joint ventures	FTE	1,230.3	997.5	931.2
	Proportion of outside personnel in the Amundi headcount (temporaries and contractors)	%	10.06	11.3	12.7
Breakdown by contract type	Number permanent	FTE	4,564.2	3,087.7	3,043.3
	Number fixed-term	FTE	85.4	21.0	25.5
	Number of managers*	FTE	2,005.7	1,987.8	1,969.4
	Number of non-managers*	FTE	107.9	118.6	128.5
Breakdown by age	less than 30 years old	Number	259	191	191
	between 30 and 39 years old	Number	1,286	965	1,040
	Between 40 and 49 years old	Number	1,922	1,215	1,148
	Between 50 and 60 years old	Number	1,132	727	676
	60 years old and over	Number	135	69	69
	Overall average age Amundi	Number	44.0	43.1	42.6
	Overall average age Pioneer	Number	43.2	-	-
Years of service	Average years in service Amundi Group	Number	12.9	12.9	11.7
	Average years in service Pioneer Group	Number	10.3	-	-
Breakdown by gender	Women	%	41.5	43.9	44.0
	Men	%	58.5	56.1	56.0
	Female managers*	%	42.2	42.5	42.8
	Male managers*	%	57.8	57.5	57.2
	Female non-managers*	%	74.4	75.0	75.3
	Male non-managers*	%	25.6	25.0	24.7
Breakdown by geographical area	Europe	FTE	3,722.0	2,646.1	2,572.7
	Of which France	FTE	2,126.6	2,106.4	2,097.9
	Asia	FTE	388.1	372.1	396.6
	Americas	FTE	528.5	80.5	-
	Other	FTE	11.0	8.0	-
Departures by reason	Death	FTE	2.0	4.0	2.7
	Resignation	FTE	188.4	91.1	102.3
	Dismissal on personal or economic grounds	FTE	50.8	20.0	14.5
	Retirement	FTE	21.5	20.7	17.6
	Agreed termination of contract	FTE	32.6	27.0	19.0
	Other (2)	FTE	92.2	70.7	62.1
Departures by geographical area (3)	Departures	FTE	360.7	200.8	198.9
	Departures in Europe	FTE	238.7	-	-
	Of which departures in France	FTE	73.9	94.4	91.4
	Departures in Asia	FTE	67.0	-	-
	Departures in the Americas	FTE	53.0	-	-
Turnover (4)	Turnover Amundi	%	6.3	6.5	6.7
	of which France	%	3.5	4.5	4.4
	of which international	%	12.2	11.0	12.0
	Turnover Pioneer	%	9.6	-	-
	of which France	%	0.0	-	-
	of which international	%	9.6	-	-

* *Scope: Amundi SEU (France)*

(1) *Excluding JVs*

(2) *This indicator includes long-term absences*

(3) *Excluding long-term absences*

(4) *Turnover is calculated as an exit rate, i.e. departure rate of permanent and fixed-term employees out of the total workforce at the beginning of the period*

Employment indicators		Unit(*)	2017	2016	2015
Hiring	Hiring (permanent + fixed-term contracts)	FTE	181.5	186.0	257.2
	Hiring (permanent + fixed-term contracts) France	FTE	89.5	93.9	110.6
	Permanent hires	FTE	139.5	163.5	217.7
	Permanent hires France	FTE	87.5	81.9	91.6
	Permanent hires International	FTE	52.0	81.6	126.1
Mobility	Number of transfers to the CASA Group ***	Number	9	13	11
	Number of internal transfers	Number	249	296	272
Compensation*	Median Annual gross salary	€	62,000	59,000	58,000
	Average collective variable compensation per employee (5)	€	8,839	8,800	8,283

ORGANISATION OF WORKING HOURS*

Working hours	Full-time employees	Number	1,912	1,900	1,908
	Of which female	Number	742	742	760
	Of which male	Number	1,170	1,158	1,148
	Part-time employees	Number	246	251	233
	Of which female	Number	225	231	219
	Of which male	Number	21	20	14
Absenteeism	Accidents	Number of days	749	666	472
	Maternity/Paternity	Number of days	6,463	7,447	8,259
	Illness	Number of days	15,164	17,827	660
	Authorised absence	Number of days	7,946	7,042	7,958
	Other	Number of days	75	85	162
	Rate of absenteeism	%	1.5	1.5	1.5

TRAINING

Training (6)	% individuals trained	%	62.6	63.5	68.2
	Number of employees trained	Number	1,351	1,366	1,459
	Number of training hours	Number of hours	23,118	34,093	34,210
	Average number of training hours per employee trained	Number of hours	17.11	24.9	23.0
	Budget allocated to training excl. tax	Euros	1,256,843	-	-
	Number of training sessions	Number	2,269	2,281	2,612
	Average number of training actions per employee trained	Number	1.68	1.67	1.79
Annual review	% of assessment interviews	%	88.1	95.24	92.95

EMPLOYER-EMPLOYEE RELATIONS*

Employer-employee communication	Number of employee representatives	Number	55	55	45
	No. of meetings of the Works Council and Safety/Working Conditions Committee	Number	33	33	28
	Number of agreements or riders signed	Number	6	9	5
	Number of safety/working conditions agreements signed	Number	0	0	0

HEALTH & SAFETY*

Work-related accidents and occupational illnesses	Frequency rate of work-related accidents	Number	6.1	4.1	6.5
	Number of work-related accidents	Number	11	15	13
	Number of work-related accidents (commuting)	Number	31	29	36
	Number of occupational illnesses	Number	0	1	2

* *Scope: Amundi SEU (France)*

*** *Scope: Amundi (old configuration: Pioneer data not available)*

(5) *The VCC (Variable Collective Compensation) corresponds to profit-sharing and incentives*

(6) *Includes face-to-face training, e-learning and courses leading to certification, excluding conferences and seminars, excluding regulatory training mandatory for all employees (excluding staff provided by Crédit Agricole S.A.) and excluding training provided via the PHILEAS tool*

Employment indicators		Unit(*)	2017	2016	2015
NON-DISCRIMINATION					
Gender equality	Percentage women, Board of Directors	%	41.7	41.7	41.7
	Percentage women, Executive Committee	%	20.8	9.7	10.0
	Percentage of women, Management Circle (7)	%	N/A	23.7	20.3
	Percentage of Women, executive positions (8)	%	N/A	23.1	20.3
	Percentage women, management positions ***	%	34.8	35.0	35.1
	Percentage women, promotions to management positions ***	%	35.4	30.4	30.2
	Percentage men, promotions to management positions ***	%	64.6	69.6	69.8
Disability*	Percentage of disabled employees (9)	%	4.50	3.86	3.31
	Number of persons hired with disabilities (10)	Number	11	10	10
	Number of employees with disabilities	Number	65	67	-
Intergenerational contract	Percentage of new hirings aged under 30 (11)	%	28.0	34.2	34.9
	Percentage of employees aged 55 and above	%	6.3	11.6	10.4
	Number of interns, work study, VIE, CIFRE and summer jobs (12)	Number	347.9	310	288

* *Scope: Amundi SEU (France)*

*** *Scope: Amundi (old configuration: Pioneer data not available)*

(7) *For the 2017 fiscal year, the % of women in the Management Circle is not available because the definition of this circle is being revised. For previous fiscal years, the percentage is calculated excluding members of the General Coordination Committee, the Executive Committee and the extended Executive Committee*

(8) *For the 2017 fiscal year, the % of female executives is not available because the definition of this circle is being revised. For previous fiscal years, the Senior Management headcount includes members of the General Coordination Committee, the Executive Committee, the extended Executive Committee, Management Committees and the Management Circle*

(9) *AGEFIPH rate*

(10) *Data include permanent and fixed-term contracts, work-study, interns and temporaries*

(11) *Only permanent hires are recognised.*

(12) *Based on end of month numerical headcount, average calculated on the year.*

Business line indicators		Unit(*)	2017	2016	2015
Total assets under management		€ billion	1,426.1	1,082.7	985.0
SRI	Assets	€ billion	168.4	167.7	159.1
	Percentage of total assets	%	11.8	15.5	16.1
Breakdown of SRI assets by asset class	Equity	%	2.7	5.1	5.2
	Multi-asset	%	3.0	2.1	1.1
	Treasury	%	15.3	15.6	14.2
	Fixed income	%	75.1	74.6	78.1
	Specialised (13)	%	3.9	2.7	1.4
Breakdown of SRI assets by client type	Institutional investor	%	93.5	91.9	92.5
	Retail	%	6.5	8.1	7.5
ESG ***	Issuers rated on ESG criteria	Number	>5,000	>4,000	>4,000
	Specialists in extra-financial subjects	Number	17	17	16
	Companies met with	Number	192	205	274
Social impact management ***	Assets	M€	2,341	1,796	1,318
Breakdown of social investments by topic ***	Employment	%	35.7	37.1	42.5
	Housing	%	31.3	34.6	33.4
	Education	%	0.1	0.1	0.1
	Health	%	16.4	18.9	14.5
	Environment	%	4.6	3.1	4.0
	International solidarity	%	10.7	5.8	5.0
	Service to non-profits	%	0.4	0.2	0.2
	Over indebtedness	%	0.3	0.2	0.2
	Farmers funded	%	0.4	-	-
Impacts of solidarity investments (14) ***	Employment	Number of beneficiaries	12,868	11,450	10,611
	Housing	Number of beneficiaries	1,469	1,273	1,103
	Education	Number of beneficiaries	153	53	53
	Health	Number of beneficiaries	13,044	7,293	6,683
	Environment	Hectares	806	162	86
		Tonnes of recycled waste	14,147	8,091	8,308
	International solidarity (microcredit)	Number of beneficiaries	37,772	12,560	8,496
	Service to non-profits	Number of beneficiaries	118	63	63
	Over indebtedness	Number of beneficiaries	3,687	2,060	2,060
	Farmers funded	Number of beneficiaries	204	-	-
Assets contributing to the energy transition	Assets	€ billion	10.6	-	-
Carbon footprint of the portfolios ***	Assets subject to a carbon footprint calculation (15)	€ billion	463.84	-	
	Carbon emissions in million euros of revenue	CO2 TEQ	226.5	-	-
	Carbon emissions in millions of euros invested	CO2 TEQ	180.5	-	-

** Scope: Amundi SEU (Amundi France)*
**** Scope: Amundi (old configuration: Pioneer data not available)*
(13) Combines the "Real Estate" and "Private Equity" assets
(14) Number of beneficiaries of social impact investing, hectares of land and tonnes of recycled waste are calculated cumulatively since the beginning of the investments made by Amundi
(15) The outstanding amount on which the carbon footprint is calculated, i.e. €463.84 billion, corresponds to assets managed by Amundi (with the exception of assets of Pioneer, JV and Real assets), less non-rated and non-rateable securities, and for which we have data provided by TRUCOST.

Business line indicators		Unit(*)	2017	2016	2015
Voting policy ***	Commitment actions with investee companies ahead of AGMs	Number	233	240	260
	GSMs dealt with	Number	2,540	2,623	2,565
	Resolutions dealt with	Number	32,443	32,771	32,396
	Number of resolutions presented by shareholders and supported by Amundi on corporate governance	Number	265	299	384
	Number of resolutions presented by shareholders and supported by Amundi on social/societal issues and human rights	Number	121	80	74
	Number of resolutions presented by shareholders and supported by Amundi on environmental matters	Number	54	51	44
	Total number of resolutions voted against	Number	4,893	5,477	5,825
	Number of resolutions voted against on Board balance	Number	1,882	2,069	2,492
	Number of resolutions voted against on equity transactions (including poison pills)	Number	932	1,006	904
	Number of resolutions voted against on compensation of Senior Management	Number	1,307	1,608	1,517
Ethics and Compliance	Number of Compliance Committees	Number	11	11	11
	Number of complaints ***	Number	4,064	2,865	2,271
	Number of employees trained in anti-money laundering procedures (LCB-FT) (16) ***	Number	204	90	0
	Number of employees trained in anti-fraud procedures (16) ***	Number	223	83	0
Corporate and Institutional Customer Service ***	Total complaints	Number	20	46	32
	of which contesting a trade	Number	10	13	17
	of which time to execute a trade	Number	4	3	6
	Of which quality of offer	Number	6	28	7
	Of which pricing	Number	0	2	2
Partner networks	Staff specialising in networks	FTE	168.5	181.7	198.0
Risk management***	Percentage of managed portfolios having a risk strategy	%	99.8	99.1	98.9
Business line headcount in Control Departments	Business line headcount in Risk Departments	FTE	225.8	165.0	168.1
	Business line headcount in Audit Departments	FTE	42.9	26.6	21.5
	Business line headcount in Compliance Departments	FTE	108.0	64.8	57.0
	Percentage of total headcount	%	8.1	8.2	8.0
Sponsorship**	Amount of contributions	K€	1,101	1,409	1,166
Responsible purchasing*	Purchases from sheltered sector companies	K€	540	339	175
	Use of sheltered sector companies	Number of beneficiary units	25.6	16.9	9.0
	Subcontracting (expenses for contractors)	K€	36,978	34,380	33,747
	Percentage of invoices paid on time (2 months)	%	83	83	81

** Scope: Amundi SEU (Amundi France)*

*** Scope: Amundi Asset Management*

**** Scope: Amundi (old configuration: Pioneer data not available)*

(16) Internal anti-corruption training is now dealt with in the module "Fight against fraud" and external corruption in the training "Fight against money laundering and financing of terrorism (LCB-FT)". These training courses are not deployed every year.

Environmental indicators		Unit	2017	Reporting scope coverage rate	2016
Energy	Energy consumption	KWh	22,419,899	85.2%	20,579,926
	Energy consumption per employee	KWh/FTE	7,423		7,517
	CO_2 emissions	CO_2 TEQ	2,674.9		2,124.9
	CO_2 emissions per employee	CO_2 TEQ/FTE	0.88		0.78
Business travel	Train	kms	4,019,138	71.6%	3,955,961
	CO_2 emissions, train	CO_2 TEQ	181		179
	CO_2 emissions per employee, train	CO_2 TEQ/FTE	0.07		0.08
	Airplane	kms	23,770,879	98.3%	19,182,876
	CO_2 emissions airplane	CO_2 TEQ	6,837		6,168
	CO_2 emissions per employee, airplane	CO_2 TEQ/FTE	2.09		2.32
Paper	Paper consumption	Tonnes	248.7	100%	270
	Recycled paper consumption	Tonnes	89.6		96.6
Water	Water consumption	m^3	38,613	87.5%	25,694
	Water consumption per employee	m^3/FTE	12.3		12.2
Waste	Volume of non-recyclable waste	Tonnes	120.1	69.0%	111.3
	Volume of recyclable waste	Tonnes	104.4	72.0%	89.6
	Volume of recycled paper mass	Tonnes	107.1		78.1

3.5.3 Cross-reference table with disclosures required by Article R. 225-105-1 of the French Commercial Code (updated by the decree of 19 August 2016)

I. Employment information		**Section**
Employment	Total headcount and breakdown of employees by gender, age and by geographical area	P. 98, 111
	New hires and dismissals	P. 99, 111
	Compensation and changes over time	P. 102, 112
Organisation of work	Organisation of working hours	P. 112
	Absenteeism	P. 112
Employer-employee relations	Organisation of social dialogue, particularly the procedures for information and consultation with employees, as well as negotiation	P. 103
	Summary of collective agreements	P. 103, 112
Health & Safety	Workplace health & safety conditions	P. 103, 104, 112
	Summary of agreements signed with unions or employee representatives regarding workplace health and safety	P. 104, 112
	Work-related accidents	P. 112
Training	Policies implemented in terms of training	P. 100, 112
	Total number of training hours	P. 112
Non-discrimination	Measures to promote gender equality	P. 101, 113
	Measures to promote the employment and inclusion of disabled people	P. 102, 113
	Anti-discrimination policy	P. 102, 113
Promotion and compliance with the stipulations of the International Labour Organisation conventions	Compliance with freedom of association and the right to collective bargaining	*The Amundi Group complies with the Fundamental Conventions of the ILO, local regulations and the labour laws of the different countries where it operates.*
	Elimination of discrimination in respect of employment and occupation	
	Elimination of forced or compulsory labour	
	Abolition of child labour	
II. Environmental information		**Section**
General policy in environmental matters	How the Company is organised to deal with environmental issues and, if applicable, the steps it takes for environmental evaluation and certification	P. 107, 116
	Measures to train and inform the employees concerning environmental protection	P. 109
	Ways and means of preventing environmental hazards and pollution	*Amundi's primary business is asset management. This business does not generate any major environmental risks.*
	Amount of accounting provisions and guarantees for environmental risks, provided that this information shall not be such that it might cause the Company serious prejudice in an ongoing lawsuit	
Pollution	Measures for the prevention, reduction or remediation of discharges into the air, water or soil with serious environmental impact	*Amundi's primary business is asset management. This business does not generate any environmental impact discharges into the air, water or soil.*
	Mitigating noise pollution and any other form of pollution specific to an activity	*Amundi's primary business is asset management. This business does not generate specific pollution or noise pollution.*

II. Environmental information (continued)		Section
Circular economy - Prevention and management of waste	Waste prevention, recycling, re-use and elimination measures	P. 108, 116
	Actions taken to combat food waste management	P. 108
Circular economy - Sustainable use of resources	Water consumption	P. 116
	Consumption of raw materials and measures taken to use them more efficiently	*The topic of the consumption of raw materials is not relevant to Amundi's main business, asset management. (Responsible paper management is discussed* on P. 107*)*
	Energy consumption, measures taken to improve energy efficiency and use of renewable energy	P. 107, 116
Climate change	Significant sources of greenhouse gas emissions generated due to the Company's business, particularly the use of the goods and services it produces	P. 91, 108, 116
	Adaptation to the consequences of climate change	*Amundi has not identified any direct impacts from climate change on its own operations. For indirect impacts associated with its investment activity, see pages 8 (SRI) and 16 (Initiatives supporting the energy transition)*
Protection of biodiversity	Measures taken to preserve or enhance biodiversity	*The topic of biodiversity protection is not relevant to Amundi's core business: asset management.*
Ground use		*The topic of ground use is not relevant to Amundi's core business: asset management.*

III. Information relating to actions taken in support of sustainable development		Section
Local, economic and social impact of the business	Impact on employment and regional development	P. 91, 98, 106, 110, 112, 114
	Impact on the neighbouring or local community	P. 91, 98, 106, 110, 112, 114
Relationships with persons or organisations who have an interest in the Company's activities, particularly including associations for social inclusion, educational establishments, associations for environmental protection, consumer associations and neighbouring communities	Manner in which the Company interacts with these persons or organisations	P. 84
	Partnering or sponsoring undertaken	P. 106, 115
Subcontracting and suppliers	Inclusion in purchasing policy of social or environmental issues	P. 106, 115
	Importance of subcontracting and inclusion in supplier and suppliers and subcontractor relations of their social and environmental responsibility	P. 106, 115
Fair commercial practices	Initiatives to prevent corruption	P. 96, 115
	Measures taken to foster consumers' health and safety	P. 94
Other actions taken to promote Human Rights	Other actions taken to promote Human Rights	*The Amundi Group complies with the Fundamental Conventions of the ILO, local regulations and the labour laws of the different countries where it operates*

3.6 REPORT OF THE INDEPENDENT THIRD-PARTY ORGANISATION ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION APPEARING IN THE MANAGEMENT REPORT

For the year ended 31 December 2017

To the Shareholders,

In our capacity as an independent, third-party organisation, member of the network of one of statutory auditors of the Amundi company, accredited by COFRAC [(1)] under number 3-1050, we present our report on the consolidated social, environmental and societal information relating to the year ended 31 December 2017, presented in the management report (hereinafter the "CSR Information"), pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

CORPORATE RESPONSIBILITY

It is the duty of the Board of Directors to prepare a management report including the CSR Information referred to in Article R. 225-105-1 of the French Commercial Code and prepared in accordance with the guidelines used by the Company (hereinafter "the Guidelines"), a summary of which is included in the management report and available upon request from the Company's registered office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the Professional Code Of Ethics and the provisions of Article L. 822-11-3 of the French Commercial Code. In addition to this, we have implemented a system of quality control which includes policies and documented procedures to ensure the respect of the rules of ethics, professional standards and applicable legal and regulatory texts.

INDEPENDENT THIRD PARTY ORGANISATION'S RESPONSIBILITY

It is our responsibility, based on our findings:

- to attest that the CSR information required is present in the management report or, if omitted, that an explanation is provided pursuant to paragraph three of Article R. 225-105 of the French Commercial Code ("Attestation of the presence of CSR information");
- to express a conclusion of moderate assurance that the CSR Information taken as a whole is presented fairly in all material respects in accordance with the Guidelines (opinion, stating reasons, as to the fairness of the CSR Information).

However, it is not up to us to express an opinion on compliance with the other applicable legal provisions, if relevant, in particular those provided for by law no. 2016-1691 of 9 December 2016, known as Sapin II (fight against corruption).

Our work called on the skills of four persons and was performed between October 2017 and February 2018 over a total period of approximately eight weeks.

We conducted the work described hereinafter in accordance with the standards of professional practice applicable in France and with the decree of 13 May 2013 determining the ways in which the independent third-party organisation is to conduct the assignment and, with respect to the opinion stating reasons as to the fairness, with international standard ISAE 3000 [(2)].

1. Attestation of the presence of CSR information

NATURE AND EXTENT OF OUR WORK

Based on interviews with the managers of the departments concerned, we have familiarised ourselves with the statement of goals in regard to sustainable development, in light of the employee-related and environmental consequences of the Company's business activities and its societal commitments and the actions or programs, if any, that result from that statement.

We compared the CSR information presented in the management report with the list given in Article R. 225-105-1 of the Commercial Code.

When certain consolidated information was lacking, we made certain that explanations were provided in accordance with Article R. 225-105 par. 3 of the Commercial Code.

We verified that the CSR Information covered the scope of consolidation, *i.e.* the Parent company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of Article L. 233-3 of that Code, within the limits stated in the methodological note given in chapter 3 of the management report.

CONCLUSION

Based on this work and given the above-mentioned limitations, we attest to the presence in the management report of the required CSR Information.

(1) Scope of accreditation available at www.cofrac.fr.

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

2. Opinion, stating reasons, as to the fairness of the CSR Information

NATURE AND EXTENT OF OUR WORK

We conducted some 15 interviews with the persons responsible for preparing the CSR Information from the departments responsible for the collection of information and, where applicable, from those responsible for the internal control and risk management procedures in order to:

- assess the appropriateness of the Guidelines in terms of their relevance, completeness, reliability, neutrality and comprehensibility, taking into consideration best practices, if any, in the sector;
- and verify the operation of a process for gathering, compiling, processing and auditing information that would provide thorough and internally consistent CSR Information, and become acquainted with the internal control and risk management procedures used to prepare the CSR Information.

We matched the nature and extent of our tests and audits to the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental issues of its activities, its goals in terms of sustainable development and sector best practices.

With regard to CSR Information that we deemed the most important [3]:

- for the consolidating entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (as to organisation, policies, actions, etc.), employed analytical procedures on the quantitative information, and checked, through sampling, the calculations and the consolidation of the data, checking them for consistency and agreement with the other information given in the management report;
- for the representative sample we chose entities based on [4] their activity, contribution to the consolidated indicators, their physical location and a risk analysis, we conducted interviews to verify that the procedures were correctly applied, and we carried out detailed tests on the samples consisting of checking the calculations made and comparing the data in the supporting documents. The sample thus selected represents 46% of the workforce, 100% of SRI and solidarity management as well as 28% of CO_2 emissions related to energy consumption and business travel.

As for the other consolidated CSR Information, we judged its consistency in light of our knowledge of the Company.

Finally, we judged the validity of any explanations given as to the total or partial absence of certain information.

It is our belief that the sampling methods and sample sizes we used in exercising our professional judgment allow us to draw a conclusion of moderate assurance. A higher level of assurance would have necessitated more extensive investigation. Due to the use of sampling techniques as well as to the limitations inherent in the operation of any information and internal control system, the risk of not detecting a material irregularity in the CSR information cannot be totally ruled out.

CONCLUSION

On the basis of this work, we did not find any material irregularity that might indicate that the CSR Information taken as a whole is not fairly presented in accordance with the Guidelines.

Paris-La Défense, 7 March 2018

Independent Third-Party Organisation

ERNST & YOUNG et Associés

Caroline Delerable	Abder Aouad
Sustainable development partner	Partner

(3) Social information:

- Indicators (quantitative information): total headcount and distribution by contract, recruitment, departure rate and training (the number of people trained and the number of hours of training - excluding compliance training).

- Qualitative information: integration of Pioneer Investments, policies implemented in training, individual management and mobility.

Societal and business line information:

- Indicators (quantitative information): SRI assets (and percentage of these assets out of total assets), the number of issuers rated on ESG criteria (including the number of issuers rated G), the number of companies met, the assets of social impact funds, the number of beneficiaries of solidarity investments, the total number of resolutions voted against.

- Qualitative information: responsible investment policies and products (SRI, engagement policy, social impact management, energy transition initiatives and low-carbon solutions).

Environmental indicators (quantitative information): total electricity consumption, distances travelled by train and by air.

(4) Amundi SEU France for social data.

2017 operating and financial review

4.1 PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

4.1.1 Changes in accounting principles and methods

Changes in accounting principles and methods are described in note 1.1 to the consolidated financial statements as of 31 December 2017.

4.1.2 Changes in the consolidation scope

The change in the consolidation scope is described in note 9.3 to the consolidated financial statements as of 31 December 2017.

4.2 ECONOMIC AND FINANCIAL ENVIRONMENT

4.2.1 Financial markets trends in 2017 (1)

2017 was dominated by stronger than expected economic figures, showing the global economy is firmly embarked on a global growth upswing. Upside surprises were particularly strong and frequent in the Euro zone. Meanwhile, the robust growth dynamic continued in the US and China and other emerging market countries maintained the improving trend first seen in 2016 as global trade bounced back.

As for political risk, despite widespread fears in the early part of the year of a protectionist lurch in the US, actual measures taken on this front, were, in the end very limited. In the Euro zone, risks to the integrity of European institutions faded following the French elections in the spring. In emerging markets, although the year was marked by a number of geopolitical tensions, the 19th Congress of the Chinese Communist Party gave an impression of stability and clear new directions for economic policy.

On the world's markets, 2017 was an excellent year for the main equity indices and bond yields held near stable in the US while rising slightly in Germany.

UNITED STATES

The upward leg of the US cycle, already remarkable for its longevity (uninterrupted growth since 2009) continued in 2017, sustained by continued improvements in the job market (unemployment fell from 4.7% to 4.1% during the year) and resurgent investment (particularly in the energy sector). Inflation, however, was surprisingly low: stripping out volatile components inflation was only 1.7% in November, compared to 2.1% 12 months before. This did not stop the Federal Reserve, worried about the vigorous economy and the risks of the prolonged low-interest rate environment, from putting through three hikes in its policy rate, in March, June and December.

Politically, the news agenda was dominated by provocative statements and rumours stemming from the weird nature of the Trump presidency. However, the administration held back from taking some measures promised during the presidential campaign, which would have been deeply harmful to international trade, such as officially labelling China a "currency manipulator" or withdrawing from NAFTA. By the end of the year, efforts to put together a majority in Congress for a tax cut finally bore fruit, resulting in big cuts in taxes for companies and, to a lesser extent, households.

EURO ZONE

The economic data coming out of the Euro zone in 2017 surprised on the upside all year long. As in the United States, this economic dynamism did not feed through to underlying inflation, which was just 0.9% in December (unchanged from end-2016).

In this environment, in October the European Central Bank announced an extension to its asset purchase programme until at least September 2018. This was accompanied by a cut in monthly purchase volumes (as from January 2018).

Political risk declined, after spring elections in the Netherlands and, crucially, France, seemed to stem the forces of protest, seen as a major threat to Europe's institutions early in the year. Surprises in the second half of the year, including the indecisive outcome of the German elections and the political crisis in Catalonia were not perceived as posing such important systemic risks. Finally, the year also featured the Brexit negotiations. Some divergences of view between the EU and Britain were smoothed over (if not fully resolved), opening the way to negotiations on a transition period following the United Kingdom's exit from the EU, still scheduled for March 2019.

EMERGING MARKETS

Robust growth was the rule in most emerging economies. External demand was extremely favourable, notably helped by a sharp rebound in global trade. Private consumption also grew

(1) Text published in January 2018.

at a healthy pace. Investment was strong in countries exporting manufactured goods. In commodity exporters, however, the dip in inflation led to a major loosening of monetary policy, which helped coax countries such as Russia and Brazil out of recession.

INTEREST RATES AND CURRENCIES

German rates rose slightly in 2017, while US rates ended the year more or less where they started. US yields were in a downward phase in the first three quarters of the year as the Trump administration failed to implement its reforms and inflation unexpectedly slowed. But they rebounded later on better economic data and final approval of a tax reform package in December. US 10Y yields ended the year at around 2.40%. German 10Y yields, meanwhile, were up and down like a yoyo, finishing the year at around 0.40%. A slower pace of ECB asset purchases and fading political risks allowed a rise in German yields.

The big event of 2017 on currency markets was the sharp rise in the euro against the dollar. With EUR/USD exchange rates rising from 1.05 to 1.20. The EUR/GBP cross was fairly volatile, but sterling ended the year down at EUR 0.89/GBP. There was also a significant weakening of the Swiss franc against the euro.

EQUITY

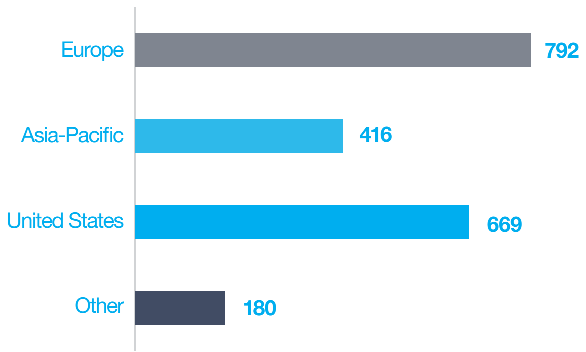
Spurred on by an accelerating global economy, sustained earnings and accommodative monetary policy, the MSCI World AC index produced its best performance since 2013, up 17.5% in local currencies (ex-dividend). Volatility was very low, with the VIX at its all-time low. Measured in dollars, the big winners were emerging markets, which rose 34.3%, followed by the Euro zone, up 25.3%, Japan, up 21.8% and the United States, up 19.5%.

4.2.2 The asset management market

Increased demand for fixed-income products, the flourishing success of diversified flexible solutions, a notable return to equities, growth of passive management and revived interest in Asian money market funds... 2017 was a year of records and contrasts in collective investment.

NB: data source: Broadridge Financial Solutions – FundFile, open-ended funds, 2017.

Global inflows by asset class in 2017 [(1)]
In € billions



4.2.2.1 EUROPEAN MARKET

Europe

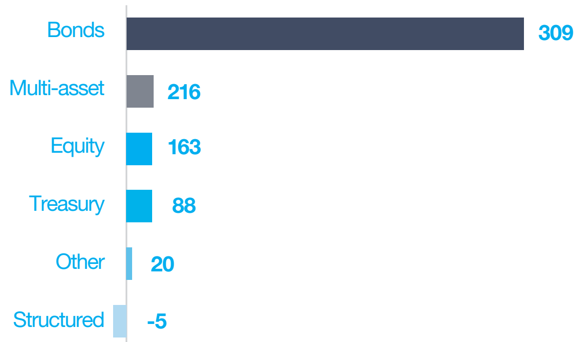
In Europe, 2017 was a record-breaking year: AuM at all-time highs - €10,684 billion, an 11% rise and the best ever net inflows, at €792 billion.

Fixed-income funds attracted 39% of investment flows - led by offers that took an opportunist and flexible active approach and a broad investment universe. Among the multi-asset funds (27% of inflows), regular returns, prudent asset allocation or an absolute performance target were the key factors in successfully attracting funds. Equity funds took 21% of inflows: the quest for geographic diversification (international, emerging markets), yield (return to Europe, SMEs) and disruptive sectors (robotics). Passive management was the preferred option (attracting 2/3 of equity inflows). In active management, investors took a selective approach, choosing high alpha products less constrained by a benchmark. Money market funds hovered up 11% of net inflows, particularly those with the longest investment horizon.

Cross-border funds, sold in multiple countries, accounted for 2/3 of inflows. Among locally sold offerings, aside the general success of multi-asset funds, we also note: In **France**, a return to equities (SMEs) and the continuation of steady inflows to real estate; in **Italy**, an encouraging result for equities, thanks to the launch of a personal savings scheme; in **Germany**, loans as an alternative to traditional bonds and long-term Treasury.

Elsewhere, assets managed in **ESG** funds rose by 21% and their net inflows totalled €52 billion: environmental, social and governance issues were particularly important for European investors, especially retail investors.

Inflows by asset class in Europe
In € billions



Others - ABS, derivatives, forex, hedge funds, property, commodities, etc.

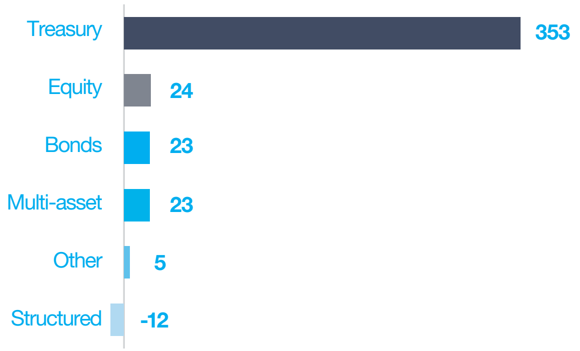
(1) Sources: Broadridge Financial Solutions – FundFile, open-ended funds, December 2017.

4.2.2.2 ASIA-PACIFIC MARKETS

Open-ended funds sold in Asia grew by 14% in 2017 to €3,395 billion in AuM. Net inflows were €416 billion, mainly explained by Chinese investors returning en-masse to money-market funds that were once again offering attractive returns and, less so, inflows in India - to all classes of long-term assets - and Japan - with a particular focus on equity ETFs, supported by the BoJ's asset buying programme.

Inflows by asset class in Asia-Pacific

In € billions



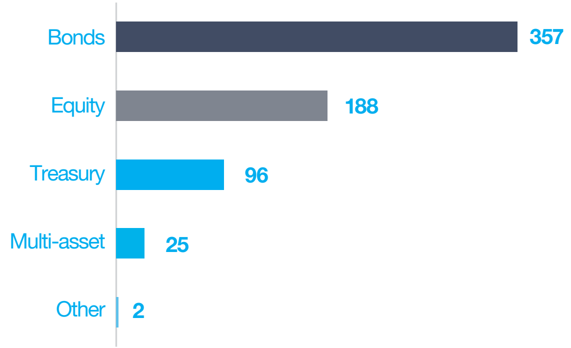
Others - ABS, derivatives, forex, hedge funds, property, commodities, etc.

4.2.2.3 AMERICAN MARKET

The market for open-ended US funds totalled €18,548 billion, a rise of 4% on the year, thanks to net inflows of €669 billion - a ten-year record - though 84% of this went into passively managed products. Investors preferred dollar-denominated fixed-income products - except for high-yield bonds - and international, emerging market, sectoral or US equities, despite substantial redemptions in actively managed US equities.

Inflows by asset class in the United States

In € billions



4.3 AMUNDI OPERATIONS AND CONSOLIDATED RESULTS

In 2017, Amundi's growth trend moved up a gear from 2016, attracting net inflows of €70.6 billion [1] taking AuM to €1,426 billion. Profits rose sharply thanks to the integration of Pioneer and business growth: combined adjusted net income[2], was €918 million, up 14.1%.

All objectives announced at the time of the public offering in November 2015 have been exceeded:

- **activity**: net inflows [1] of €131 billion in two years (2016-2017) vs. target of €120 billion in three years;
- **operational effectiveness**: A combined adjusted cost-income ratio of 52.4% [2] in 2017, less than the 55% ceiling announced and one of the best in the industry;
- **profitability**: growth in Net Earnings per Share averaged +12.5% between 2015 and 2017 [3], exceeding the objective announced (+5% per annum) despite the capital increase in April 2017;
- **dividend**: a payout of 65% in 2017, higher than the announced rate of 60%.

4.3.1 Assets under management and combined net inflows [4]

In € billions	Total excluding joint ventures	Yearly change *(%)*	Joint ventures	Yearly change *(%)*	Total	Yearly change *(%)*
Assets under management at 31 December 2016 (Amundi only)	**984**		**99**		**1,083**	
Combined assets under management at 31 December 2016 (Amundi & Pioneer)	**1,230**		**99**		**1,329**	
Net inflows	+52.8		+17.8		+70.6	
Market effect	+25.5		+1.2		+26.7	
COMBINED ASSETS UNDER MANAGEMENT AT 31 DECEMBER 2017	**1,308**	**+6.3%**	**118**	**18.3%**	**1,426**	**+7.3%**

Amundi's assets under management (€1,426 billion at end-December 2017) rose by +31.7% vs. standalone Amundi's resources at end-2016, and reflects both AuM at newly acquired Pioneer (+€242.9 billion), consolidated from 1 July 2017, and strong net inflows in a favourable market.

In combined figures, the growth of assets was +7.3% vs. end-2016, thanks to strong inflows of +€70.6 billion, and also a positive market effect (+€26.7 billion) particularly in equities.

Net inflows were strong and diversified. All customer segments, investment expertises and geographic areas recorded positive net inflows. These were partly driven by a **healthy marketing trend in Retail (70% of the total), International (73% of the total) and Medium to Long-term Products (51% of the total).**

(1) Combined Amundi & Pioneer data.

(2) Excluding integration costs and amortisation of distribution agreements.

(3) Excluding integration costs in 2017. Calculated on accounting EPS, the compound annual growth rate is +5.8%.

(4) All data on assets under management and net inflows in this document are combined, include advised and marketed assets and 100% of the managed assets and the inflows of the Asian joint ventures; for Wafa in Morocco, the assets under management are shown for their proportional share.

NB: all the AuM and inflow figures presented and discussed below are on a combined Amundi/Pioneer basis.

Combined assets under management and combined inflows by client segment

In € billions	AuM 31/12/2017	AuM 31/12/2016	% Change	Inflows 2017	Inflows 2016
French networks (1)	107	100	+7.3%	+4.0	(2.6)
International networks & JV	236	206	+14.8%	+28.0	+26.8
Third-party distributors	181	163	+11.2%	+17.6	+7.3
Retail	**524**	**469**	**+11.9%**	**+49.6**	**+31.5**
Institutional investors (2) & Sovereigns	354	340	+4.2%	+10.8	+17.1
Corporates & employee savings	129	115	+11.6%	+7.9	+13.8
CA and SG insurers	419	405	+3.4%	+2.3	(2.0)
Institutional investor	**902**	**860**	**+4.8%**	**+21.0**	**+28.9**
TOTAL	**1,426**	**1,329**	**+7.3%**	**+70.6**	**+60.4**
of which JVs	118	99	+18.3%	+17.8	+24.8

(1) French networks: net inflows on medium to long-term assets of +€4.4 billion in 2017.
(2) Including Sovereigns and Funds of funds.

Retail segment AuM increased by 11.9% in 2017, to €524 billion compared with €469 billion at 31 December 2016. This increase is due to a robust net inflow of €49.6 billion across all distribution channels.

Assets on the Institutional segment grew by 4.8% between 2016 and 2017, from €860 billion to €902 billion. This increase is explained by inflows of +€21 billion in 2017.

Analysis of Retail assets under management and net inflows

The Retail segment saw intense activity with net inflows in 2017 of +€49.6 billion across all distribution channels, vs. +€31.5 billion in 2016:

- inflows were strong in the **French networks**, with medium to long-term assets particularly popular (+€4.4 billion) thanks to growing subscriptions for unit-linked life policies, maintaining the positive trend seen since the second half of 2016;
- the **international networks** business (+€10.2 billion) grew significantly, particularly in Italy (+€9 billion) with substantial net inflows through the UniCredit networks (+€6.5 billion) as the new distribution agreement got off to a good start;
- a strong trend too in **Third-party distributors** (+€17.6 billion) against +€7.3 billion in 2016), mainly in Europe, Japan and the United States;
- in **joint ventures**, inflows maintained a healthy level (+€17.8 billion) notably in China and India.`

Analysis of Institutional assets under management and net inflows

The Institutionals and Corporates segment posted solid net inflows of +€21 billion in 2017. This was less than the +€28.9 billion of 2016, however, chiefly because the ECB took one of its mandates back in-house during the year, for -€6.9 billion. Stripping this out, net inflows were unchanged.

The **Institutionals and Sovereigns** (1) segment net inflows rose +€10.8 billion. These inflows reflect a strong sales trend in 2017, led by Treasury products.

In the **Corporate and Employee Savings** segment, net inflows of +€7.9 billion again reflected the success of Treasury products, mainly in France but with some successes elsewhere in Europe (Germany).

(1) Including funds of funds.

4.3.1.1 COMBINED ASSETS UNDER MANAGEMENT AND NET INFLOWS BY ASSET CLASS

In € billions	AuM 31/12/2017	AuM 31/12/2016	% change	Inflows 2017	Inflows 2016
Equity	232	200	+16.2%	+10.7	+10.5
Multi-asset	255	231	+10.6%	+18.9	+12.1
Bonds	646	644	+0.3%	+3.8 (1)	+21.3
Real, Alternative and Structured	70	65	+7.8%	+2.8	+1.3
MLT Assets	**1,203**	**1,140**	**+5.6%**	**+36.2**	**+45.2**
Treasury	223	189	+17.7%	+34.4	+15.2
TOTAL	**1,426**	**1,329**	**+7.3%**	**+70.6**	**+60.4**

(1) +€10.7 billion excluding the ECB's taking back in-house of a -€6.9 billion management mandate in Q1 2017.

2017 net inflows were driven by all asset classes.

Medium to long-term (MLT) assets amounted to €1,203 billion, representing 84% of total AuM, an increase of +5.6% compared with 31 December 2016. Note that the ECB took a -€6.9 billion management mandate back in-house in Q1 2017. This asset growth was the result of strong inflows (+€36.2 billion) in all MLT classes.

All areas of expertise attracted substantial flows in 2017. Real, alternative and structured assets also had a good year, with inflows of €2.8 billion led by Amundi's success with real estate products and the rise of the Private Markets areas of expertise (corporate debt, private equity).

Notable commercial successes in 2017 included:

- dynamic growth in **Multi-asset and Emerging Market** products helped by the contributions from Pioneer;
- **accelerating inflows to passive management** (ETFs, index and Smart Beta funds) of +€14.7 billion thanks to the striking success of ETFs (inflows of +€10.2 billion in Europe), an area where Amundi's expertise is winning market share[1].

Treasury products doubled their inflows in 2017 (+€34.4 billion), strengthening Amundi's position as European leader[2].

4.3.1.2 COMBINED ASSETS UNDER MANAGEMENT AND NET INFLOWS BY GEOGRAPHIC AREA

In € billions	AuM 31/12/2017	AuM 31/12/2016	% change	Inflows 2017	Inflows 2016
France	841 (1)	800	+5.1%	+19.4	+16.0
Europe excluding France	325	295	+10.0%	+22.9	+18.3
Asia	177	153	+15.9%	+23.6	+26.7
Rest of World	83	81	+3.0%	+4.7	(0.6)
TOTAL	**1,426**	**1,329**	**+7.3%**	**+70.6**	**+60.4**
TOTAL EXCLUDING FRANCE	**585**	**529**	**+10.7%**	**+51.2**	**+44.4**

(1) Of which €405 billion for Group insurers.

In 2017, inflows were driven by all geographic areas. International inflows were +€51.2 billion, 73% of the total for the year (close to 2015 and 2016 figures), taking international assets under management to €585 billion, 41% of the Group's total AuM (and 57% of AuM excluding CA and SG insurers). International net inflows were evenly balanced among the different geographic areas:

- in **Asia** (inflows of +€23.6 billion), JVs maintained their healthy sales trend (+€17.8 billion), and there were also sustained inflows in Japan;
- in **Europe excluding France** (+€22.9 billion), there were very robust inflows in Italy (+€10.3 billion) as the UniCredit distribution deal got off to a good start, but also in Germany;
- in **the Rest of the World**, net inflows were positive, in particular in the United States.

(1) Source: Deutsche Bank ETF Market review at the end of December 2017.
(2) Source: Broadridge Financial Solutions – FundFile/Open-ended funds December 2017.

4.3.2 Income statement

Accounting income statement (1)

In € millions	2017	2016	2017 vs. 2016
Adjusted net revenue (a) (2)	**2,301**	**1,694**	**+35.8%**
Of which net management fees	2,029	1,510	+34.4%
Of which performance fees	175	115	+52.2%
Net financial income and other net income (2)	97	69	+40.9%
Adjusted operating expenses (3) (b)	**(1,173)**	**(878)**	**+33.7%**
Adjusted gross operating income (2) (3)	**1,128**	**816**	**+38.2%**
Adjusted cost-income ratio (b)/(a)	*51%*	*51.8%*	*(0.8 pt)*
Cost of risk and other	(15)	(1)	N/A
Share of net income of equity-accounted entities	33	28	+16.3%
Adjusted net income before tax (2) (3)	**1,146**	**844**	**+35.8%**
Income tax charge (2) (3)	(347)	(264)	+31.5%
Adjusted net income Group share (2) (3)	**800**	**579**	**+38.0%**
Amortisation of distribution agreements net of tax	(30)	(11)	N/A
Pioneer integration costs net of tax	(88)	0	N/A
Net income Group share	**681**	**568**	**+19.9%**
Earnings per share *(in €)*	3.54	3.40	+4.3%
Adjusted earnings per share *(in €)*	4.16	3.46	+20.0%

(1) Restatement of accounting net revenues for amortisation of distribution agreements (UniCredit as from 1 July 2017, SG and Bawag in 2016 and 2017), and restatement of accounting operating expenses in 2017 for Pioneer integration costs. Both these factors are shown net of tax in the table above.
(2) Excluding amortisation of distribution agreements
(3) Excluding Pioneer integration costs

Accounting income (12 months Amundi +6 months Pioneer in 2017 rose sharply, boosted both by Pioneer's contribution (first-time consolidated from Q3 2017) and the financial performance of the new Group: accounting net income Group share (including integration costs and amortisation of distribution agreements) was €681 million, up +19.9% on 2016, and Earnings per Share were €3.54, up 4.3% on 2016.

Adjusted net Earnings per Share (excluding integration costs and amortisation of distribution agreements) were €4.16, up 20% on 2016.

Combined income statement (1)

In € millions	2017	2016	2017 vs. 2016
Combined adjusted net revenue (a) (2)	**2,722**	**2,533**	**+7.5%**
Of which net management fees	2,445	2,327	+5.1%
Of which performance fees	180	133	+35.1%
Net financial income and other net income (2)	97	73	+32.9%
Combined adjusted operating expenses (3) (b)	**(1,428)**	**(1,399)**	**+2.1%**
Combined adjusted gross operating income (2) (3)	**1,295**	**1,134**	**+14.2%**
Combined adjusted cost-income ratio (2) (3) (b)/(a)	*52.4%*	*55.2%*	*(2.8 pts)*
Cost of risk and other	(16)	(5)	N/A
Share of net income of equity-accounted entities	33	28	+16.3%
Combined adjusted net income before tax (2) (3)	**1,311**	**1,158**	**+13.3%**
Combined adjusted income tax (2) (3)	(393)	(352)	11.8%
Combined adjusted net income Group share (2) (3)	**918**	**805**	**+14.1%**
Amortisation of distribution agreements net of tax	(30)	(11)	N/A
Pioneer integration costs net of tax	(88)	0	N/A
Combined net income Group share	**800**	**794**	**+0.8%**

(1) Combined net income: figures for 2017 and 2016 correspond to the sum of 12-month of Amundi activity plus 12 months of Pioneer activity, with a normalised net income in the first half of the year.
Adjustments: restatement of accounting net revenues for amortisation of distribution agreements (UniCredit as from 1 July 2017, SG and Bawag in 2016 and 2017), and restatement of accounting operating expenses in 2017 for Pioneer integration costs. Both these factors are shown net of tax in the table above.
(2) Excluding amortisation of distribution agreements.
(3) Excluding Pioneer integration costs.

Combined adjusted net income Group share (excluding Pioneer integration costs and amortisation of distribution agreements), giving a clear view of the new Group's performance at comparable scope, **grew by +14.1% to €918 million in 2017.** This like-for-like growth, giving a view of the performance of the new Group in 2017, was mainly the result of the following:

- strong growth in **combined adjusted net revenues** of +€7.5% to €2,722 million, in line with the growth of assets under management in 2017 in favourable market conditions. This strong activity was amplified by a high level of performance fees (helped by very favourable markets) and financial revenues (linked to asset sales);
- a firm grip on combined adjusted **general operating expenses** (+2.1% vs. 2016), which grew more slowly than revenues and include notably the first cost synergies with Pioneer. As a result, the combined adjusted cost-to-income ratio improved by 2.8 points to 52.4% in 2017;
- a sharp rise of + 16.3% in **share of net income of equity-accounted entities** (mainly Asian joint-ventures) in line with the rise in assets.

4.3.2.1 COMBINED ADJUSTED NET REVENUES

In € millions	2017	2016	2017 *vs.* 2016
Net asset management revenues	2,625	2,460	+6.7%
Net financial income and other net income	97	73	+32.9%
COMBINED ADJUSTED NET REVENUES (1)	**2,722**	**2,533**	**+7.5%**

(1) Excluding amortisation of distribution agreements

Combined adjusted net revenues in 2017 reached €2,722 million, up 7.5% over 2016. The rise was due to 6.7% growth in net asset management revenues and a striking +32.9% hike in financial revenues, a fairly high level.

4.3.2.2 COMBINED NET ASSET MANAGEMENT REVENUES

In € millions	2017	2016	2017 *vs.* 2016
Net management fees	2,445	2,327	+5.1%
Performance fees	180	133	+35.1%
COMBINED NET ASSET MANAGEMENT REVENUES	**2,625**	**2,460**	**+6.7%**

Combined net asset management revenues grew by 6.7%, in line with the growth in assets under management (excluding joint ventures, reported by the equity method), a rise of 6.3% over 2016.

Performance fees jumped by 35.1% in favourable market conditions in 2017 (particularly equity markets; the CAC 40 gained an average of 17% between 2016 and 2017). Performance fees represented 7% of total net asset management revenues.

4.3.2.3 COMBINED NET FEES AND MARGINS BY CLIENT SEGMENT

In € millions	2017	2016	2017 *vs.* 2016
Retail			
Net management fees	1,786	1,709	+4.5%
Average AuM excluding JV	387,751	348,596	+11.2%
Margin	*46.0 bp*	*49.0 bp*	*(3.0 bp)*
Institutional excluding CA and SG Insurers			
Net management fees	521	475	+9.7%
Average AuM excluding JV	477,800	423,658	+12.8%
Margin	*10.9 bp*	*11.2 bp*	*(0.3 bp)*
CA and SG insurers			
Net management fees	139	143	(2.4%)
Average AuM excluding JV	413,142	407,922	+1.5%
Margin	*3.4 bp*	*3.5 bp*	*(0.1 bp)*
NET FEES AND COMMISSIONS TOTAL	**2,445**	**2,327**	**+5.1%**
Average AuM excluding JV	1,279,205	1,180,176	+8.4%
Margin on average assets excluding JV	*19.1 bp*	*19.7 bp*	*(0.6 bp)*

In 2017, combined net fees rose by +5.1% over 2016. The Pioneer acquisition helped grow margins on average AuM (excluding JVs) by more than three points, from 16.0 bp in 2016 for standalone Amundi to 19.1 bp in 2017 for the combined Amundi-Pioneer scope.

Breakdown by segment:

- net fees in the **Retail** segment rose by 4.5% over 2016, mainly thanks to the rise in assets under management. However, net margins shrank vs. 2016, which had been bolstered by plentiful fees from guaranteed/structured products reaching maturity;
- net fees from **Institutional** clients excluding CA and SG insurers, increased substantially, by 9.7% over 2016; continuing the 2016 trend, Institutional margins again declined slightly in 2017;
- net fees in the CA and SG **Insurers** segment edged down by 2.4% on 2016; margins were virtually unchanged.

4.3.2.4 COMBINED PERFORMANCE FEES BY ASSET CLASS

In € millions	2017	2016	2017 *vs.* 2016
Fixed Income (including Treasury)	125	103	+21.4%
Other asset classes (equities, multi-asset, etc.)	55	30	+83%
TOTAL	**180**	**133**	**+35.1%**

Combined performance fees grew by 35.1% over 2016, buoyed by growing markets and strong investment performance. Growth was especially strong in equity and multi-asset products. Fees from these two classes generated 7% of all net asset management revenues.

4.3.2.5 COMBINED ADJUSTED OPERATING EXPENSES

In € millions	2017	2016	2017 *vs.* 2016
Employee expenses	(954)	(908)	+5.1%
Other expenses	(474)	(491)	(3.5%)
COMBINED ADJUSTED OPERATING EXPENSES	**(1,428)**	**(1,399)**	**+2.1%**

In 2017 Amundi kept a tight grip on combined adjusted operating expenses, which rose by just 2.1% over 2016, slower than net revenue growth (+7.5%). This strong showing included the first fruits of cost synergies from the Pioneer takeover. Around 10% of the total synergies target came through in 2017, in line with the scheduled calendar.

General operating expenses made up only 11.2 basis points on average AuM excluding JVs in 2017, compared to 11.8 bp in 2016.

4.3.2.6 COMBINED AND ADJUSTED GROSS OPERATING INCOME AND COST-TO-INCOME RATIO

In € millions	2017	2016	2017 *vs.* 2016
Combined adjusted net revenue (a)	2,722	2,533	+7.5%
Combined adjusted operating expense (b)	(1,428)	(1,399)	+2.1%
COMBINED ADJUSTED GROSS OPERATING INCOME	**1,295**	**1,134**	**+14.2%**
Combined adjusted cost-to-income ratio (b)/(a) (%)	*52.4%*	*55.2%*	*(2.8 pts)*

Combined adjusted gross operating income grew by 14.2% vs. 2016 to €1,295 million. This operational efficiency translated into a 2.8 points improvement in the combined adjusted cost-to-income ratio to 52.4% in 2017. This ratio remains one of the best in the asset management industry.

4.3.2.7 COMBINED OTHER INCOME STATEMENT ITEMS

The **cost of risk** at -€16 million is mainly related to various provisions for risks.

The **share in net income of companies accounted for by the equity method** was €33 million in 2017, up by 16.3% vs 2016, reflecting similar growth in both assets under management and Asian joint ventures (+18.3%), particularly in China and India.

After **tax expense** of €393 million in 2017, the result of a slightly lower tax rate than in 2016, combined adjusted net income Group share was **€918 million before integration costs and amortisation of distribution agreements, a rise of 14.1%** over 2016.

4.3.2.8 METHODOLOGICAL NOTE AND ALTERNATIVE PERFORMANCE INDICATORS

I. Income statement 2017

1. ACCOUNTING DATA

2017 figures cover 12 months of Amundi activity and 6 months of Pioneer activity, consolidated as of 1 July 2017. 2016 figures correspond to 12 months of Amundi activity.

To present an income statement that better reflects the economic reality, the following adjustments were made:

- in 2017: restatement of Pioneer integration costs;
- in 2016 and 2017: amortisation of the distribution agreements (booked as a deduction from net revenues) with SG and BAWAG, and from Q3 2017, with UniCredit.

2. COMBINED DATA

In 2017 and 2016, the data corresponds to the sum of 12 months of Amundi activity and 12 months of Pioneer activity.

The Pioneer data for 2016 and H1 2017 notably takes account of the following:

- scope of the transaction (excluding Poland and India);
- normalisation of Pioneer's tax rate.

The combined data differs from the pro forma data (presented in the 2016 Registration Document), which included restatements based on the financing assumptions made during the Pioneer acquisition: higher financial expenses, lower financial income.

3. N.B.: ACCOUNTING AND COMBINED DATA

Pioneer Investments integration costs:

- 2017: €135 million before tax and €88 million after tax

Amortisation of distribution agreements:

- 2017: €44 million before tax and €30 million after tax

II. Amortisation of UniCredit distribution agreements

At the time of the Pioneer acquisition, ten-year distribution agreements were entered into with the UniCredit networks in Italy, Germany, Austria and the Czech Republic. The gross value of these contracts was €546 million, recognised on the balance sheet under Intangible assets. A €161 million deferred tax liability was recognised at the same time. The net total is therefore €385 million, amortised on a straight-line basis over ten years starting 1 July 2017.

The full-year impact of this amortisation on the Group income statement will be €38 million net of tax (€55 million before tax), booked under "Other income". This is added to the existing amortisation of the distribution agreements with SG and Bawag of €11 million full-year net of tax, or €17 million before tax.

III. Alternative Performance Indicators

ADJUSTED DATA

To present an income statement that better reflects the economic reality, Amundi publishes adjusted data, defined as follows: excluding the Pioneer integration costs and the amortisation of the distribution agreements with SG, Bawag and UniCredit since 1 July 2017 (see above).

This adjusted data is reconciled with the accounting data and is compared between 2016 and 2017 as follows:

In € millions	2017 achieved	2016 achieved	Change 2017/2016
Accounting net revenue (a)	**2 257**	**1 677**	**34.6%**
+ Amortisation of distribution agreements before tax	*44*	*17*	
Adjusted net revenue (b)	**2 301**	**1 694**	**35.8%**
Accounting operating expenses (c)	**(1,309)**	**(878)**	**49.1%**
+ Pioneer integration costs before tax	135	-	
Adjusted operating expenses (d)	**(1,173)**	**(878)**	**33.7%**
Accounting gross operating income (e) = (a)+(c)	**949**	**800**	**18.5%**
ADJUSTED GROSS OPERATING INCOME (F) = (B)+(D)	**1 128**	**816**	**38.2%**
Accounting cost-to-income ratio (c)/(a)	*58.0%*	*52.3%*	*5.6 pts*
Adjusted cost-to-income ratio (d)/(b)	*51.0%*	*51.8%*	*(0.8 pt)*
Cost of risk & Other (g)	(15)	(1)	N/A
Equity-accounted affiliates (h)	33	28	16.3%
Accounting pre-tax income (i) = (e)+(g)+(h)	**967**	**828**	**16.8%**
ADJUSTED PRE-TAX INCOME (J) = (F)+(G)+(H)	**1 146**	**844**	**35.8%**
Accounting income tax charge (k)	*(286)*	*(258)*	*10.8%*
Adjusted income tax charge (l)	*(347)*	*(264)*	*31.5%*
Accounting net income Group share (i)+(k)	**681**	**568**	**19.9%**
ADJUSTED NET INCOME GROUP SHARE (J)+(L)	**800**	**579**	**38.0%**
Accounting earnings per share (€)	**3.54**	**3,40**	**4.3%**
Adjusted earnings per share (€)	**4.16**	**3,46**	**20.0%**

COMBINED DATA

To show the new Group's performance on a like-for-like basis, Amundi also publishes combined data, which includes 12 months of Pioneer activity in 2016 and 12 months of Pioneer activity in 2017.

This combined and adjusted data is compared between 2016 and 2017 as follows:

In € millions	2017 Combined	2016 Combined	Change Combined 2017/2016
Combined net revenue (a)	**2 679**	**2 516**	**6.5%**
+ Amortisation of distribution agreements before tax	*44*	*17*	*N/A*
Combined adjusted net revenue (b)	**2 722**	**2 533**	**7.5%**
Combined operating expenses (c)	**(1,563)**	**(1,399)**	**11.7%**
+ Pioneer integration costs before tax	(135)	0	
Combined adjusted operating expenses (d)	**(1,428)**	**(1,399)**	**2.1%**
Combined gross operating income (e) = (a)+(c)	**1 115**	**1,117**	**(0.2%)**
COMBINED ADJUSTED GROSS OPERATING INCOME (F) = (B)+(D)	**1 295**	**1 134**	**14.2%**
Combined cost-to-income ratio (c)/(a)	*58.4%*	*55.6%*	*2.8 pts*
Combined adjusted cost-to-income ratio (d)/(b)	*52.4%*	*55.2%*	*(2.8 pts)*
Cost of risk & Other (g)	(16)	(5)	N/A
Equity-accounted affiliates (h)	33	28	16.3%
Combined pre-tax income (i) = (e)+(g)+(h)	**1 132**	**1 141**	**(0.8%)**
COMBINED ADJUSTED PRE-TAX INCOME (J) =(F)+(G)+(H)	**1 311**	**1 158**	**13.3%**
Combined income tax charge (k)	*(332)*	*(347)*	*(4.3%)*
Combined adjusted income tax charge (l)	*(393)*	*(352)*	*11.8%*
Combined net income Group share (i)+(k)	**800**	**794**	**0.8%**
COMBINED ADJUSTED NET INCOME GROUP SHARE (J)+(L)	**918**	**805**	**14.1%**

N.B.: the "free capital" indicator is no longer used, this having been employed to fund the Pioneer acquisition in July 2017.

4.3.3 Dividend policy

The Board of Directors will propose to the General meeting of 15 May 2018, **a cash dividend of €2.50 per share.** This equates to a 65% payout of net income Group share (excluding Pioneer integration costs on the basis of shares outstanding at end-2017), and a 3.5% return on the last share price in 2017 (29 December).

The ex-dividend date will be 22 May 2018. Payment will be as from 24 May 2018.

4.4 BALANCE SHEET AND FINANCIAL STRUCTURE

4.4.1 Amundi consolidated balance sheet

ASSETS

In € millions	31/12/2017	31/12/2016	Change 2017/2016
Cash, central banks	0	0	N/A
Derivative instruments	2,661	2,192	21.4%
Financial assets designated at fair value through profit and loss	5,002	4,055	23.3%
Available-for-sale financial assets	1,179	1,923	(38.7%)
Loans and receivables due from credit institutions	1,120	513	118.4%
Current and deferred tax assets	201	111	82.0%
Accruals, prepayments and sundry assets	2,134	1,645	29.7%
Investments in equity-accounted entities	181	169	6.8%
Property, plant and equipment	45	41	8.4%
Intangible assets	623	108	477.6%
Goodwill	5,674	3,162	79.5%
TOTAL ASSETS	**18,819**	**13,918**	**35.2%**

EQUITY AND LIABILITIES

In € millions	31/12/2017	31/12/2016	Change 2017/2016
Derivative instruments	2,647	2,092	26.6%
Financial liabilities designated at fair value through profit and loss	3,773	3,135	20.4%
Due to credit institutions	603	95	534.9%
Current and deferred tax liabilities	288	87	231.2%
Accruals, deferred income and sundry liabilities	2,774	1,792	54.8%
Provisions	226	73	211.0%
Subordinated debt	304		
Equity, Group share	*8,203*	*6,644*	*23.5%*
▪ Share capital and reserves	*2,977*	*1,570*	*89.6%*
▪ Consolidated reserves	*4,562*	*4,432*	*2.9%*
▪ Unrealised or deferred gains or losses	*(17)*	*75*	*(122.8%)*
▪ Net income, Group share	*681*	*568*	*19.9%*
Non-controlling interests	0	0	N/A
TOTAL EQUITY AND LIABILITIES	**18,819**	**13,918**	**35.2%**

4.4.1.1 CHANGES TO THE BALANCE SHEET IN 2017

At 31 December 2017, the balance sheet total was €18.8 billion compared with €13.9 billion at 31 December 2016.

The increase was mainly due to the integration of subsidiaries from the Pioneer Investments Group, whose acquisition was funded by a capital increase, long-term refinancing and the disposal of portfolio securities during the first half of 2017.

Derivative assets totalled €2,661 million at 31 December 2017 (*vs*. 2,192 million at 31 December 2016), a rise of 21.4% on the year.

This amount mainly represents the following items:

- the positive fair value of performance swaps recognised on the Amundi Finance balance sheet. This subsidiary acts as the counterparty for structured funds and writes a hedging symmetrical contract with a market counterparty; as result, the performance swaps outstanding recorded as assets appear in equal amounts as liabilities on the Group balance sheet. Netted out, these transaction create no market risk;
- the positive fair value of interest rate and performance swaps entered into as part of structured EMTNs issued as loans and borrowings to and from credit institutions.

Derivative liabilities totalled €2,647 million at 31 December 2017 (*vs*. €2,092 million at 31 December 2016), also rising by +26.6% year-on-year.

These amounts represent the negative fair value of derivative instruments written as part of the structured funds or EMTN funds business and match the corresponding asset, as described above.

Financial assets designated at fair value through profit and loss showed balances of €5,002 million at 31 December 2017 versus €4,055 million at 31 December 2016, up +23.3%. They mostly comprised:

- assets backing EMTN issues (measured symmetrically at optional fair value through profit and loss), in the amount of €3,802 million at 31 December 2017 versus €3,057 million at 31 December 2016, significantly higher (+24.4% in 2017/2016) due to the growth of business. These hedging assets are: bonds issued by Crédit Agricole S.A. and fund units held by Amundi Finance Émissions, and term deposits placed by LCL Émissions at LCL;
- investments in seed money (€245 million at 31 December 2017 versus €355 million at 31 December 2016);
- and short-term voluntary investments (€954 million at 31 December 2017 versus €642 million at 31 December 2016).

Financial liabilities designated at fair value through profit and loss in the amount of €3,773 million at 31 December 2017 versus €3,135 million at 31 December 2016, up +20.4%, represent the fair value of the structured EMTNs issued by the Group as part of broadening its line for Retail customers.

Available-for-sale financial assets came to €1,179 million at 31 December 2017, versus €1,923 million at 31 December 2016, a fall of -39%. This category mainly includes shares in non-consolidated associates and the portfolio of securities not classified as "at fair value through profit and loss". The volume of such financial assets fell sharply, after the disposals to fund the Pioneer deal, and comprises voluntary investments (€575 million at 31 December 2017 vs. €1,525 million at 31 December 2016, down by -62%), seed money (€102 million at 31 December 2017 vs. €47 million at 31 December 2016, up by +119%) and Sovereign securities (€164 million at 31 December 2017) held under EMIR regulations to underwrite derivative positions.

Loans and receivables due from credit institutions totalled €1,120 million at 31 December 2017 vs. €513 million at 31 December 2016, up by +118%. This sharp rise was driven by the integration of Pioneer Investments group entities, partly offset by repayment of the last tranche of a Crédit Agricole S.A. medium-term loan. At 31 December 2017, it broke down into €1,086 million of short-term deposits and cash and €34 million of medium to long-term loans (due 2022).

Liabilities to credit institutions totalled €603 million at 31 December 2017, vs. €95 million at 31 December 2016. This sharp rise reflects refinancing arranged to fund the acquisition of Pioneer Investments Group subsidiaries via a medium to long-term loan of €345 million from Crédit Agricole S.A. At 31 December 2017, liabilities to credit institutions were made up of €258 million of short-term borrowings and €345 million of medium to long-term borrowings, mostly contracted with the Crédit Agricole Group.

Subordinated debt, which totalled €304 million at 31 December 2017, comprises €300 million of subordinated debt subscribed with Crédit Agricole S.A. as part of the financing of the Pioneer Investments subsidiaries acquisition. This subordinated debt is due in 2027.

Accruals, prepayments and sundry assets amounted to €2,134 million at 31 December 2017 against €1,645 million at 31 December 2016, up by +30% due to the scope effects from acquisition of Pioneer Investments Group subsidiaries. This item includes collateral given in connection with Amundi's swaps brokerage business of €854 million (versus €949 million at 31 December 2016) and other accruals, prepayments and sundry assets of €1,280 million (versus €695 million at 31 December 2016), mainly in accrued management fees and performance fees.

Accruals, deferred income and sundry liabilities totalled €2,774 million at 31 December 2017 vs. €1,792 million at 31 December 2016, up by +55% due to the scope effects from the acquisition of Pioneer Investments Group subsidiaries. This item includes collateral received in connection with the brokerage business of €1,041 million (versus €742 million at 31 December 2016) and other accruals, deferred income and sundry liabilities of €1,733 million (versus €1,050 million at 31 December 2016), mainly in accrued commissions payable to distributors.

Intangible assets totalled €623 million at 31 December 2017 against €108 million at 31 December 2016. The increase reflected the value of UniCredit distribution agreements recognised on acquisition of Pioneer Investments Group subsidiaries.

Goodwill totalled €5,674 million at 31 December 2017 versus €3,161 million at 31 December 2016, up +80%. The change over the period was due to goodwill recognised on acquisition of Pioneer Investments Group subsidiaries and the impact of converting part of the foreign currency goodwill.

Goodwill includes the following principal items:

- goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003, for €377.9 million;

- the goodwill allocated to the asset management business in 2004 upon Crédit Agricole S.A.'s acquisition of Crédit Lyonnais, for €1,732.8 million;
- €707.8 million of goodwill from the contribution of Société Générale's asset management business to Amundi S.A. in December 2009;
- goodwill arising from the acquisition of Pioneer Investments Group subsidiaries on 3 July 2017 for €2,537 million.

Provisions totalled €226 million at 31 December 2017, vs. €73 million at 31 December 2016. The rise was due to the change in scope following the acquisition of the Pioneer subsidiaries and a rise in provisions for employee commitments.

The Group's shareholders' equity including earnings for the period ended 31 December 2017, were €8,203 million versus €6,644 million at 31 December 2016, up +23.5%. The net positive change of +€1,559 million largely corresponds to the net of the following items:

- the capital increase made to fund the acquisition of the Pioneer Investments Group subsidiaries for €1,415 million net of costs;
- Amundi dividends declared for 2016 in the amount of €443 million;
- net income for the period of +€681 million;
- the change in "unrealised or deferred gains and losses" of -€92 million.

Investment portfolio

In summary, the breakdown of the investment portfolio between seed money and voluntary investments by asset class over the last two years is as follows:

31/12/2017 *In € millions*	Asset class				
	Money market	Bonds	Equity and multi-asset	Other	Total
Seed money	3	94	155	95	347
Voluntary investments and other	788	814	20	71	1,693
TOTAL	**791**	**908**	**175**	**166**	**2,040**

31/12/2016 *In € millions*	Asset class				
	Money market	Bonds	Equity and multi-asset	Other	Total
Seed money	1	125	199	77	402
Voluntary investments	472	1,271	224	201	2,168
TOTAL	**473**	**1,396**	**423**	**278**	**2,570**

4.4.2 Off-balance sheet

The Group's material off-balance sheet commitments are:

- commitments related to derivative financial instruments, which are measured at their fair value in the balance sheet;
- in commitments given, guarantees granted to certain funds marketed by Amundi;
- in commitments received, the financing guarantee contracted with a banking syndicate.

The table below shows a breakdown of Amundi's commitments in respect of guarantees given to the funds:

In € millions	31/12/2017	31/12/2016
Formula funds	12,030	12,042
Constant proportion portfolio insurance (CPPI) funds	5,504	3,839
Other guaranteed funds	3,209	1,606
TOTAL	**20 743**	**17,487**

Formula funds are intended to deliver a predefined return based on a specified formula.

CPPI funds are intended to provide exposure to the returns of risky assets while offering a guarantee defined at the outset.

The only commitment received was the financing guarantee received under the syndicated multi-currency revolving loan agreement for €1,750 million signed on 23 October 2015 with an international syndicate of lenders.

4.4.3 Financial structure

Amundi's total assets amounted to €18.8 billion at 31 December 2017.

In order to analyse the Group's financial position from an economic standpoint, Amundi also presents a condensed statement of financial position aggregating certain items to show the effects of netting.

This economic presentation balance sheet results in total assets of €7.2 billion after aggregation and netting:

Economic assets *In € millions*	**31/12/2017**
Property, plant and equipment	44
Equity-accounted investments	181
Investment portfolio and non-consolidated equity investments	2,378
o/w Investment portfolio	*2,040*
o/s Non-consolidated equity investments	*338*
Assets representing structured EMTNs	3,816
Cash position net of short-term debts	771
TOTAL ECONOMIC ASSETS	**7,190**

Economic equity and liabilities *In € millions*	**31/12/2017**
Equity net of intangible assets and goodwill	1,906
Provisions	226
Subordinated debt	304
Long-term senior debt	345
Structured EMTN issues	3,773
Cash collateral	187
Accruals & others	449
TOTAL ECONOMIC EQUITY AND LIABILITIES	**7,190**

As the table above shows, Amundi has a solid financial structure following the acquisition of the Pioneer subsidiaries:

- **high levels of tangible equity of €1.9 billion and a 12.4%** [(1)] CET1 ratio at end-2017, considerably above its regulatory minimum;

In € millions	**31/12/2017**	**31/12/2016**
Equity, Group share	8,203	6,644
Non-controlling interests	0	0
Goodwill	(5,674)	(3,162)
Intangible assets	(623)	(108)
Tangible equity Group share	1,906	3,375
Dividends	(504)	(369)
Prudential filters	(220)	(216)
Common Equity Tier 1	1,182	2,790
Risk weighted assets	9,561	7,424
CET1 ratio	12.4%	37.6%

- **long-term borrowings that are modest compared to its positive net cash position of nearly €800 million;**
- **a €2 billion investment portfolio** including around €350 million of seed money. The rest is mostly invested in Amundi's cash and fixed-income funds, partly to ensure the compliance of its LCR ratio, which at 222% at end-2017 was also well above the minimum regulatory threshold (see below).

  This financial solidity is further attested by Amundi's A+ rating with stable outlook, which Fitch reaffirmed on 7 June 2017 (taking into account the Pioneer acquisition).

(1) Phased-in. 11.9% under fully loaded Basel 3.
The change in this ratio compared with 2016 relates to the Pioneer acquisition, which was funded using approximately resulted in an increase in goodwill, intangible assets and weighted risks relating to operational risk. See Section 5.5 of this Registration Document for more information.

As at 31 December 2016, Amundi at 31 December 2017, including the consolidation of Pioneer, had a net lending position, as calculated below:

In € millions	31/12/2017	31/12/2016
a. Net cash	1,003	416
b. Voluntary short-term investments (excl. seed money) in money market funds and short-term bank deposits	841	506
c. Voluntary short-term investments (excl. seed money) in fixed-income funds	649	1,271
d. Liquidity (a+b+c)	**2,493**	**2,193**
e. Position net of margin calls on derivatives	**(187)**	**208**
Debited to balance sheet	*854*	*949*
Credited to balance sheet	*1,041*	*742*
f. Short-term liabilities to credit institutions	232	37
g. Current portion (< 1 year) of medium and long-term debt to credit institutions	69	49
h. Current (< 1 year) financial liabilities to credit institutions (f+g)	**301**	**86**
i. Long-term portion (>1 year) of medium and long-term debt to credit institutions	576	0
j. Non-current financial liabilities to credit institutions	**576**	**0**
K. NET FINANCIAL DEBT (H+J-D-E)	**(1,429)**	**(2,315)**

(a) Cash means asset balances of current accounts with credit institutions, as well as cash and central bank accounts.
(h) and (i) Liabilities to credit institutions carry no guarantees or surety.

To fund its Pioneer acquisition, Amundi carried out the following transactions:

- arrangement of two long-term loans:
  - a €345 million five-year senior loan with amortised annually,
  - a €300 million ten-year subordinated loan;
- disposal of €1.5 billion in financial assets from the voluntary investments portfolio;
- a €1.4 billion capital increase.

The sharp jump in Cash is due to the integration of the Pioneer entities.

At 31 December 2017, Amundi's **LCR (Liquidity Coverage Ratio**, at one month in a stressed scenario) was 221.9%.The aim of the LCR is to strengthen the short-term resilience of banks' liquidity risk profiles by ensuring they have enough unencumbered high-quality liquid assets (HQLA) that can be easily and immediately converted into cash on private markets in the event of a hypothetical 30-calendar day liquidity squeeze. Credit institutions have been subject to limits on this ratio since 1 October 2015, with a minimum ratio of 100% as from 2018.

In addition, on 23 October 2015, the Group signed a syndicated multi-currency revolving credit agreement of €1,750 million with an international syndicate of lenders, with an initial maturity of five years from the date of the agreement and renewed in October 2017. The purpose of the agreement is to increase the Group's liquidity in all currencies in use and to secure access to that liquidity particularly if needed to face outflows in some mutual funds managed by the Group. It included two covenants, for which the requirements were met at 31 December 2017: a minimum level of tangible shareholders' equity and a gearing ratio, being the ratio of net debt to tangible equity.

4.5 RELATED PARTY TRANSACTIONS

The main transactions entered into with related parties are described in note 9.2 "Related parties" to the consolidated financial statements at 31 December 2017.

Furthermore, in accordance with Article L. 225-37-4, 2 of the French Commercial Code, the Corporate Governance report (included in chapter 2 of this Registration Document) lists all related party agreements subject to the provisions of Article L. 225-38 and signed in 2017 and submitted for approval to the General meeting.

The special report of the statutory auditors dated 7 March 2018 incorporated into this Registration Document in chapter 8 "Special report of the statutory auditors on regulated agreements and commitments" describes the essential features and provisions of those agreements and commitments of which the Auditors were made aware, along with information as to the implementation during the period just ended of the agreements and commitments already approved by the General meeting.

4.6 PRINCIPAL RISKS

In accordance with Article L. 225-100-1, paragraphs 3 and 4, of the French Commercial Code, part 3 of this 2017 Registration Document describes the principal risks and uncertainties facing the Company, as well as indications of the financial risks arising from climate change and a presentation of measures the Company is taking to mitigate these by applying a low-carbon strategy to all components of its business.

4.7 INTERNAL CONTROL

The main features of the internal control and risk management procedures put in place by the Company for preparation and processing of accounting and financial information are presented in chapter 5 of this 2017 Registration Document.

4.8 OUTLOOK

4.8.1 Financial markets outlook for 2018 [(1)]

UNITED STATES

Growth is firmly established in this early part of the year. Most survey data continues to show an improvement. Regional Fed estimates suggest growth was above 3% annualised in Q4 2017 for the third consecutive quarter. Low inflation, still accommodative monetary and financial conditions (despite the expected rise in the Fed funds rate) and the tax stimulus package voted through in December, sharply reduce the risks of recession in 2018 and 2019.

EURO ZONE

The recovery is general, with investment picking up in most countries. Growth is being driven first and foremost by domestic demand, but also benefits from a strong global environment. Political risks have faded considerably, becoming more localised (the status of Catalonia in Spain is chiefly a domestic problem and in Italy the anti-euro parties have no chance of winning an absolute majority at the 4 March elections). A rise in long-term yields in core countries and a strengthening euro should accompany the winding down of securities purchases by the ECB. Hence the slight dip in growth expected for next year. That said, credit conditions will remain highly accommodative in general and growth should continue well above its potential in 2018 and 2019.

EMERGING MARKETS

In 2018, emerging markets can look forward to robust growth. Amundi is expecting high aggregated GDP growth (5% for the year). However, many countries will likely hit a peak after the sharp acceleration in 2017. Others should be able to grow still faster and catch up with these faster-growing economies. In emerging markets, the only country where we expect a significant slowdown is Turkey, due to a budget stimulus in 2018 that was smaller than in 2017 and week household demand held back by low real incomes. 2018 will be another year of presidential elections (Russia, Brazil, etc.).

EQUITY

In 2018, a wide consensus is emerging that the global recovery is expected to continue. Profits should therefore grow further, particularly given the cuts to corporation tax in the United States. In this environment, stock markets should remain bullish. However, given stretched values and the unusually low volatility of recent times, risk/return ratios are likely to be less favourable than last year.

(1) Text drafted in January 2018.

RATE

It is expected that long yields in developed countries will continue to rise in 2018, on the back of:

- further above-potential growth in the United States and Europe in 2018;
- a gradual rise in underlying inflation;
- further Fed rate rises and a gradual winding down of the ECB's unconventional policies.

In Europe, the reduction to the ECB's asset purchase programme (QE) will allow long yields to rise more decisively than in 2017. In addition, inflationary expectations remain very low and should gradually return to normal. Italian bonds will certainly come under pressure in the run-up to the 4 March parliamentary elections. But we do not think spreads will widen excessively, particularly as Italian parties have dialled down talk about exiting the Euro zone and ECB asset purchases will shore up the market.

CURRENCY

The euro should continue to make gains against the dollar in 2018. That said, the EUR/USD exchange rate has overdone its rise in recent weeks, particularly the spread between US and German long yields, and markets are heavily long, making a short-term correction very likely.

4.8.2 Amundi strategic ambitions 2018-2020

Amundi's ambition is to be among the global leaders in the asset management industry, based on:

- quality of the expertise and services it offers its clients;
- momentum in its development and profitability;
- its positioning as an engaged financial player.

STRATEGIC ORIENTATION

Amundi's development momentum since its creation and its profitability illustrate the power of its business model, based on the following principles:

- an organisation that puts the client at the core of the business, and which is both global and local;
- an innovation policy providing a wide range of expertise that meets clients'expectations;
- high level infrastructures (IT in particular);
- a strong entrepreneurial culture.

This strategy and organisation are unchanged for 2018-2020. However, the consolidation of Pioneer has strengthened this business model in three key areas: distribution capacities, expertise and skills.

Amundi is therefore well placed to continue its profitable growth track, on two fronts:

- **consolidate its position as first-choice partner in Retail,** by giving networks and distributors the savings solutions they need. Amundi will benefit from new growth drivers: the partnership with UniCredit networks in Italy, Germany, Austria and Eastern Europe), strong growth in the French market and the expertise to build deeper relationships with third-party distributors and JVs;
- **accelerate development in the Institutional investor segment**. Amundi plans to strengthen its penetration in all geographic areas (Europe, Asia, United States) and also to increase market share by offering a wider range of expertise, particularly in US equities and bonds and emerging market assets.

In addition, Amundi intends to strengthen its position as a service provider (IT, market access platform, etc.) in order **to play a role in the entire value chain.**

As a recognized and responsible financial institution, societal engagement has been one of Amundi's fundamental principles since its creation in 2010. This policy takes three forms:

- **integrating ESG criteria into its investment policies alongside financial criteria**. Amundi managed €168 billion of assets under Socially Responsible Investment schemes at end-2017, making it European leader in the field;
- **strengthening its** ("Impact Investing") **social investor policy**, particularly through the *Finances & Solidarités* fund, which is planned to grow from €160 million in AuM to €500 million;
- **continuing engagement with companies and specific initiatives linked to climate change**: energy transition JV with EDF, Green Bonds partnership with the IFC (1), etc.

As in the past, Amundi's strategy is based on organic growth. This has accounted for the bulk of asset growth since 2010.

Nevertheless, Amundi may take targeted acquisition opportunities where they would strengthen its business model and meet the Group's financial criteria.

FINANCIAL TARGETS 2018-2020

The Group's financial targets for 2018-2020 have been revalued since the communications surrounding the IPO. Updated targets are as follows:

- **activity**: cumulative net inflows of at least €150 billion over three years (vs. €120 billion for the prior period 2016-2018) of which €60 billion in Retail, €60 billion in Institutional investors and €30 billion in JVs;
- **operational effectiveness**: a cost-to-income ratio ≤ 53% (vs. no more than 55% previously), which will include some reinvestment to fund future growth;
- **profitability**: a doubling of 2015 net income (year of the IPO) corresponding to
  - accounting net income ≥ €1 billion in 2020,
  - adjusted net income ≥ €1.05 billion, *i.e.* average annual growth of around +7% between 2017 (2) and 2020;
- **dividends:** a payout of 65% of net income (excluding integration costs).

(1) International Finance Corporation, subsidiary of the World Bank.

(2) Combined and adjusted net income 2017, including a normalised level of financial income.

ASSUMPTIONS

These objectives rest on the following assumptions:

- no market effect over the period;
- stable average margin on assets (excluding JVs).

KEY SENSITIVITIES

Equity markets	+/-10%	+/-€25/30 bn of AuM	**+/-€80-85 bn in net revenues** (run-rate, excluding performance fees)
Rates	+/-100 pt	-/+ €30-35 bn of AuM	**-/+€35-40 bn of net revenues** (run-rate, excluding performance fees)

These sensitivities do not include any indirect effect of market movements on net inflows.

4.9 ANALYSIS OF AMUNDI PARENT COMPANY RESULTS

In 2017, Amundi's net banking income was €151 million versus €333 million in 2016, a decline of €182 million.

This was due to:

- a €165 million fall in securities income, mainly because of lower dividends from Amundi subsidiaries;
- a €18 million reduction in net gains on the investment portfolio.

In 2017, Amundi recognised €15 million in general operating expenses, a sharp reduction on the 2016 figure, which was inflated by Pioneer acquisition costs.

In view of these items, gross operating income totalled €136 million in 2017, down by €168 million compared to the 2016 financial year.

Since "cost of risk" and "net gains (losses) on fixed assets" were zero, pre-tax income on ordinary activities was €136 million.

Income taxes amounted to €1 million.

In total, Amundi's net income for the period was a profit of €137 million in 2017, compared with a profit of €299 million in 2016.

Type of indicator	31/12/2013	31/12/2014	31/12/2015	31/12/2016	31/12/2017
Share capital at end of year *(in €)*	416,979,200	416,979,200	418,113,093	419,813,673	503,776,405
Shares issued	166,791,680	166,791,680	167,245,237	167,925,469	201,510,562
Operations and results for the year *(in € thousands)*					
Net revenue	324,844	278,983	505,675	333,048	150,895
EBITDA	331,856	269,250	484,742	304,215	135,802
Income tax charge	(37,902)	(53,138)	(23,558)	(5,078)	988
Earnings after tax, depreciation and provisions	293,954	216,112	461,179	299,126	136,779
Earnings distributed	225,169	243,516	342,754	443,306	503,776
Per share data *(in €)*					
Earnings after tax but before depreciation and provisions	1.76	1.30	2.76	1.78	0.68
Earnings after tax, depreciation and provisions	1.76	1.30	2.76	1.78	0.68
Dividends per share	1.35	1.46	2.05	2.20	2.50
Employees					
Average headcount	16	14	10	10	11
Payroll during the year *(in € thousands)*	1,779	1,814	2,287	745	1,754
Employee benefits and social contributions paid during the financial year (social charges and taxes) *(in € thousands)*	839	486	492	536	863

4.10 INFORMATION ON AGING OF ACCOUNTS PAYABLE

Article L. 441-6-1 of the French Commercial Code obliges any company producing audited annual financial statements to publish in their management review the balance of all customer and supplier receivables and payables by due date, as specified in Decree 3017-350 of 20 March 2017 (Article D. 441-4 of the French Commercial Code).

Past due invoices received or issued and unpaid at the closing date (Table pursuant to Article D. 441-4 (I))

	Article D. 441 I.-1: Invoices received, past due and unpaid at the closing date.						**Article D. 441 I.-2: Invoices issued, past due and unpaid at the closing date.**					
In € thousands	**0 days**	**1-30 days**	**31-60 days**	**61-90 days**	**91 days and over**	**Total (1 day and over)**	**0 days**	**1-30 days**	**31-60 days**	**61-90 days**	**91 days and over**	**Total (1 day and over)**
(A) Late payment tranches												
Number of invoices						14						11
Total amount of invoices excl. or incl. VAT		256				256	63		397	44	3	507
Percentage of total purchases for the year		1.4%				1.4%						
Percentage of revenues for the year							0.1%		0.5%	0.1%	0.0%	0.6%
(B) invoices excluded from A for disputed or unaccounted payables and receivables												
Number of excluded invoices						0						1
Amount of excluded invoices						0						187
(C) Benchmark payment periods												
Payment periods used to calculate late payment						> 30 days						> 30 days

Risk management and capital adequacy

5.1 KEY FIGURES/RISK PROFILE

	31/12/2017	31/12/2016
AuM including JVs *(in € billions)*	**1,426**	**1 083**
AuM excluding joint ventures	1,308	984
AuM joint ventures	118	99
Equity, Group share *(in € millions)*	**8,203**	**6,644**
Regulatory capital *(in € millions)*	**1,461**	**2,790**
o/w Tier 1 capital (CET1 + AT1)	1,182	2,790
o/w Common Equity Tier 1 capital (CET1)	*1,182*	*2,790*
o/w Tier 2 capital	280	0
Total risk weighted assets * *(in € millions)*	**9,561**	**7,424**
o/w Credit risk	5,743	5,332
o/w Credit risk (exc. threshold allowances and CVA)	*4,679*	*3,947*
o/w Effect of threshold allowances	*565*	*932*
o/w Credit value adjustment (CVA) effect	*499*	*453*
o/w Market risk	504	0
o/w Operational risk	3,314	2,092
Overall capital ratio*	**15.3%**	**37.6%**
CET1 ratio*	**12.4%**	**37.6%**
Investment portfolio *(in € millions)*	**2,040**	**2,570**
o/w Money market	791	473
o/w Fixed income	908	1,396
o/w Equities and multi-asset	175	423
o/w Other	166	278

* *Phased-in.*

5.2 RISK FACTORS

5.2.1 Risks inherent to the asset management sector

Amundi is subject to the vagaries of the asset management sector that lies beyond its control but may nonetheless affect the value of its assets and thereby of its earnings and shareholders' equity. They include:

- change in the market value of its assets under management (equity, bonds, other financial instruments and real assets, etc.). Such changes in market value can be triggered by, among other possible causes, changes in the macro-economic environment, monetary policies of central banks or political or geopolitical risks;
- the effect of exogenous factors on the demand for asset management products or services (e.g., taxation), volatility in the interest of investors in a particular asset class depending on its intrinsic returns or on economic conditions;
- a highly competitive industry, where the failure of one company can, by contagion, negatively affect the reputation of the other players.

5.2.2 General risks related to Amundi's activities

Amundi's revenues are predominantly derived from management fees, which are calculated based on the assets under management. Consequently, any withdrawal of capital has an immediate impact on Amundi's revenue, as does any pressure on the rates of management fees:

- clients are able to withdraw their assets from the funds and mandates managed by Amundi at any time and without prior notification. Market declines, lower yields and dissatisfaction with the quality of the products could cause clients to withdraw their assets;
- Amundi's renown and the attractiveness of its products depend to a great extent on the past performance of those products, which is not a guarantee of future results. Should performance not live up to their expectations, clients might withdraw their assets, with a negative impact not only on the amount of assets under management but also on Amundi's reputation;
- innovation is essential in responding to the constant changes in demand of Amundi's clients. Lack of sufficient efforts in this direction or failure to produce new products and services despite the costly and potential risky investments, could have an impact on Amundi's AuM over time;
- any harm to Amundi's reputation, for whatever reason, may alienate existing or potential clients and directly affect the level of AuM;
- the net management fee rates depend on various factors, including market returns to which they have to be adjusted to remain attractive. They are also subject to strong competitive pressure, in both the distribution network market and the institutional investor market, in resource-consuming RFPs;
- on a certain number of funds Amundi receives performance fees, which are more volatile than management fees; unfavourable market conditions or failure to achieve performance objectives make this revenue more volatile;
- Amundi relies heavily on the distribution networks of its partners, including the Crédit Agricole, Société Générale and UniCredit networks;
  - any harm to the reputation of these networks or any default on their part could significantly affect Amundi's revenues and earnings, as well as its reputation,
  - failure to renew its distribution agreements with these networks, or their renewal in unfavourable circumstances, could also affect its earnings;
- Amundi depends on a number of entities with which it contracts for services in its transactional and distributional activities; any default on their part could disrupt Amundi's business, especially its ability to meet regulatory requirements, and thus harm its reputation and consequently its earnings;
- the portfolios under management bring in many institutions as counterparties. In spite of an engagement framework established by Amundi, these counterparties may unexpectedly default, materialising a credit risk in the portfolios, which would have an impact on AuMs and consequently on Amundi's earnings;
- Amundi's business depends on numerous quantitative models and tools. The inability to develop these tools and models or the ineffectiveness or unprofitability of these tools and models, or any error in the assumptions used in their design, could unfavourably affect Amundi's business and consequently its earnings;
- in the absence of observable data for valuing certain of its products, Amundi makes use of models and methodologies based on its own estimates. In periods of market disruption, the practice may be broadened, without any guarantee that Amundi's valuations accurately reflect the market value of the products, which could expose the portfolios, if they were liquidated, to consequential losses and to lower AuM for Amundi;
- while Amundi has no legal obligation to compensate losses sustained by its funds (except where it has provided a principal or performance guarantee), if significant losses or repurchases occur, Amundi may decide to provide support despite the absence of an obligation to do so. It may provide such support, for example, if a particular fund experiences significant losses, in order to ensure that clients do not precipitously withdraw assets. The support provided to these funds may require Amundi to utilise liquidities and consume capital to address the needs of the funds in question. On the other hand, the decision not to or the failure to provide such support may damage Amundi's reputation and cause AuM, revenue and results of operations to decline;
- Amundi's international development strategy, through both its organic and external growth, exposes it to a variety of risks (e.g. operational, regulatory, political and currency risks) that the Group can only partially contain. Should the internal control systems not mitigate these risks, Amundi could be exposed to regulatory sanctions, leading to a decline in its assets;
- Amundi's success is largely dependent on the talents and efforts of its highly skilled workforce. Any obstacle preventing Amundi from implementing a suitable policy for hiring and retaining human resources, in a highly competitive labour market, may affect its ability to hold on to its clients;
- Amundi has a process and controls system to prevent or mitigate the risk of errors and omissions or regulatory infractions on the part of its operating personnel in the performance of their work. This system does not constitute an absolute guarantee, and materialisation of these risks could affect the Group's reputation and subsequently its financial position;
- Amundi is constantly improving its risk management system (procedures, policies, controls and organisational structure). However, Amundi remains exposed to risk of fraud or circumvention of its control or compliance procedures, including the management of conflicts of interest, the materialisation of which may affect its reputation and generate financial losses and/or regulatory sanctions;
- Amundi has a business continuity plan to cope with any disruption affecting its infrastructure in France or abroad. Amundi's inability to carry out the efforts and the plan necessary to maintain its operations may have negative effects on its reputation and its earnings, and expose it to the risk of regulatory sanctions;
- the security of Amundi's information system may be affected in terms of its confidentiality, integrity, availability or proof through deliberate malicious action, or non-compliance with any of the rules in the information system security policy. These occurrences may make Amundi legally liable, cause regulatory sanctions, affect its reputation and generate financial losses.

The system for managing these risks is described in sections 5.4.2 "Risk management relating to third-party activities" and 5.4.5 "Risks across business lines".

5.2.3 Specific risks related to Amundi's activities

5.2.3.1 CHANGES IN THE VALUE OF ASSETS HELD BY AMUNDI COULD AFFECT ITS RESULTS AND ITS EQUITY AND COULD INCREASE THE VOLATILITY OF ITS EARNINGS

Amundi regularly invests in newly created funds in order to provide them with a critical mass of investments necessary to attract investors (seed money).

Amundi also has a voluntary investment portfolio that invests directly in open-ended funds managed primarily by Amundi.

Amundi seeks to hedge certain risks relating to its investments, but there can be no assurance that such hedging will be fully effective to address the relevant risks. Moreover, Amundi is subject to counterparty risk with respect to its hedging transactions.

Amundi is exposed in this way to market, credit and liquidity risks.

The system for measuring and managing these risks is described in section 5.4.4 "Risk management relating to own account activities".

5.2.3.2 AMUNDI IS EXPOSED TO RISKS LINKED TO ITS GUARANTEED AND STRUCTURED FUNDS

Amundi offers a range of funds with a variety of guarantees and structured returns. These products include funds that are partially or fully guaranteed or that have guaranteed performance returns.

These products mainly expose Amundi to credit and counterparty risks. In particular, should the issuer of any of the assets held by the funds guaranteed by Amundi default or enter into insolvency or similar proceedings and/or the counterparties of these transactions, Amundi would incur substantial costs to replace such assets and to meet its obligations as a guarantor. Such guaranteed funds can also enter into repurchase agreements, reverse repurchase agreements, and various derivatives with large banking counterparties. Such transactions expose the funds directly, and consequently, the guarantor, to counterparty risk. Should any counterparty default or enter into insolvency or similar proceedings, Amundi could incur a substantial cost to replace the transactions and meet its obligations as a guarantor.

For certain guaranteed funds (in particular Constant Protection Portfolio Insurance funds), Amundi manages market risk by purchasing and selling assets for the account of the relevant funds with a view to matching or covering the guaranteed performance. Amundi's risk management is based on modelling methodologies developed on the basis of a number of assumptions, which may prove to be inaccurate. If Amundi's assumptions and methodologies are not sufficiently prudent, or if market conditions are different from those on which the developments of the relevant methodologies are based, Amundi could suffer significant losses on its guarantees.

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

The system for managing these risks is described in section 5.4.3.1 "Guaranteed fund".

5.2.3.3 AMUNDI IS EXPOSED TO CREDIT AND COUNTERPARTY RISKS RELATED TO THE ISSUE OF STRUCTURED NOTES

Amundi issues structured notes with principal and/or interest payments indexed to the performance of equities and real estate funds. While Amundi seeks to systematically cover its market risk relating to the relevant equities and real estate funds, it is subject to credit and counterparty risk with respect to its structured notes activity. In particular, the proceeds of Amundi's structured notes are invested in debt obligations of banks distributing these notes. As a result, Amundi has credit exposure in connection with its structured note program. In addition, while the derivatives that Amundi uses to cover its own exposure to market risk in relation to its structured notes are secured by collateral, Amundi is subject to risks in connection with such derivatives, as described in section 5.2.3.4.

Amundi is subject to real estate and liquidity risk in connection with its structured notes activity indexed on real estate. Amundi invests part of the proceeds of such notes in shares of real estate products managed by one of its entities. For such notes, Amundi is exposed to real estate risk, as Amundi is typically obliged to pay the principal of the notes at maturity, regardless of the performance of the underlying real estate funds. Amundi is also exposed to liquidity risk because it may not be able to sell the underlying shares/fund units quickly enough to generate the liquidity required to fund redemption requests, particularly in times of market disruption.

The system for measuring and managing these risks is described in section 5.4.3.2 "Structured EMTN issues".

5.2.3.4 AMUNDI IS EXPOSED TO RISKS RELATED TO THE USE OF DERIVATIVES

Amundi systematically covers its exposure to market risk with respect to the performance guaranteed to investors in equities and structured notes, by entering into derivative transactions with internationally recognised financial institutions. While the derivative transactions are secured by collateral, Amundi is nonetheless subject to a number of risks in connection with these transactions.

If one or more financial institutions were to default or to enter into insolvency or similar proceedings, Amundi would have to unwind such transactions and look for other counterparties in order to enter into new transactions. There can be no assurance that Amundi would be able to enter into replacement hedging transactions exactly at the same price or with the same terms, particularly if the default or insolvency were to result in sharp movements in financial markets.

Amundi is also exposed to liquidity risk. If the value of the derivatives changes significantly, Amundi may be required to provide collateral to its counterparties, exposing Amundi to liquidity risk.

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

The system for measuring and managing these risks is described in section 5.4.3.3 “Derivatives brokerage”.

5.2.3.5 AMUNDI IS EXPOSED TO FLUCTUATIONS IN EXCHANGE RATES

Although Amundi’s consolidated financial statements are presented in euros, part of its AuM is invested in funds operating in various non-euro jurisdictions, and its commissions are generated in the currencies of such jurisdictions. Fluctuations in currency exchange rates could negatively affect assets under management, with a corresponding reduction in net management fee income. Amundi also records translation gains and losses on its balance sheet when currency fluctuations affect the euro value of its interests in entities in non-euro jurisdictions. For all of the foregoing reasons, significant fluctuations in exchange rates may have a material adverse effect on Amundi’s business, earnings and financial condition.

The system for managing these risks is described in section 5.4.4.2 (ii) “Foreign exchange risk”.

5.2.4 Regulatory and legal risks

5.2.4.1 AMUNDI IS SUBJECT TO EXTENSIVE AND INCREASING REGULATION [(1)]

A variety of regulatory and supervisory regimes apply to Amundi in each of the countries in which it operates.

In Europe, for its subsidiaries conducting asset management activities, Amundi is principally subject to three separate regulatory regimes for the management of retail mutual funds (mainly UCITS), the management of alternative investment funds (AIFs) and portfolio management and investment advisory services. It is subject to similar regulatory regimes in other jurisdictions in which it does business.

In addition, certain Amundi entities, as authorised credit institutions or investment companies, are subject to regulation by the banking supervisory authorities. Moreover, as a significant subsidiary of a banking group, the Crédit Agricole Group, Amundi is subject to additional bank regulatory requirements.

These regulations subject Amundi’s business activities to a pervasive array of detailed operational requirements, compliance with which is costly and may affect Amundi’s growth.

Key regulatory reforms that may impact Amundi include:

- *transparency requirements* that limit the ability of parties providing investment advice to accept payments (including sharing of commissions) and non-monetary benefits from portfolio managers such as Amundi;
- *independence requirements* that restrict the ability of parties providing independent investment advice to pay for or receive research from third parties;
- *money market fund requirements* that notably include rules relating to asset diversification, liquidity and transparency, as well as stress testing procedures;
- *new requirements* relating to the extent and transparency of information concerning investments in financial instruments and packaged investment and life insurance products, including rules relating to asset diversification, liquidity and transparency;
- an *increase in reporting requirements* under which Amundi must regularly invest in new and enhanced information technology and reporting tools, that are likely to increase Amundi’s costs;

(1) The regulations applicable to the Amundi Group’s activities fall into two main categories:
(a) regulations relating to asset management: the principle regulations are Directive 2004/39/EC on markets in financial instruments (“MiFID”); for fund management and collective investment undertakings, including UCITS, Directive 2014/91/EU and Directive 2009/65/EC on certain undertakings for collective investment in transferable securities (“UCITS V”) and Directive 2011/61/EU on alternative investment fund managers (“AIFM”);
(b) regulations related to banking regulation: principally Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and the CRR of 26 June 2013 on prudential requirements for credit institutions and investment firms, together the “CRD IV Regulations”.

- to a lesser extent, the new European Regulation on Data Protection, under which Amundi and its Group must adapt certain IT solutions and implement an appropriate internal organisation;
- an *increase in reporting requirements* under which Amundi must regularly invest in new and enhanced information technology and reporting tools, that are likely to increase Amundi's costs;
- to a lesser extent, the new European Regulation on Data Protection, under which Amundi and its Group must carry out improvements to certain IT solutions and implement an appropriate internal organisation.

Violation of applicable laws or regulations, or changes in the interpretation or implementation of these, could result in fines, the temporary or permanent prohibition of certain activities, and related client losses, or other sanctions, which could have a material adverse effect on Amundi's reputation or business and thereby a material adverse effect on its earnings.

Regulatory reform may also impact Amundi's clients, such as banking, insurance company and pension fund clients, which could cause them to change their investment strategies or allocations in manners that may be adverse to Amundi and/or lessen the interest of clients in Amundi's products. This could have a material adverse effect on Amundi's AuM, earnings and financial position.

As of 31 December 2017, there were no governmental, judicial or arbitration procedures, including any procedures of which the Company is aware, either pending or with which it is threatened, that may have or that have had a significant impact on the financial situation or profitability of the Company and/or Group over the past 12 months.

The system for managing regulatory risks is described in section 5.4.5 "Risks across business lines".

5.2.4.2 AMUNDI'S SHARES COULD BE CANCELLED OR HEAVILY DILUTED BEFORE OR IN THE CONTEXT OF THE OPENING OF A RESOLUTION PROCEDURE AGAINST THE COMPANY

Order No. 2015-1024 of 20 August 2015 making various changes to adapt legislation to EU law in respect of financial matters, transposing into French law the European Directive establishing a framework for the recovery and resolution of credit institutions and investment companies, as well as the European regulation establishing rules and a uniform procedure for the resolution of credit institutions and certain investment companies as part of a Single Resolution Mechanism and a single banking resolution fund grants to the resolution authorities powers relating to the resolution of credit institutions.

Under these powers the resolution authority can initiate a resolution procedure against a credit institution when:

- the failure of the institution or its group is confirmed or likely;
- there is no reasonable prospect that other measures would avert the institution's failure within a reasonable timeframe;
- a resolution measure is needed to fulfil the aims of the resolution, which a winding-up procedure would not accomplish: (i) to ensure the continuity of critical functions, (ii) to avoid major negative impacts on financial stability, (iii) to protect the resources of the State by minimising recourse to exceptional publicly-funded bailouts, and (iv) to protect the funds and assets of clients, and of depositors in particular.

Insofar as Amundi is regulated as a credit institution, the resolution authorities could initiate a resolution procedure against it if the Company were to face financial difficulties that might justify the opening of such a procedure, or if the viability of the Company or the Group depended on it. The outstanding shares of the Company could be diluted through the conversion of other capital or debt instruments, cancelled or transferred, depriving shareholders of their rights. Even before the Company's resolution, if the financial condition of the Company were to deteriorate significantly, the risk of a potential cancellation or dilution of its shares would have a material adverse effect on their market value.

5.2.4.3 AMUNDI MAY BE EXPOSED TO TAX RISKS

As an international group operating in multiple jurisdictions, Amundi has structured its commercial and financial activities in accordance with the diverse regulatory requirements to which it is subject and its commercial and financial objectives. Since tax laws and regulations in the various jurisdictions in which Amundi entities are located or operating may not always provide clear-cut or definitive guidelines, the Group cannot guarantee that such interpretations will not be questioned by the relevant tax authorities. More generally, any failure to comply with the tax laws or regulations of the jurisdictions in which Amundi entities are located or operating may result in adjustments, late payment interest, fines or penalties.

Furthermore, the tax laws and regulations may change and there may be changes in their interpretation and application by the relevant authorities, especially in the context of international or European Community initiatives. The occurrence of any of the preceding factors may result in an increase in Amundi's tax burden and/or have a material adverse effect on its business, its financial condition and its earnings.

5.2.4.4 NEW TAX REPORTING REQUIREMENTS RESULTING FROM THE GLOBAL FIGHT AGAINST TAX EVASION WILL SUBJECT AMUNDI TO ADDITIONAL ADMINISTRATIVE BURDENS

Amundi, like all other financial institutions, is obliged to comply with new requirements in terms of reporting and the global fight against tax evasion. These new reporting requirements, and more generally, any mechanisms adopted in order to enhance cooperation between tax administrations in the fight against tax evasion, will subject Amundi to increasing additional administrative burdens and to costly reporting obligations.

5.2.5 Risks relating to Amundi's organisation

5.2.5.1 ACQUISITION OF PIONEER INVESTMENTS IN 2017

The year 2017 was marked by the acquisition of the company Pioneer Investments. For Amundi, this acquisition means a significant increase in its assets under management, an extended geographical presence and an increased client base. This transaction also represents a challenge in terms of transformation: definition of new organisational models tailored to the size of the business, management of staff, streamlining the offering, integration of IT systems – situations that carry risks: departure of key employees, withdrawal of assets, operational risk, etc.

5.2.5.2 AMUNDI'S OPERATIONS AND STRATEGY ARE SUBJECT TO THE INFLUENCE OF ITS MAJORITY SHAREHOLDER

Following the listing of the Company's shares on the Euronext Paris market, Crédit Agricole Group remains the majority shareholder of Amundi and retains control thereover (percentage of shares held at 31/12/2017: 70%, percentage of voting rights held at 31/12/2017: 70%). Crédit Agricole S.A. is in a position to adopt or reject the resolutions submitted for approval to the shareholders at ordinary and extraordinary general meetings. Crédit Agricole S.A. is in a position to control the strategic decisions made by Amundi, including the appointment of members of the Board of Directors, approval of the annual accounts, the distribution of dividends and, for as long as Crédit Agricole S.A. continues to hold over two thirds of the voting rights at Amundi general meetings, any extraordinary decisions taken such as authorisations to proceed with mergers, changes to Amundi's articles of incorporation or capital and certain other major transactions. Crédit Agricole S.A.'s interest may differ from those of Amundi's other shareholders. Crédit Agricole S.A. will continue to be able to exercise significant influence over the Group's operations and nomination of members of management as well as the Group's dividend policy.

Furthermore, the Chief Executive Officer of Amundi is also the Deputy Chief Executive Officer of Crédit Agricole SA. See Section 2.5.4 of the Registration Document.

5.2.5.3 AMUNDI HAS SIGNIFICANT COMMERCIAL RELATIONSHIPS WITH ITS MAJORITY SHAREHOLDER AND ITS GROUP

Amundi has commercial relationships with companies in the Crédit Agricole Group. Crédit Agricole Group is a distributor of Amundi's financial products, a lender and borrower, a derivative counterparty and also a depositary and calculation agent. In addition, the Crédit Agricole Group makes certain resources available to Amundi and manages Amundi's end-of-career allowance insurance. On other hand, Amundi handles asset management and certain mandates for the Crédit Agricole Group (in particular for its insurance division) and also provides account management services for the Crédit Agricole Group's employee savings mechanisms.

Amundi's interest may not always be aligned with the interests of the Crédit Agricole Group. Although the two groups have put in place control systems to ensure that any conflicts of interest do not have a negative impact on the business or results of either group, Amundi can provide no guarantee that such systems will be able to anticipate and handle all conflicts.

The system for managing risks relating to Amundi's organisational structure is described in section 5.4.5 "Risks across business lines".

5.3 RISK MANAGEMENT SYSTEM

5.3.1 Internal control and risk management system

Amundi's internal control system notably complies with the provisions of the French Monetary and Financial Code (Article L. 511-41), the Order of 3 November 2014 concerning the internal control of companies in the banking, payment services and investment services sector, which are subject to regulation by the *Autorité de contrôle prudentiel et de résolution* (ACPR), the AMF General Regulation and guidelines on corporate governance, particularly those issued by the European Banking Authority and the Basel Committee.

Its structure also conforms to the guidelines laid down by Crédit Agricole S.A. and the Crédit Agricole Group, which are aimed at ensuring a consolidated approach to risks in connection with the controls carried out by the Group, the majority shareholder.

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

This internal control system applies globally to all Amundi Group entities (excluding joint ventures in which Amundi is the minority shareholder) and covers the management and control of activities, as well as the measurement and monitoring of risks. The system implemented by Amundi is adapted to suit the various departments and subsidiaries depending on their specialist areas, and particularly with regard to their regulatory obligations.

The resources, tools and reports deployed in this regulatory environment enable regular information to be given to the Board of Directors and to Senior Management on the functioning of the internal control system and its adequacy with regard to the Group's risk profile.

5.3.1.1 FUNDAMENTAL PRINCIPLES

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

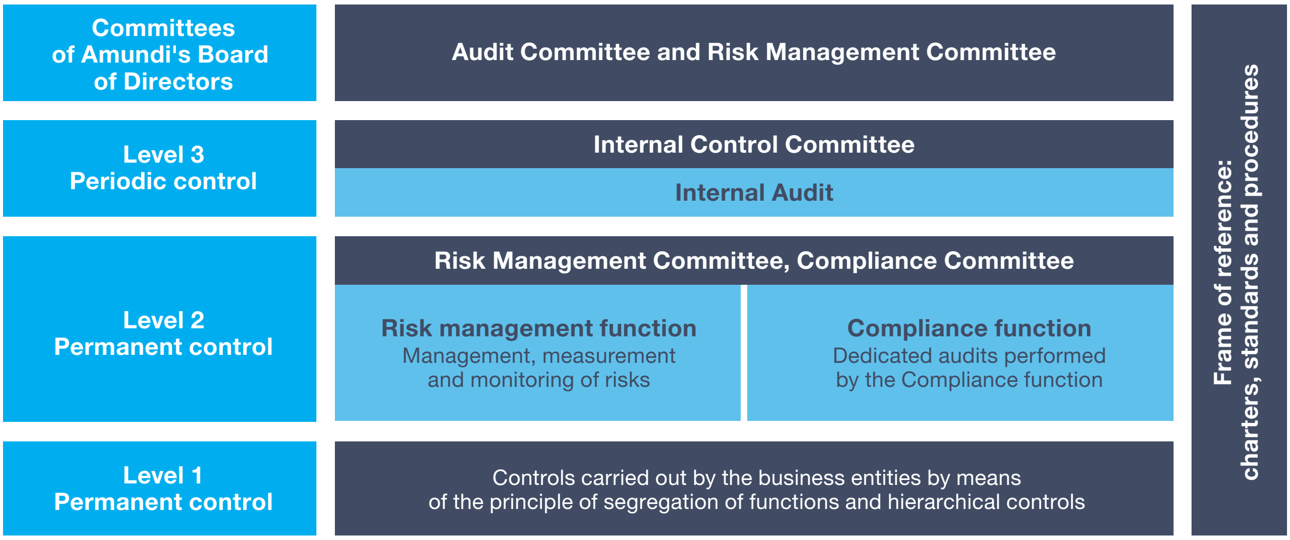
- systematic reporting to the Board of Directors in relation to the risk management framework, the monitoring of set limits, the activities and results of audits carried out by the various parts of the internal control system, as well as significant incidents;
- direct involvement of Senior Management in the organisation and functioning of the internal control system;
- comprehensive coverage of activities and risks;
- a clear definition of responsibilities, the effective segregation of the commitment and control functions, through a system of formal, up-to-date delegations.

The system is based schematically on two main pillars:

- systems for the measurement, monitoring and control of risks: financial risks, operational risks (operational processing, accounting and financial information, information systems), legal risks and compliance risks;
- a system of controls, including permanent controls carried out directly by the business entities or by dedicated officers, and periodic checks carried out by Internal Audit.

5.3.1.2 MISSIONS OF THE CONTROL FUNCTIONS

The following diagram summarises Amundi's internal control system, the role of the various functions and the main authorities of governance.



The internal control system is based on Level 1 permanent controls, Level 2 permanent controls carried out by the Risk Management and Compliance functions and in part, for the IT system, by the Security function, and periodic controls carried out by Internal Audit. It covers all of the Group within France and internationally, except for the joint ventures in which Amundi holds a minority interest.

Level 1 – Permanent control

This is one of the key elements of the Amundi Group's internal control system. It is implemented by all business entities under their hierarchy. The Level 1 permanent controls are designed to ensure compliance with the internal procedures on the processing of operations, their compliance with current laws and regulations, and with professional codes of practice; this applies in particular to the justification of the financial information published externally or internally.

Level 2 – Permanent control

Level 2 permanent control is primarily carried out by two independent functions of the business entities: the Risk Management function and the Compliance function.

The Risk Management function and the Compliance function carry out Level 2 controls and support the overall system of permanent controls. These control functions report to the Head of Amundi's Business Support and Control Division.

The Risk Management function is responsible for monitoring risks taken both directly by Amundi and as an asset manager for third parties. It therefore:

- runs ongoing checks that the company and its clients are not exposed to financial risks beyond their risk tolerance;
- makes sure that operational risks are under control and that management constraints are complied with.

The Compliance function makes ongoing efforts to ensure compliance with regulatory and industry standards regarding market ethics, financial security, the protection of stakeholders and clients' interests, professional ethics, fraud and corruption prevention.

Level 3 controls

Amundi's Internal Audit is in charge of the Group's periodic control; it ensures the lawfulness, security and effectiveness of all operations and risk management activities across all Amundi entities. It intervenes via audit plans approved by the Board of Directors' Risk Management Committee to cover the activities at frequencies appropriate to the risks of each activity. Each audit results in a report and recommendations, to which the audited entities respond. The effective implementation of recommendations is monitored twice yearly by Amundi's Internal Audit. The General Audit Department of Crédit Agricole S.A. also carries out audits on the Amundi Group.

5.3.2 Governance system (audited) [1]

On proposal by Senior Management, the Board of Directors approves the risk appetite at Amundi consistent with Amundi's defined strategy.

Governance of internal control at Amundi is organised around:

- the Risk Management and Audit Committees of the Board of Directors; the tasks and functioning of these committees are described in section 5.3.1.1 of this document;
- three Senior Management committees to which Senior Management actively contributes, and which are described below.

5.3.2.1 THE INTERNAL CONTROL COMMITTEES

Internal Control Committee

The Internal Control Committee, jointly chaired by Amundi's Head of the Business Support and Control Division and the Representative of the General Audit Department of Crédit Agricole Group, Amundi's majority shareholder, ensures the consistency, effectiveness and comprehensiveness of the internal control system and coordinates the Periodic Control, Permanent Control, Risk Control and Compliance Control activities. Other members of this committee include Amundi's Head of Risk Management, Head of Compliance, Head of Security and Director of Audit Inspection. It meets twice a year.

The duties of the committee include:

- assessing the internal control plan and the control system implemented;
- examining the major risks of any kind to which Amundi is exposed and changes to the risk and performance measurement systems;
- making any decision necessary to remedy weaknesses in the internal control system;
- monitoring the execution of decisions made as a consequence of internal and external audits;
- deciding on corrective measures for shortcomings revealed by the audits as well as by the operating and control reports given to those responsible for the control or management functions of the entity.

Group Risk Management Committee

The main body in the governance of risk is Amundi's Group Risks Management Committee. It is chaired by Amundi's Head of the Business Support and Control Division. It meets 11 times a year.

The objectives of the committee are to set the risk management policy governing all Amundi Group entities (risks taken on behalf of third parties and on its own account). Accordingly, it has complete authority to:

- define Amundi's risk policy;
- determine the risk framework for each product and activity;
- approve the risk management of management strategies and investment processes;
- approve the methodologies for calculating risk indicators;
- approve credit and counterparty limits;
- make decisions about the funds' use of new financial instruments;
- review the findings of audits performed;
- make the decisions necessary to resolve any exceptions discovered.

Decisions of the Group Risks Committee apply to all Group entities.

The Group Risk Management Committee delegates its specific authorities to a number of subcommittees. Thus:

- the Valuation Committee sets the valuation policy;
- the Credit Committee approves the per issuer limits on supervised funds and own account and counterparty limits on all funds;
- the Operational Risk Management Committee handles the monitoring of incidents related to operational processes and defines the measures to enhance these processes;

In the subsidiaries, the local Risk Committees have the authority to adapt the policy framework applicable to investments to particular local regulations or market conditions, though always in keeping with the decisions of the Group Risk Management Committee. These committees meet at least quarterly.

Compliance Committee

The Amundi Group Compliance Committee, chaired by the Head of the Business Support and Control Division, sets the compliance policy and approves and monitors the compliance control plan. It meets 11 times a year.

The non-compliance risk control system, including anti-laundering and terrorism financing prevention, is reviewed every month by the Compliance Committee. During these meetings, the results of the audits performed are commented on and any corrective measures are decided. The committee validates the non-compliance risk mapping and the Compliance audit plan, which is reviewed annually.

At the entity level, the local Compliance Committee is the main governance body concerning compliance. The main topics taken up are the results of the compliance audits, watch on new regulations, major actions or plans under way and a periodic review of training and complaints.

The annual compliance report as well as the Compliance Audit Plan are presented to the committee for review and validation.

(1) Information bearing the word "Audited" is an integral part of the notes to the consolidated financial statements in terms of the information required by IFRS 7 and is covered by the statutory auditors' report on the consolidated financial statements.

Specialised Committees

In addition, the following specialised committees have been established:

- the Products and Services Committee, which examines and approves each proposal to create or modify new products and services;
- the Seed Money Committee, which examines and approves on a case-by-case basis the seed money investments or any other type of support needed;
- the Financial Management Committee, which analyses the financial risks borne by the Group (such as liquidity, foreign exchange and overall interest rate) and makes any decision to optimise the structure of the balance sheet and limit the financial risks directly borne by the Group;
- the Security Committee oversees the security of people and property, the security of the information systems, the business continuity plan and crisis management plan, as well as the protection of personal data; it meets four times per year.

5.3.2.2 RESOURCES

Senior Management defines the general organisation of the Company and ensures that it is effectively implemented by competent individuals. It clearly allocates the roles and responsibilities with regard to internal controls and allocates the necessary resources.

At the end of 2017, the workforces of the various business lines were as follows:

(in FTE)

	2017
Risk Management Department	225
Compliance Department	103
Internal Audit	38

5.3.3 Organisation of audit functions and systems

5.3.3.1 RISK MANAGEMENT FUNCTION

Within the Risk Management business line, Amundi deploys measures to identify, measure and monitor its risks, in line with its activities and organisation. These measures form an integral part of the internal control system. The scope covered includes operational risk, market risk, credit and counterparty risk, legal risk, etc.

Amundi has implemented an organisation for the management of risks, which is based on a high level of integration of the Risk Management business line across the whole of the Amundi Group, with the following objectives:

- uniformity of the risk control processes;
- the pooling of resources adapted to suit the various entities;
- a high level of employee expertise, by means of dedicated centres of competence.

5.3.3.1.1 Organisation of the Risk Management function

The Risk management business line employs a matrix organisation consisting of:

- cross-business Risk Management Departments, which determine the broad methods of controlling and monitoring risks related to the way funds are managed and provide oversight on these risks. The goal of these departments is to integrate all risk and performance factors and indicators for each fund analysed and to ensure the internal consistency of these indicators and their suitability to a fund's objectives. Within these departments, Senior Risk Managers (SRM) consult with Senior Investment Managers to oversee the risks of each asset class managed;
- In each subsidiary that manages assets, a Risk team oversees the risks and reports functionally to a department head;
- teams specialised by field of expertise and brought together in a dedicated department whose mission is to ensure consistency across business lines of the approach taken for each type of risk. The main missions of this department are to define the standards and methods for measuring risk, produce the risk indicators and provide expertise in applying these measurements to the portfolios;
- the department is organised around the following seven areas of expertise:
  - implementation and administration of the monitoring software for regulatory and contractual constraints,
  - measurement and attribution of performance,
  - calculation of credit and market risk indicators, definition and control of the valuation policy,
  - oversight of the control system for operational risks, accounting risks and information system risks, as well as co-ordination of the work done on permanent control at the consolidated level,
  - establishment of a list of authorised counterparties and for certain managed portfolios, setting of issuer limits,
  - the control and implementation of solutions for the Risk Management function and cross-business projects,
  - establishment of a list of authorised counterparties for all managed portfolios and the setting of per issuer limits for certain managed portfolios.

To make risk monitoring more consistent, the risk management information system is shared by all entities within the internal control scope, including the following applications:

- applications for managing constraints and risk limitations;
- applications for measuring market risk;
- systems for performance measurement and attribution.

Periodic reports are given to Senior Management and to the Board of Directors on the controls carried out by the Risk Management function. In 2017, Senior Management was regularly updated by:

- the Risk Management function's Monthly Scorecard, which provides a detailed review of the Group's exposure to various risks, and sensitive matters;
- the update given by the Head of Risk Management to the Executive Committee; and
- the Risk Management function's various governance committees, in which Senior Management takes part, including Amundi's Risk Management Committee, which is the head committee of the Risk Management system.

The Board of Directors also receives regular information through presentations given by the Risk Management Committee, which cover:

- the risk management system, its current state and any changes thereto; and
- a summary of risks, changes in risks, the level of the main risk limits and usage of those limits.

5.3.3.1.2 Improvement and adaptation of the risk monitoring system in 2017

Work on improving and adapting the risk monitoring system continued in 2017, based on two main areas:

- alignment of the organisation of the Risk Management teams to support changes in the Group scope, including:
  - the acquisition of Pioneer and consequently, the integration of its various entities into the supervisory scope of the Risk Management function,
  - the restructuring of the Alternative Asset Management and Asian Asset Management platforms (in Hong Kong and Singapore),
  - the continuation, under Amundi Services, of the development of services sold to third-party clients in terms of the production of indicators and risk management;
- the reinforcement of the security of investment management activities, which took the form of:
  - the improvement and roll-out of tools:
    - monitoring portfolio constraints,
    - the breakdown and performance analysis of funds,
  - calculating new indicators (e.g. SRI rating, performance scenarios) in accordance with the PRIIPs regulation (Packaged Retail and Insurance-based Investment Products). The aim of this regulation is to improve the information and protection of savers through the provision, prior to subscription, of a Key Investor Information Document (KIID) on packaged retail and insurance-based investment products.

5.3.3.2 CONTROL AND PREVENTION OF COMPLIANCE RISKS

In accordance with the principles set out in the regulations, the Compliance Department is responsible for preventing and containing non-compliance risk through a set of rules that apply within Amundi, designing training campaigns to promote a thorough understanding and a proper implementation of the rules, and setting up an appropriate, adapted control system.

Non-compliance risk caused by failure to comply with the provisions applicable to Amundi's activities, whether legal, regulatory or related to professional or ethical standards, may result in the risk of legal, administrative or disciplinary sanctions, significant financial losses or reputational damage.

These principal compliance risks involve the following topics:

- market integrity;
- financial security, by setting up a system to combat money laundering and the financing of terrorism;
- the interest and protection of investors and clients (clear, transparent information that does not mislead, equal treatment of investors and putting clients' interests first);
- professional ethics, prevention of fraud and corruption, training, compliance with the Code of Ethics, management of conflicts of interest, etc.

A dedicated department of the same name monitors each of these four topics. The 4th topic is overseen by the "Corporate Compliance" Department.

For more detail please see Section 5.4.5.2 of this chapter.

Accordingly, the Compliance Department warns staff about the risks of penalties and helps protect the Company's image and reputation, and that of its executives.

Within the Amundi Group, Compliance Management is organised as a business line. The Compliance teams of the subsidiaries report hierarchically to the Senior Management of the subsidiaries concerned, and report functionally to the Amundi Compliance Director.

In this context, the Compliance teams:

- carry out regulatory monitoring adapted to their activities;
- implement a set of common Group rules (Compliance Manual);
- carry out controls tailored to the risks incurred according to a plan approved by Senior Management, within the Compliance Committee chaired by the Head of the Business Support and Control Division;
- ensure that any irregularities are corrected;
- report any compliance incidents occurring during the period to the Compliance Committee.

In 2017, Senior Management was updated on Compliance matters as follows:

- monthly, at Compliance Committee meetings, during which the results of controls performed by Compliance were presented;
- annually, via the annual report on the management of compliance risks.

In addition, with regard to the 4th Directive, the Group has enhanced its Know Your Customer process ("KYC")

The Board of Directors receives regular information through presentations given by the Risk Management Committee, which cover:

- the system for managing compliance risks (including compliance risk mapping);
- the control plan and the results of controls.

The anti-corruption system applied throughout the Group was awarded ISO 37001 certification in 2017.

In connection with Amundi's stock market listing, the system for managing conflicts of interest was adapted as follows:

- a Charter of Market Ethics was drawn up, and presented to the Board of Directors;
- a policy has been introduced restricting the holding of Amundi shares in portfolios managed on behalf of third parties and for its own account;
- the mapping of conflicts of interest has been updated.

5.3.3.3 PERIODIC CONTROL

The Amundi Internal Audit Department reports hierarchically to the Crédit Agricole S.A. General Audit Department and operationally to Amundi's Senior Management. The Periodic Control system includes a central Internal Audit team, which covers the entire Amundi scope, and decentralised Internal Audit teams in several of its subsidiaries, which report to local management and to Amundi's Head of Internal Audit.

Integrated within the Internal Audit business line of Crédit Agricole S.A., the majority shareholder, Amundi's periodic control system is based on the tools and methods of the Crédit Agricole Group, in particular with regard to audit mapping, the planning and conduct of audits, monitoring implementation of recommendations issued and reporting on follow-up to its work.

The audit plan is drawn up on the basis of a multi-year audit program based on the mapping of the Amundi Group's risks. It also factors in requests from Amundi's Senior Management, the Internal Audit function and the Board of Directors' Risk Management Committee. The objective of the multi-year program is to cover the audit scope (which is based on the monitored entities scope) over a maximum of five years, and with an average frequency of three years.

Internal Audit conducts half-yearly checks to monitor the implementation of all recommendations, plus quarterly follow-ups on Level 1 recommendations. All work carried out by Amundi Internal Audit, the Crédit Agricole S.A. General Audit Department and by supervisory authorities are subject to this formal monitoring system, which ensures remedial actions are implemented within deadlines agreed with the entity's management at the conclusion of the audit. The system also enables the Head of Internal Audit to issue alerts to the Board when necessary, as set out in Article 26 of the Order of 3 November 2014.

The 2017 audit plan was fully executed and audit conclusions presented to the General Management and Board Risk Management Committee, which were also updated on progress made on implementing the recommendations.

The approach followed by Amundi's Internal Audit function is subject to an ongoing quality improvement process and has been certified by IFACI since 2015.

5.3.3.4 SPECIFIC INTERNAL CONTROLS ON ACCOUNTING AND FINANCIAL INFORMATION: ROLE AND RESPONSIBILITIES IN PREPARING AND PROCESSING ACCOUNTING AND FINANCIAL INFORMATION

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

- draws up the consolidated financial statements in accordance with the IFRS and the accounting rules and principles defined and distributed by the Crédit Agricole Group;
- prepares the financial statements of each entity in accordance with current local accounting standards;
- prepares the various regulatory, prudential and fiscal reports;
- produces the various pieces of management information necessary for control of the activities;
- ensures that Amundi's financial communications are issued to investors.

Permanent controls on accounting and financial information

The control of accounting and financial information within the Finance Department is based on checks carried out on the one hand by the Accounting, Management Control and Cash Management teams, and on the other, by an accounts auditing unit attached directly to the Finance Department. This system is supported by permanent accounting controls provided by an independent team linked to the Risk Management function.

The permanent accounting control objectives are designed to ensure adequate coverage of the major accounting risks, which could alter the quality of the accounting and financial information in terms of:

- compliance of data with regard to the legal and regulatory provisions, and the standards of the Crédit Agricole Group;
- reliability and accuracy of the data, so that it provides a true picture of the results and financial position of Amundi and of the entities within its consolidation scope;
- security of the data preparation and processing procedures, limiting the operational risks with regard to Amundi's commitment to the information published;
- prevention of the risk of fraud and accounting irregularities.

The permanent controls on the accounting and financial information are based on an evaluation of the risks and controls of the accounting processes managed by the operational units. In particular, the risks monitored by the Risk Management Department, especially those related to the off-balance-sheet commitments, are reconciled with Accounting, in order to ensure that the information is complete and is properly evaluated in the financial statements.

The Head of Amundi's Permanent Accounting Control ensures that any corrective actions are implemented in order to reinforce the system of permanent accounting controls.

Relations with statutory auditors

In accordance with current professional standards, the statutory auditors carry out work as they deem necessary on the accounting and financial information published:

- audit of the statutory and consolidated financial statements;
- a limited audit of the half-yearly consolidated financial statements;
- a reading of all the supporting materials for the published financial information.

As part of their legal mandate, the statutory auditors present their findings to the Audit Committee and to Amundi's Board of Directors.

5.3.4 Risk culture (audited) [1]

Asset management is primarily a risk management activity. Consequently, risk culture is essential to all the Company's lines of business. Amundi constantly ensures that its organisation and its processes enable it to identify risks correctly and contain them at each stage of its products' lives. This approach is characterised by the sharing of experiences and best practices in terms of understanding and managing risks, facilitated by:

- operating across business lines;
- the systematic representation of the Risk Management function within the various committees: products, investments, customer service, etc.;
- combining the applications and risk measurement methods onto a single IT platform, creating a set of guidelines shared by all teams;
- creating initiatives to inform staff and to discuss the various risks related to the Company's business, including lunchtime discussions, business line forums and seminars;
- educating employees about new risks that appear and changes in the regulations governing them, through e-learning and on-site training sessions.

Maintaining a risk culture also involves educating clients about the risks to which their assets are exposed. Amundi puts out a variety of publications for its clients that describe those risks and how they are affected by economic conditions, along with the solutions implemented by the management teams to deal with them advantageously.

5.3.5 Brief statement concerning risks

(Statement prepared in accordance with Article 435(1)(f) of EU Regulation No. 575/2013 and approved by the Amundi Board of Directors on 8 February 2018)

Risk appetite at Amundi means the type and aggregate level of risk, by nature of risk and by activity, that Amundi is prepared to assume in light of its strategic objectives. Amundi defines its risk appetite by including the essential dimensions of its business: the attractiveness of the products it offers, the strength of its financial position and the pursuit of its short and long-term profitability objectives.

The formalisation of Amundi's risk appetite is instructive for Senior Management and the Board of Directors as they plan out the Group's development trajectory and how that translates into each business line's strategy.

This formalisation is the result of a coordinated and shared effort among the Finance, Risk Management and Compliance Departments and has as its goal:

- to engage the Directors of the Board and Senior Management in discussions and conversations about risk-taking;
- to formalise, standardise and specify the acceptable level of risk (framework of standards) that pertains to a given strategy;
- to fully integrate the risk/return relationship into the strategic management and decision-making process;
- to have at hand sophisticated indicators and alert thresholds enabling Senior Management to anticipate an excessive deterioration in strategic indicators and to improve resilience by employing certain mechanisms in the event an alert level is reached as compared to standard risk appetite;
- to improve external communications with third parties, regulators and investors concerning stability of results and containment of risk.

The framework for Amundi's risk appetite is reviewed regularly so that it may be adapted to changes in Amundi's profile. It was last updated by the Board of Directors on 13 December 2017.

PROCESS FOR FORMALISING THE RISK APPETITE FRAMEWORK

In line with the Group's policy, Amundi expresses its risk appetite in terms of key indicators, broken down into three levels of risk:

- **appetite** refers to the normal, recurring management of risks. This is expressed in terms of budget objectives in terms of solvency, liquidity and profitability, as well as operational limits pertaining to market, ALM and credit risks, which, if breached, are immediately flagged and handled by Senior Management;
- **tolerance** refers to managing a deteriorated risk level on an exceptional basis. When tolerance thresholds are breached, this immediately triggers a report to the Chairman of the Risk Management Committee of the Amundi Board of Directors and, when appropriate, the Board of Directors itself;
- **capacity** refers to the maximum level of risk that Amundi could theoretically assume without violating its operational or regulatory constraints.

When these thresholds are breached, the oversight bodies of the Company are informed in proportion to the level of risk incurred.

Furthermore, while as part of its strategic plan Amundi chooses most of its risks, certain risks such as operational risks and some compliance risks are going to be incurred, even though protective measures and the control system may limit their occurrence and their possible consequences. Amundi's appetite for any voluntary act that might create an operating loss or a violation of regulations and professional standards is quite obviously zero.

(1) Information bearing the word "Audited" is an integral part of the notes to the consolidated financial statements in terms of the information required by IFRS 7 and is covered by the statutory auditors' report on the consolidated financial statements.

KEY INDICATORS IN THE RISK PROFILE AT 31 DECEMBER 2017

Amundi uses ten key indicators to express its risk appetite and risk profile:

- four broad indicators of risk exposure:
  - total Risk Weighted Assets (RWA) within the meaning of Regulation CRD IV. At 31 December 2017 Amundi's phased-in RWA stood at €9,561 million,
  - RWA in terms of credit risk (excluding threshold allowances and CVA), which at 31 December 2017 stood at €4,679 million,
  - RWA in terms of operational risk, which at 31 December 2017 was €3,314 million. This indicator shows the effect of controls and oversight whose purpose is to reduce the impact of operational risk to the incompressible minimum,
  - the phased-in CET1 capital ratio, which at 31 December 2017 stood at 12.4%;
- two liquidity indicators:
  - the Gearing or Debt ratio (net debt/tangible shareholders' equity): at 31 December 2017 the Gearing ratio was -51%,
  - the liquidity coverage ratio (LCR): Amundi's LCR at 31 December 2017 was 222%;
- four profitability indicators:
  - cost of risk, which takes into account operational risk, credit risk (particularly the default by an issuer or counterparty that may affect Amundi) and, where applicable, any market risk arising from the management of guaranteed funds; Amundi's cost of risk for the 2017 financial year was €4.3 million (excluding general provisions for regulatory risks),
  - cost of operational risk, which for the 2017 financial year stood at €0.9 million,
  - cost-to-income ratio, which reached 58% for the 2017 financial year, from an accounting point of view including the Pioneer integration costs,
  - net income Group share, which for the 2017 financial year amounted to €681 million, including the Pioneer integration costs.

At 31 December 2017 and for 2017 both of these key indicators lay within the acceptability range defined by Amundi. They did not reach the tolerance thresholds.

5.4 RISK MANAGEMENT (AUDITED [(1)] EXCL. CROSS-FUNCTIONAL RISKS)

5.4.1 Types of risk

Risks assumed by Amundi in connection with its activities **on behalf of third parties** are the following:

- portfolio management for third parties:

  Risks related to possible non-compliance with undertakings made by the asset management company to its clients, both explicit undertakings (e.g. contractual provisions in prospectuses or client mandates. etc.) and implicit undertakings (e.g. the commercial positioning of a product).

  If realised, these risks may result in compensation payments to clients, penalties imposed by regulators and, above all, image problems (reputational risk), which may have shorter or longer-term effects on the asset management company's profits.

  These risks are discussed in section 5.4.2 of this chapter;
- guarantees granted by Amundi to funds:
  - in the case of formula funds, the holder benefits from a guarantee that, when the fund is wound up at maturity, it will receive a specific amount based on a specified formula involving underlying indices or stocks. The formula may or may not protect the investor's capital. Since returns are obtained through market transactions with bank counterparties, the guarantor is not exposed to market risk and only bears credit risk in connection with the underlying transactions selected by the fund, along with counterparty risk,
  - in the case of constant proportion portfolio insurance (CPPI) funds, either the initial investment or its value at a future date is guaranteed. The guarantee may be partial or total. The guarantee may be made, depending on the case, either when funds mature or on an on-going basis. The guarantor is exposed to credit risk linked to investments chosen by the fund as well as market risk if the changes in the value of the assets held are greater than those anticipated in the risk measurements,
  - in the case of Italian pension funds, the initial investment or its value at a future date is guaranteed, as the aim of these funds is to protect the capital of subscribers until retirement age (except in the case of early retirement). The guarantor is exposed to a risk that the value of investments chosen by the fund will fall;
- issues of index-linked bonds:

  Amundi issues bonds, indexed on equities on or real estate. Hedging allows the performance promised to investors to be achieved directly. Reinvestment is made to the issuers of the Crédit Agricole Group. The bonds indexed on real estate leave in place exposure to the real estate market, due to the capital guarantee attached to these products;
- derivatives brokerage:

  Amundi acts as a broker between the funds and the bank counterparties. This activity does not generate any market risks, but Amundi is exposed to counterparty default risk. This risk is attenuated by implementation of master agreements and collateral agreements.

These three last activities directly involve Amundi's off-balance sheet or balance sheet. The risks associated with these activities are described in section 5.4.3 of this chapter.

The **own account** activities generating risks incurred directly by Amundi are as follows:

- portfolio management for its own account, which includes:
  - investments in seed money for the creation of new funds,
  - an investment portfolio for surplus capital and cash,
  - possible support measures, *i.e.* the Company's acquisition of securities or units of funds in the event of a crisis affecting certain funds (absence of market liquidity, etc.);
- Amundi's financial management business (ALM): for Amundi, this consists of managing liquidity risk and other structural risks (global interest-rate risk and foreign exchange risk).

These activities mainly lead, in descending order of importance, to credit and counterparty risks, operational risks and market risks (including liquidity risk).

These risks are monitored by the Risk Management Department, in particular within a dedicated team that provides monitoring of risks relating to own account, as well as a credit analysis team.

These risks are discussed in detail in section 5.4.4 of this chapter.

The Company is also exposed to **risks across** business lines, such as operational risk, including IT and accounting risks, and compliance risk.

Operational risks are monitored by the Risk Management Department. Non-compliance risk is monitored by the Compliance Department.

(1) Information bearing the word "audited" is an integral part of the notes to the consolidated financial statements in terms of the information required by IFRS 7 and is covered by the statutory auditors' report on the consolidated financial statements.

5.4.2 Management of risks relating to third-party asset management

The vast majority of risks related to investing on behalf of third parties are borne by the clients.

The following table shows the main risk scenarios involved in managing assets on behalf of third parties.

Trigger	Effect of risk being realised	Prevention arrangements	Context
Non-compliance with investment rules, client undertakings or regulations	Client compensation Penalty applied by the regulator	Day-to-day monitoring of investments and constraints rules Escalation procedure Independent measurement of market risks	Increasingly complex regulatory environment Expansion of investment service offerings
Objection to fund performance by customers/Underperformance	Goodwill gesture Reputational risk	Internal rules restricting investments ("risk strategies") Independent measurement of performance Risk Dept. seat on Group Investments Committee	
Valuation difficulties/Lack of liquidity	Client compensation Closure of a fund (reputational risk) Ad hoc support measures	Valuation policy Counter-valuation of instruments traded over-the-counter Measurement and management of liquidity (limits, stress testing)	Tougher regulatory framework (AIFM) Increasing client demand for less liquid assets Low/negative interest rate environment
Deterioration in quality of an issuer or counterparty	Goodwill gesture related to underperformance or liquidity	Diversification rules (countries, issuers, ratings, etc.) Independent measurement and management of counterparty risk Guarantees given to certain funds Collateral policy	Development of private debt business Increasing regulatory focus on internal assessment of credit risk

The process for identifying these risk scenarios is as follows:

MONITORING INVESTMENT RISK

Risk management related to the third-party asset management business has three main aspects:

- **ex-ante rules** for all investment activities, approved by the Risk Management Committee. These rules set out the applicable risk strategies for each portfolio or group of portfolios. The risk strategies define the investment universe, authorised or forbidden instruments, the nature and level of acceptable market risk (VaR, tracking error, sector exposures, sensitivity, etc.) and issuer risk and liquidity risk. The rules may also include specific control rules for the relevant portfolios;
- **on-going supervision of compliance with these rules (tracking the investment ratios)**, is performed by specialist risk management teams, organised along similar lines to the management teams. The risk management teams are responsible for ensuring that all managed portfolios (funds or mandates) comply with the investment constraints stipulated in the regulations (e.g. constraints regarding diversification/concentration, exposure quality, liquidity, rating, maturity and VaR), agreed contractually with clients (investment agreements, notices, mandates, etc.) or set out in Amundi's internal guidelines set by the Investments Committee.

Compliance with these investment rules is provided through in-house software to:

- identify and list constraints (regulatory, contractual and internal) in a single database,
- perform ex-post controls,
- manage any breach,
- create an audit trail,
- issue reports to management and statistics on breaches,
- ex-post assessment of investment decisions actually implemented. This assessment is based on a periodic portfolio reviews intended to cast light on risks taken and returns achieved with respect to the management method, and a twice-yearly review of "Risk Strategies", during which the appropriateness of the defined framework is reviewed, particularly by taking into account changes in the market environment and analysing risks effectively taken by comparison with specified limits. These risk strategies are intended to cover all portfolios.

INDEPENDENT MEASUREMENT OF RISK (MARKET, CREDIT AND LIQUIDITY) AND COUNTER-VALUATION OF OTC INSTRUMENTS

A dedicated team within the Risk Management teams performs the following functions:

- **measures portfolio market risks:**
  - determines risk measurement methodologies and checks model quality,
  - produces and analyses risk indicators (VaR, ex-ante tracking errors, stress scenarios, etc.),
  - defines the indicators for monitoring portfolio liquidity;
- **sets Amundi's valuation policy and ensures it is properly applied:**
  - sets and updates the valuation policy for all instruments used in Amundi's portfolios,
  - draws up valuation control procedures and methods,
  - sees that an independent valuation is made of over-the-counter instruments traded by Amundi;
- **helps to limit counterparty risk:**
  - measures the exposures of all portfolios,
  - defines the methods for reducing this risk (the collateral policy).

INDEPENDENT MEASUREMENT OF PORTFOLIO PERFORMANCE

A dedicated performance measurement team calculates and tracks Amundi's fund performance on an independent basis.

It provides:

- ex-post performance and risk ratio measurement on a standardised, centralised basis for all managed portfolios;
- performance analysis (equities, multi-asset, funds of funds, fixed income);
- compliance with international standards for measuring and presenting the performance of managed portfolios (GIPS®);
- performance attribution-type analyses of certain managed funds.

The various results produced are used in all internal and external communications concerning performance of funds managed.

5.4.3 Management of positions taken by Amundi as part of its third-party asset management business

5.4.3.1 GUARANTEED FUNDS

Certain products offered to clients feature guaranteed returns and/or capital guarantees. Regardless of the guarantee, the funds are structured to meet undertakings made to investors. Barring default by an issuer or counterparty, the funds deliver the returns or protection promised.

Structured funds benefiting from guarantees granted by Amundi mainly consist of three types: formula funds, constant proportion portfolio insurance (CPPI) funds and Italian pension funds.

Formula funds are intended to deliver a predefined return, based on a formula that is usually linked to share prices or indexes. The formula usually includes a form of capital protection.

CPPI funds are intended to offer partial exposure to the returns of risky assets, along with a guarantee that is defined at the outset.

Italian pension funds (activity mainly an outcome of the Pioneer acquisition) are designed to protect the capital of subscribers until retirement age (except in the case of early exit).

The following table shows amounts guaranteed at 31 December 2017 and 31 December 2016:

In € millions	31/12/2017	31/12/2016
Formula funds	12,030	12,042
Constant proportion portfolio insurance (CPPI) funds	5,504	3,839
Italian pension funds	2,236	-
Other guaranteed funds	973	1,606
TOTAL OFF-BALANCE SHEET COMMITMENTS	**20,743**	**17,487**

The liability relating to these funds corresponds to the amount of risk to which the Amundi Group as guarantor is exposed on the measurement date. Depending on the types of funds and the form of the guarantee, it is linked to the amount initially invested or the value of assets under management on the date the liability is measured, or to the specified formula in the case of formula funds.

A dedicated Risk Management Department team continuously monitors the adequacy of assets held relative to returns due from the funds.

Fund assets may comprise the following:

- direct acquisition of debt obligations;
- acquisition of equities whose performance may be swapped with top-tier banks;
- repurchase agreements with top-tier banks;
- purchase of fund units (multi-asset investments).

The main risk to which the guarantor is exposed in relation to these funds is the risk of default on securities acquired directly by the fund.

Assets that expose the guarantor to credit risk are permanently monitored by an independent credit analysis team within the Risk Management Department. Exposures for each issuer are subject to limits set by the Credit Committee. Exposures are monitored on the basis of their nominal amount. The credit quality measurement process includes an internal system that gives a ranking based on issuer quality.

Assets exposing the guarantor to credit risk:

- prior authorisation of each investment from the independent credit analysis team. The exposure for each issuer has limits placed upon it. There is no sector or geographic restriction a priori but the assets must be rated at least investment grade at the time they are acquired;
- monthly reports in terms of exposure, limits and ratings.

At 31 December 2017 and 2016, exposures broke down as follows by rating, geographical area and sector (in proportion to the nominal amount of securities directly acquired by guaranteed funds, *i.e.* €4,500 million in 2017 and €3,366 million in 2016):

Breakdown by rating

	31/12/2017	31/12/2016
AAA	7%	10%
AA+	0%	0%
AA	9%	11%
AA-	6%	10%
A+	3%	5%
A	33%	48%
A-	5%	5%
BBB+	5%	5%
BBB	31%	2%
BBB-	0%	4%
NR	1%	0%
TOTAL	**100%**	**100%**

Breakdown by geographical area

	31/12/2017	31/12/2016
France	47%	66%
Belgium	4%	8%
Spain	7%	1%
Italy	26%	6%
United Kingdom	3%	3%
Netherlands	2%	3%
Germany	3%	3%
United States	6%	4%
Other	2%	5%
TOTAL	**100%**	**100%**

Breakdown by sector

	31/12/2017	31/12/2016
Financial institutions	47%	66%
Sovereigns and agencies	43%	23%
Corporates	10%	11%
TOTAL	**100%**	**100%**

Analysis of exposures shows a high concentration in the financial sector. Exposures are mainly to top-tier banks, particularly large French credit institutions.

The amount of provisions recorded by Amundi in respect of guarantees given to funds, to cover all types of risks, is as follows:

- €1,863 thousand at end-2016;
- €14,038 thousand at end-2017.

Apart from issuer or counterparty default, the amount of provisions can vary depending on credit risk or credit spread levels.

Losses actually incurred by Amundi in the past two years were:

- €97 thousand in 2016;
- €1,910 thousand in 2017.

In the case of CPPI funds, the market risk associated with "dynamic" assets is measured using C-VaR statistical indicators. Provisions may be made in certain cases in respect of the role as guarantor of these funds:

- in the case of CPPI funds, provisions are set aside when the portfolio value is lower than the floor value;
- in the case of formula funds, provisions are set aside depending on spreads on hedging assets held by these funds, and in the event of any default involving these assets or the counterparties of derivatives transactions entered into by the funds.

5.4.3.2 STRUCTURED EMTN ISSUES

Since the end of 2013, Amundi has developed a business in issuing index-linked bonds:

- *bonds linked to the equity markets:* these issues are hedged by derivatives and pose no market risk for Amundi;
- *bonds linked in part to the real estate market:* these issues are hedged using the same principles as equity-linked issues, but they expose Amundi to the risk of changes in real estate prices because of the capital guarantee attached to them. This type of risk has its own set of restrictions.

The risk of change in the price of real estate assets is not actively managed, since the transactions are set up back-to-back (holding as assets solely those items necessary to cover the liability).

The risk is monitored:

- on the one hand by verifying the effectiveness of the hedges used, *i.e.*, the amount of real estate assets is engineered to match the liabilities exactly;
- on the other, by using stress scenarios in which the valuation of the real estate assets is heavily downgraded. The stress scenarios make it possible to determine at what point a decline in the value of the real estate assets would expose Amundi to risk.

Excluding the specific case of real estate assets, the issue proceeds are reinvested in debt securities issued by Crédit Agricole Group.

At 31 December 2017, the nominal amount of EMTN issues was €3,689 million, including €1,499 million linked to real estate (nominal amounts).

As part of secondary-market activities, which give rise to Amundi buying back EMTNs, hedging is systematically adjusted to ensure that hedging principles are complied with.

5.4.3.3 DERIVATIVES BROKERAGE

To ensure that clients receive the promised returns (formula funds or structured EMTNs), derivative agreements are entered into with external bank counterparties selected through a tender process. At 31 December 2017, the total nominal amount of transactions between Amundi Finance and its market counterparties was €28.2 billion.

The transactions, once the funds and the EMTNs have been sold out, are hedged so as to only create limited market risk. However, they do result in liquidity and counterparty risk.

The notional amount of the performance swaps on funds and EMTNs being marketed at 31 December 2017 was €1,242.5 million versus €375 million at 31 December 2016. Performance swaps are written with market counterparties in a notional amount equal to the level of sales projected. The fund is committed only to the amount of actual sales. Amundi bears the risk of a variance between the projected level of sales and the actual level. These are short-term liabilities, since the average marketing time is three months. On the reporting date, a provision appraised by experts is recognised should there be a variance in current transactions between the projected level of sales and the actual level. No provision had been made at 31 December 2017.

To reduce the funds' counterparty risk associated with these transactions – to which Amundi is exposed as guarantor – Amundi deals with the counterparties on its own account. These are all large financial institutions. These transactions are centralised by Amundi Finance, an Amundi subsidiary that specialises in the guarantee activity. Counterparties authorised for derivatives brokerage are pre-authorised by the Credit Committee, which sets the limits of separate exposures. The transactions are executed under master agreements with exchange of collateral, which substantially reduces Amundi's counterparty risk.

Exposures are measured according to the standard prudential method and are subject to individual counterparty limits. At 31 December 2017, the breakdown of these exposures by credit rating is as follows (risk measurement based on mark-to-market, future potential risk and collateral exchanged):

	31/12/2017	31/12/2016
AA-	7%	7%
A+	21%	22%
A	45%	53%
A-	6%	6%
BB+	0%	6%
BBB	0%	0%
BBB-	13%	6%
BBB+	8%	
TOTAL	**100%**	**100%**

Liquidity risk arises from the fact that:

- the derivative agreement between Amundi Finance and the market counterparty involves a netting agreement and a collateral agreement;
- certain derivative agreements between Amundi Finance and the funds involve no collateral.

Management of this risk is described in section 5.4.4.2. "ALM Risks" of this Registration Document.

5.4.4 Risk management relating to own account activities

Besides these issues specific to the asset management business, the Amundi Group manages its balance sheet risks, particularly financial risks, with close attention to:

- **liquidity risk:** this is an area of less concern for Amundi than for most financial institutions since its cash position is structurally in surplus. Only Amundi Finance may have sizeable cash needs, as part of its margin calls on collateralised over-the-counter transactions. These needs are given monthly stress tests whose purpose is to verify that they are covered by the amount of cash and cash equivalents and immediately marketable funds in the investment portfolio. Liquidity risk is managed and monitored regularly at each Financial Management Committee meeting;
- **credit risk:** the Credit Committee sets the individual limits on issuer risk for securities held directly or by the guaranteed funds. It also sets the counterparty risk limits on market transactions. Credit risk is continuously watched by the Credit Analysis unit of the Risk Management Department, which alerts the Credit Committee in the event of the degraded financial condition of an issuer or counterparty.

5.4.4.1 INVESTMENT PORTFOLIO

The investment portfolio is used to invest surplus cash and seed money. Seed money is used to launch new funds. Portfolios mainly consist of investments in funds managed by Amundi and its subsidiaries.

The investment portfolio is supervised by:

- the Seed Money Committee, which meets monthly to validate and monitor Seed Money investments and divestments;
- the Financial Risk Management Committee, which meets twice quarterly to define the investment policy and monitor the structure of all investment portfolio risks. Overall investment portfolio limits, along with limits for each underlying asset, are set annually by the Risk Management Department.

For most French entities, day-to-day cash management (relating to the Company's operations) is governed by a centralised cash management agreement. The voluntary investment and seed money portfolios are largely managed centrally at the Group level.

The investment portfolio is principally divided into fixed-income and money market exposures as detailed in table 4.4.1 of this Registration Document.

Market risk is measured by Value at Risk (VaR), a metric used to estimate the financial risk level of an investment portfolio. VaR represents the potential loss over a given holding period at a given confidence level. Amundi's VaR is a historical VaR. Amundi measures VaR at a 99% confidence level and a 20-day holding period, based on a historical observation period of one year.

VaR figures in the past two years were as follows:

In € millions	Maximum	At 31 December
2016	47	39
2017	**40**	**13**

Other indicators are also used to monitor the portfolio, including unrealised capital gains/losses and indicators showing sensitivity to changes in interest rates, spreads and share prices and historical and hypothetical stress indicators.

5.4.4.2 ALM RISKS

(i) Liquidity risk

Major structural resources

Amundi manages its liquidity with a solid level of capitalisation reinvested chiefly in a short-term portfolio consisting mostly of liquid money-market and fixed-income mutual funds (see section 4.4.1.1) and with its current account surpluses..

In addition to its own resources, Amundi has other possible sources of financing:

- Neu CP/New MTN programme: a programme for the issue of short-term transferable securities – "NEU CP" of €500 million and the programme for the issue of medium-term transferable securities – "NEU MTN" of €200 million were authorised by the Banque de France on 14 October 2016;
- Revolving Credit Facility (RCF): on 23 October 2015, Amundi and an international lending syndicate signed a syndicated multi-currency revolving credit facility of €1.750 billion with an initial maturity of 5 years (renewed in October 2017). This agreement includes two covenants for which the requirements were met at 31 December 2017: a minimum level of tangible shareholders' equity and minimum gearing ratio, corresponding to the ratio of net debt to tangible shareholders' equity. The purpose of the agreement is to increase the Group's liquidity in all currencies in use and to secure access to that liquidity, particularly if needed to face outflows in some mutual funds managed by the Group;
- a refinancing ability with Crédit Agricole S.A., subject to internal limits.

Varying requirements

- Seed money operations can create cash requirements. As a result, they are partly linked to Amundi's plans to develop its third-party asset management business.
- There may also be a liquidity requirement linked to derivatives brokerage business by Amundi Finance as referred to earlier. This need is measured monthly on the basis of stress scenarios, which themselves are based on sharp movements in equity markets (20%) and interest rates (100-130 basis points depending on maturity).
- Lastly, with regard to the structured products activity, since February 2017 the EMIR regulation requires that deposits in the form of securities be held to secure uncleared derivatives transactions between market counterparties. The Amundi Group has decided to build a portfolio of OATs or equivalents, to be offered as collateral. These requirements are regularly reviewed and their financing is approved by the Financial Management Committee.

Liquidity risk management arrangements

Amundi's liquidity is managed to meet the ordinary needs of Amundi entities, while ensuring that regulatory requirements are met. For most French entities, day-to-day cash management (relating to the Company's operations) is governed by a centralised cash management agreement. In addition, one of objectives of the voluntary investments portfolio is to build up reserves of funds eligible for the LCR and underlying assets in the event of stress.

As stated in section 5.3.5, Amundi uses two specific indicators to express its liquidity risk appetite and profile. These two indicators are the LCR ratio and the **Gearing** or Debt ratio (net debt/tangible shareholders' equity):

- the aim of the LCR is to strengthen the short-term resilience of banks' liquidity risk profiles by ensuring they have enough unencumbered high-quality liquid assets (HQLA) that can be easily and immediately converted into cash on private markets in the event of a hypothetical 30-calendar day liquidity squeeze. It should be noted that liquidity stress linked to exchanges of collateral is also taken into account for the calculation of the LCR. Credit institutions have been subject to limits on this ratio since 1 October 2015, with a minimum threshold of 100% from 2018 (80% at end-2017). At 31 December 2017, Amundi's **LCR** was 221.9%;
- given the structure of the Amundi balance sheet and in particular its strong net lending position at the end of 2017, the net debt/ tangible shareholders' equity ratio stood at -51% at end-2017.

In addition, these two indicators are supplemented by internal limits, including a restriction on short-term refinancing from Crédit Agricole S.A. If the limit is exceeded, appropriate solutions are adopted.

Lastly, a certain number of additional indicators are monitored to measure resistance in terms of liquidity in various crisis environments. These scenarios assume business continuity, and factor in the ability to sell components of the voluntary investment portfolio (fund units), taking into account the time required to sell and more or less significant discounts. The principle of these tests is to determine whether the refinancing requirements are covered (over different time periods) by the liquidity reserves.

An emergency plan has also been drawn up in respect of extreme situations. The plan involves larger disposals of the voluntary investment portfolio and more exceptional measures such as medium and long-term refinancing with Crédit Agricole.

It should be noted that the breakdown of Amundi's financial assets and liabilities by contractual maturity is presented in note 3 to the Company's consolidated financial statements for the years ended 31 December 2017 and 2016 (Chapter 6 of this Registration Document).

(ii) Foreign exchange risk

Amundi's main foreign exchange risk exposures are structural, related to its investments in foreign subsidiaries and joint ventures. Amundi's policy at this stage is usually not to hedge these exposures.

Operational foreign exchange positions are subject to a global limit. This limit requires foreign-currency revenues to be converted regularly into euros. It also requires any foreign-currency investment made in connection with the investment portfolio to be hedged. Amundi's operational foreign exchange positions are not material.

(iii) Interest-rate risk

Amundi does not have any bank intermediation activity and so is not exposed to global interest-rate risk.

Amundi may be exposed to interest-rate risk with respect to its investment portfolio. That risk is governed using a VaR indicator and also monitored using NAV-type (net asset value) sensitivity indicators. Amundi also carries on its balance sheet a limited amount of loans to and borrowings from credit institutions, although the resulting interest-rate risk is not material and therefore not hedged. Lastly, the government securities acquired during 2017 by way of collateral in the context of the EMIR regulation are subject to interest-rate hedges.

5.4.5 Risks across business lines

The Company is exposed to risks across business lines: non-compliance risk, legal risk, money laundering and terrorist financing risk and operational risks including IT risk and accounting risk. The global monitoring of operational risks is the responsibility of the Risk Management Department, the Security Department monitors risks linked to the information systems, and non-compliance risk and money laundering risk fall under the responsibility of the Compliance Department.

5.4.5.1 SUMMARY OF EXPOSURES TO OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed processes, systems and people responsible for processing transactions.

Amundi takes a comprehensive approach to managing operational risk. All teams and managers are involved in managing operational risk. In addition, a dedicated unit of the Risk Management Department is responsible for overseeing the entire system.

Its main role is to:

- map operational risks at the Amundi level;
- collect information about operational incidents;
- monitor all action plans designed to mitigate these risks;
- contribute to calculating the capital requirement;
- contribute to the permanent control system;
- oversee risks linked to the information systems.

The cost of operational risk amounted to €5.4 million in 2016 and €0.9 million in 2017.

The following spreadsheet shows the breakdown of combined losses by type of risk over the past three years (2015-2017):

Breakdown of operational risk losses (by value) by Basel risk category (2015-2017)	Breakdown
Execution, delivery and process management	92.2%
Employment practices and workplace safety	11.3%
Business interruption and systems failures	3.5%
External fraud	0.1%
Clients, products and business practices	-7.1%

5.4.5.2 PREVENTION OF COMPLIANCE RISKS

Non-compliance risks are identified and assessed each year for each compliance theme within the "non-compliance risk map". These maps are drawn up by each Group entity and consolidated at the Amundi level.

The Compliance Department's control plan is aligned with the non-compliance risks identified in the risk mapping. It is reviewed periodically and validated by the Compliance Committee at the start of the year.

The Compliance Manual containing all the Crédit Agricole S.A. Fides documents and elements specific to asset management is used in all Amundi Group entities, accompanied by a set of compliance controls in use in all entities, which provides a consistent application of controls throughout the scope of businesses.

The Compliance Department is basically organised into four divisions, corresponding to the four areas affected by the major compliance risks:

(i) Market integrity

Regulations require investment service providers to act in an honest, fair and professional manner that promotes market integrity.

The Group ensures compliance with market integrity through checks on transactions and the way they are executed in the markets (time-stamping, pre-allocation of orders, partial execution, management of market abuse alerts, monitoring of threshold crossings, application of best execution criteria etc.).

The Compliance Department's work also covers NAV figures (examining requests to suspend/recalculate a net asset value), and validating and checking the exercise of voting rights.

(ii) Financial security

Regulations require investment services providers to set up a system to combat money laundering and the financing of terrorism.

Amundi has adopted measures and internal procedures that are adequate and appropriate for ensuring compliance with all of its financial security obligations.

The system for combating money laundering and the financing of terrorism within the Group therefore involves applying the rules set out in the anti-money laundering manual and additional procedures.

The anti-laundering procedures are validated by the Company's Compliance Committee and are applicable to all Group entities.

(iii) The interests and protection of investors and clients

According to regulations [1], the investment services provider must:

- ensure that information about products made available to investors and clients is clear, transparent and not misleading;
- ensure that investors are treated fairly;
- refrain from placing the interests of a group of unit-holders or shareholders above those of another group of unit-holders or shareholders.

To protect the interests of investors and clients, Compliance ensures that information produced for clients is of high quality and balanced, checks that products offered to clients are suitable, checks all new products and activities and all substantial changes to existing products and activities, and checks that procedures governing responses to client complaints are complied with.

(iv) Professional ethics and the prevention of fraud and corruption

Rules and procedures must be adopted to ensure that people under the authority of investment services providers or acting on their behalf comply with provisions applicable to the service providers themselves and to those people, particularly the conditions and limits governing any personal transaction carried out on their own account.

All reasonable measures must also be taken to prevent conflicts of interest from damaging the client's interests. Situations that may give rise to conflicts of interest must be identified and a prevention system must be set up.

A system for reporting transactions carried out by "sensitive" employees on their own account and gifts received or given has been set up within Amundi and its subsidiaries.

The system for preventing conflicts of interest is based partly on a map that identifies situations posing a risk of a conflict of interest, the preparation and rating of conflict of interest scenarios, and a set of controls covering risky situations.

The holding of inside or confidential information is governed by special procedures that reiterate the obligations of the employees concerned and require the compilation of insider lists and confidentiality lists. Staff members on those lists are informed of the fact, and they are reminded of the relevant conduct rules at that time.

To prevent risks of fraud and corruption, fraud and corruption scenarios are prepared and assessed by business lines with the assistance of the Compliance Department. Risks of fraud are mapped. Fraud warnings and alerts are escalated so that special measures can be taken at the earliest opportunity. Amundi staff also undergo awareness-raising regarding the prevention of fraud and corruption.

Finally, staff members undertake training so that they have adequate information and training, according to their responsibilities, regarding applicable regulations and changes therein.

A dedicated department of the same name monitors each of these four topics. The 4th topic is overseen by the "Corporate Compliance" Department.

With 103 staff across the business line, Compliance's independence is ensured by the fact that it reports hierarchically to Senior Management. Compliance functions are independent of operational functions.

5.4.5.3 OTHER MEASURES TO PREVENT RISKS ACROSS BUSINESS LINES

(i) IT access control and policies

Access to Amundi's IT system is controlled through network equipment and precise authorisation controls. Authorisations are managed with white lists on firewalls around Amundi's data centres. Amundi uses encryption technologies or dedicated links for external communications. Continuous controls examine the IT system's exposure to vulnerabilities and indicate the corrective action to be taken. Regular external audits validate the safety level of Amundi's infrastructure. In addition, all of Amundi's investment management subsidiaries have access to investment management software located in Paris. Representative offices also have access to sales/customer software. All entities are linked with email and network connections.

IT controls and policies. Amundi's risk management policy includes assessments through yearly audits by outside contractors and by an internal control team. A set of indicators has been produced by the IT operational security team and is forwarded to Amundi Management. The Security Committee undertakes periodic situational reviews and makes any decisions that may be necessary.

In addition, measures are taken to maintain and safeguard software codes and to control access through password security, starters and leavers, remote access, and restricted access to non-core systems and applications. Preventive controls ensure that only authorised/appropriate changes are made to applications. Detection controls are in place to monitor changes made to systems. All hardware that is critical for system availability is placed in a secure location and protected against fire and flood damage. Controls are in place to prevent the copying, downloading or deletion of sensitive proprietary files or data from the systems or from back-up locations. Additionally, firewalls are in place to protect the integrity of the systems and hardware from outside threats and viruses.

The CISO (Chief Information Security Officer) carries out controls under his/her responsibility as defined in the annual control plan. He/she ensures that the results are consolidated and consistent, and helps to prepare the information systems section of the regulatory internal control report. To carry out these controls, the CISO relies on the results of the level 1 controls carried out by Information Systems Management. The results of the audits and the related recommendations are also provided so that they can be monitored. The ISRM (Information System Risks Manager) will check that these assignments are completed successfully.

These control actions ensure that the risk scenarios are properly covered and that any irregularities are highlighted and incorporated into follow-up plans.

With regard to cyber security, intrusion tests are carried out throughout the year by a specialised external firm, both internally and externally. These tests are systematically included in a report and measures are taken if incidents are identified.

(1) In particular, the AMF General Regulation.

(ii) Business continuity plan

The business continuity plan (BCP) describes the rescue applications and how they are to be implemented depending on the operational crisis scenario involved and is validated by a senior management committee, the Amundi Security Committee.

This operating plan incorporates five key aspects:

- a crisis management plan based on organisation and resources available 24/7 to alert, analyse and monitor the situation but also to make decisions and distribute information;
- a user backup plan (UBP), which can be operational within four hours and which, for the Paris entities, is based at a site located 25 kilometres from Paris, comprising 250 dedicated workstations (can be extended to 700 if so required), and with a remote working platform capable of handling 1,000 simultaneous connections;
- an IT recovery plan, which can be operational within four hours, and which relies on dual data centres managed in "hot" mode with platform redundancy;
- verification of the business continuity plan for service providers;
- a Business Continuity Plan (BCP) management system based on cross-functional organisation. Amundi conducts business impact analyses (BIA) for each of its business lines, defining for each process a level of criticality and requirements necessary to maintain the business in question.

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

The potential incident scenarios covered are:

- unavailability of the local work environment due to site inaccessibility or the failure of technical equipment (blackout, dead telecommunications devices, etc.). This scenario includes the shutdown of a building or group of buildings;
- unavailability of personnel due to a public transport strike, epidemic, flood, etc. The solutions that would cover this scenario must allow Amundi to maintain continuity of its operations once 30% of its workforce is available;
- physical unavailability of the information systems caused by the physical destruction of data centre hardware or devices giving network access to the data centre;
- unavailability of data centre software caused by malicious act, error or accident (virus attack, hacking, accidental destruction of a data bay or a database-altering computer bug);
- widespread unavailability of workstations caused, e.g., by a massive virus infecting the workstations.

During the 2017 financial year, several tests were run on Amundi's BCP:

- an IT recovery plan was conducted under real conditions between 25 September and 6 October 2017;
- a user backup plan was conducted on 1 December 2017.

Amundi Group entities apply the business continuity policy and tailor it by adapting it when necessary to local laws and regulations. In addition to the five mandatory scenarios, each Group entity must check to see that it is not exposed to other, local threats.

They regularly test their BCP. These tests take the form of exercises that simulate an operational crisis scenario. The results of the tests are forwarded to Amundi's BCP Manager.

(iii) Monitoring outsourced services

Amundi delegates to external service providers some asset servicing activities, for regulatory (custody and depository services) or strategic reasons (fund administration, transfer agent) and within the framework of its responsibilities as a company managing financial portfolios.

Within this framework, since its creation, Amundi has chosen to focus on its core business and has relied on specialised and well-recognised service providers to ensure the performance of certain administrative tasks necessary to its activity, rather than perform them directly:

- this structuring choice can be illustrated by the outsourcing of the valuation of the funds and institutional mandates;
- similarly, the management of clients' accounts and transfer agent duties that could have been provided by Amundi have been contracted out to the custodians of the mutual fund concerned, given the custodians' ability to perform these functions as a centralising agent of subscription/redemption orders on behalf of their clients.

This approach has been taken in France as well as in international entities whenever possible.

Dedicated structures are responsible for the quality control of the execution of outsourced services, as well as monitoring the relationship with each service provider.

Amundi has specifically chosen to limit its use of external service providers to these two essential activities as more extensive outsourcing would result in distancing the activities that would no longer have been ensured by Amundi and thereby would have made the chain of processes constituting the asset manager's business far more delicate and thus less efficient. As a result, internal teams are responsible for monitoring the proper execution of transactions and for quality control of the banking and accounting records, among other functions.

Generally, for depositary duties as well as for the other delegated asset servicing duties (valuation, transfer agent), Amundi relies mainly on its two traditional providers, CACEIS/SGSS, for mutual funds or on other third-party providers when their clients have explicitly requested so for their mandates or dedicated funds.

Each of these services is governed by a framework agreement that defines the scope of the duties outsourced and the commitments specific to each of the two parties in the agreement. The operational range of the delegated duties is detailed in a separate document that defines the level of service expected as well as the daily relationship with providers (Service Level Agreement).

The governance, monitoring and control of these relationships are assured through regular committees, specific Service Reviews, and regular operational reviews. Key performance indicators complete this qualitative review of services rendered.

(iv) "Best selection" procedure

Amundi has undertaken to take all reasonable steps in the execution of orders to obtain the best possible result within the meaning of the French Monetary and Financial Code. Due to their status, asset management companies of the Group do not have access to financial markets. In order to obtain the best execution possible, Amundi has chosen to use Amundi Intermédiation for its transmission and order execution activities. Amundi Intermédiation has been approved by the *Autorité de contrôle prudentiel et de résolution* (ACPR) as an investment company able to provide Reception and Transmission of Orders (RTO) services and order execution on behalf of third parties relating to all financial instruments specified in Article L. 211-1 of the French Monetary and Financial Code.

Amundi Intermédiation, as the provider of clearing services and order execution on behalf of third parties, has its own selection and execution policy. In order to obtain the best possible execution of orders, Amundi Intermédiation has implemented a broker and counterparty selection procedure. Such intermediaries are selected through an annual vote process based on established, relevant and objective criteria. It aims to establish a list of brokers/counterparties adapted to the volume of orders processed by Amundi Intermédiation with respect to the overall and/or specific client service requirements. Under applicable regulations, the selected intermediaries are bound to offer the best possible execution when they deliver an investment service to Amundi Intermédiation. All steps are taken to ensure that orders are executed in the client's best interest and contribute to market integrity by taking into account specified criteria such as price, liquidity, rapidity, cost, etc., depending upon their relative importance according to the various types of orders transmitted by the client.

In order to obtain the best possible result for its clients, Amundi Intermédiation regularly re-examines the conditions and mechanisms used in the execution of orders, in particular to take into account potential changes in the following criteria:

- client categorisation;
- scope of hedged financial instruments;
- access to platforms/places of execution;
- execution strategy;
- contributors to the vote;
- voting criteria;
- intra-period events;
- first or second level controls.

In the absence of internal or external events requiring a review during the course of the year, Amundi Intermédiation's execution policy is reviewed on an annual basis during the Selection Committees. This review is formalised in such committees' reports.

(v) Monitoring of order allocation

The system of order allocation and channels is based on a strict separation of the Management and Trading business lines.

Managers' orders must be placed and processed by the Trading business line (through Amundi Intermédiation). The procedure is aimed at establishing an audit trail for each stage of the process, which involves investment management, the trading desk and the middle office. It is based on the use of a single in-house computer application in which the orders are systematically time stamped and pre-allocated from the start through the information systems.

As part of the framework of placing the orders, the system uses a default model whereby, in the event of partial execution, the allocation of partial quantities is determined in proportion to the quantities initially requested. This method ensures the fair allocation of traded quantities.

5.5 SOLVENCY AND CAPITAL ADEQUACY

5.5.1 Capital ratio

APPLICABLE REGULATORY FRAMEWORK

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

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

Amundi principally holds CET1 capital, consisting of share capital and undistributed reserves. As part of the financing of the Pioneer acquisition, Amundi issued Tier 2 capital in the amount of €300 million in 2017, maturing in 2027.

MINIMUM REGULATORY REQUIREMENTS

Pillar 1 requirements are set out in the Capital Requirements Regulation (CRR). The regulator also sets, on a discretionary basis, minimum requirements under Pillar 2.

Minimum requirements of Pillar 1

- Capital ratios before buffers: minimum phased-in CET1 has been set at 4.5% since 2015. Similarly, the minimum Tier 1 requirement was increased to 6% in 2015 and for subsequent years. Lastly, the minimum total capital requirement on a phased-in basis is 8% and will remain so for the coming years;
- in addition to these requirements are capital buffer requirements that must also be met and applied in stages:
  - the capital conservation buffer (2.5% of risk weighted assets in 2019),
  - the countercyclical buffer (between 0 and 2.5% of risk-weighted assets),
  - systemic risk buffers (generally between 0% and 3%, and up to 5% with European Commission approval, and more exceptionally over 5%) and for global systemically important banks (G-SIBs) (between 0% and 3.5%) or other systemically important institutions (O-SIIs) (between 0% and 2%). These buffers are not cumulative and, generally speaking, with some exceptions, only the highest will apply. Only the Crédit Agricole Group belongs to the systematically important institutions category;
- these buffers came into force in 2016 with annual increments until 2019 (0% in 2015, 25% of buffer required in 2016, 50% in 2017 and so on). These buffers must be covered by phased-in CET1 capital.

Minimum requirements of Pillar 2

Amundi has been notified by the European Central Bank (ECB) of new capital requirements applicable following the results of the Supervisory Review and Evaluation Process ("SREP").

The ECB has changed the methodology used, splitting the regulatory requirements into 2 parts:

- a "Pillar 2 Requirement" (P2R). This requirement applies to all levels of capital and must be entirely made up of Common Equity Tier 1 capital (CET1). Non-compliance with this requirement will automatically result in restrictions on distributions (deeply subordinated debt coupons, dividends, bonuses). Consequently, this requirement is published;
- a "Pillar 2 Guidance" (P2G). This requirement is not currently published.

Amundi must therefore, in 2018, meet a minimum consolidated CET1 ratio of 7.88%, during the transitional phase (phased-in), or 8.50% fully loaded. These levels include the requirements of Pillar 1, Pillar 2 P2R, the phased-in capital conservation buffer and the countercyclical buffer.

(II) CAPITAL RATIOS AT END-2017

At 31 December 2017, as stated in the table below, Amundi's overall phased-in capital ratio stood at 15.3%, compared to 37.6% in 2016. This reduction is mainly the result of the Pioneer acquisition, which in particular caused an increase in deductions related to goodwill and intangibles (see Chapter 4 and section 5.5.1) and also increased the risk weighted assets related to operational risk.

The phased-in CET1 ratio stood at 12.4% (11.9% fully loaded), significantly higher than under P2R. On this basis, Amundi's financial structure following the Pioneer acquisition is strong.

The reconciliation of accounting equity and regulatory capital is presented in section 4.4.3 of this Registration Document.

In € millions	31/12/2017	31/12/2016
Common Equity Tier 1 capital (CET1)	1,182	2,790
Tier 1 capital (CET1 + AT1)	1,182	2,790
Tier 2 capital	280	0
Total regulatory capital*	**1,461**	**2,790**
Total risk-weighted assets*	**9,561**	**7,424**
o/w Credit risk (exc. threshold allowances and CVA)	4,679	3,947
o/w Effect of threshold allowances	565	932
o/w Credit value adjustment (CVA) effect	499	453
o/w Market risk	504	0
o/w Operational risk	3,314	2,092
CET1 RATIO *	**12.4%**	**37.6%**
OVERALL CAPITAL RATIO *	**15.3%**	**37.6%**

* *Phased-in.*

As a reminder, since 2014 the regulatory capital calculation has taken account of the various regulatory changes (CRD IV – CRR), in particular the calculation and deduction of capital with regard to *Prudent Valuation* and transitional measures applicable for the implementation of these changes ("phasing"), which will all end on 1 January 2018, in particular:

- the filtering of unrealised gains on investment portfolio items and equity recognised as available-for-sale financial assets (60% at 31 December 2016 and 80% at 31 December 2017);
- the gradual deduction of CET1 instruments held in financial entities constituting investments where the percentage holding is less than 10%: the residual amount of the share exceeding the allowance for these investments was 80% deducted at the end of 2017 (100% in subsequent years). The items covered by the allowance are weighted at 100%, as above;
- the gradual deduction of deferred tax assets that rely on future profitability related to temporary differences: the amount exceeding the double allowance, partially aggregated with financial investments of over 10% was 80% deducted at the end of 2017 (100% in subsequent years). The items covered by the allowance are weighted at 250%, as above;
- the gradual deduction of deferred tax assets that rely on future profitability related to tax loss carry forwards: the amount was 80% deducted at the end of 2017 (100% in subsequent years);
- the gradual deduction of CET1 instruments held in financial entities constituting significant investments (percentage holding above 10%): the residual amount of the share exceeding the allowance for these investments was 80% deducted at the end of 2017 (100% in subsequent years). The items covered by the allowance are weighted at 250%, as above.

Following the acquisition of Pioneer and the subsequent reduction in the CET1 basis before deductions related to goodwill and intangibles on the basis of which regulatory thresholds are calculated, €235 million of phased-in deductions linked to financial investments and deferred tax assets have been recognised in the phased-in capital ratios (€292 million fully loaded).

For credit risk purposes, risk-weighted assets are calculated using the standardised method set out in the regulations. In practice, for the three main types of exposure:

- for the investment portfolio, risk weighted assets are calculated on a transparent basis, taking into account assets actually held by the funds in which Amundi invests; risk weighted assets related to these underlying assets are valued for regulatory purposes using the standardised method;
- for guarantees given to funds, risk weighted assets are also calculated using the standardised approach with respect to recognition of the guarantee mechanism. The assets held by the funds benefiting from the guarantees are then estimated on a transparent basis using the standardised approach;
- for Amundi Finance's derivatives transactions, risk weighted assets are valued at their market value.

In 2017, €504 million in risk weighted assets were calculated for market risk, mainly linked to structural unhedged foreign exchange exposures.

Capital requirements for operational risk are mainly calculated using the advanced measurement approach (AMA) developed by Crédit Agricole Group and used by Amundi. Use of the AMA was approved by the *Autorité de contrôle prudentiel* in 2007 and then confirmed in 2010.

The AMA model for capital calculation is based on an actuarial Loss Distribution Approach model, taking into account both internal and external factors.

Internal factors (change in the entity's risk profile) include:

- changes in the entity's organisational structure, change in risk profile of the business and risk mapping, change in internal losses;
- quality of the risk management system and, in particular, the permanent control system.

As regards external factors, incidents occurring in other credit institutions are monitored based on external data, leading when necessary to adjustments to the stress scenarios used in the model.

In terms of type of operational risk, Amundi is mainly exposed to execution, delivery and process management risk and risk related to clients, products and business practices.

Finally, concerning the large risks ratio, Amundi's biggest exposure was €289 million at end-2017, in compliance with the 25% threshold of total regulatory capital.

5.5.2 Leverage ratio

Article 429 of the CRR, setting out the terms and conditions relating to the leverage ratio, was modified and replaced by Delegated Regulation No. 62/2015 of 10 October 2014. The delegated regulation was published in the Official Journal of the European Union on 18 January 2015.

Publication at least once per year has been mandatory since 1 January 2015; institutions may choose to publish a fully loaded ratio, a phased-in ratio or both.

A leverage ratio observation period, between 1 January 2014 and 1 January 2017, was intended to allow for the monitoring of the components as well as the behaviour of this ratio against the requirements based on these risks.

The implementation of Pillar 1 is staggered and may take place as part of its transposition in CRR2.

A two-tier leverage ratio requirement is recommended by the Basel Committee: this could be 3% for non G-SIBs, and 3% plus half of the entity's systemic buffer for G-SIBs.

The leverage ratio is the ratio of a bank's CET1 to its total exposures, *i.e.* total assets plus off-balance sheet items after certain restatements for derivatives, intra-group transactions, financial securities transactions, items deducted from the numerator and off-balance sheet items.

Amundi's leverage ratio at 31 December 2017 was 7.5%, based on a phased-in Tier 1 (23.3% at end-2016), the fall in this ratio being due to the effects of the Pioneer acquisition.

In € millions	31/12/2017	31/12/2016
Phased-in Tier 1 capital	1,182	2,790
Exposure	15,825	11,988
LEVERAGE RATIO	**7.5%**	**23.3%**

Amundi Group consolidated financial statements

for the year ended 31 December 2017

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

6.1 GENERAL FRAMEWORK

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

Amundi is the consolidating entity of the Amundi Group of companies. It is a Limited Liability Company with a Board of Directors registered under number 314 222 902 in the Trade and Companies Register of Paris, France, with share capital of €503,776,405.00 comprising 201,510,562 shares with a par value of €2.50 each. The Company's registered office is located at 91 boulevard Pasteur, 75015 Paris.

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

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

At 31 December 2017 Amundi was owned 68.29% by Crédit Agricole S.A. And 1.71% by other Crédit Agricole Group companies.

Amundi is fully consolidated in the financial statements of Crédit Agricole S.A. and the Crédit Agricole Group.

6.2 CONSOLIDATED FINANCIAL STATEMENTS

6.2.1 Income statement

In € thousands	Notes	2017	2016
Revenue from commissions and other income from customer activities (a)		3,947,251	2,618,094
Commission and other customer activity expenses (b)		(1,778,807)	(1,021,235)
Net gains or losses on financial instruments at fair value through profit and loss on customer activities (c)		35,573	28,276
Interest and similar income (d)		11,990	7,097
Interest and similar expenses (e)		(19,156)	(10,742)
Net gains or losses on financial instruments at fair value through profit and loss (f)		19,098	11,996
Net gains or losses on available-for-sale financial assets (g)		84,677	63,479
Income from other activities (h)		13,424	8,266
Expenses from other activities (i)		(56,921)	(27,865)
Net revenue from commissions and other customer activities (a)+(b)+(c)	4.1	**2,204,017**	**1,625,134**
Net financial income (d)+(e)+(f)+(g)	4.2	**96,610**	**71,829**
Other net income (h)+(i)	4.3	**(43,497)**	**(19,599)**
Net revenues		**2,257,130**	**1,677,364**
Operating expenses	4.4	(1,308,562)	(877,816)
Gross operating income		**948,568**	**799,549**
Cost of risk	4.5	(13,278)	(557)
Share of net income of equity-accounted entities		33,128	28,490
Net gains (losses) on other assets	4.6	(1,317)	22
Change in value of goodwill		-	-
Pre-tax income		**967,101**	**827,503**
Income tax charge	4.7	(285,910)	(258,356)
Net income for the period		**681,192**	**569,148**
Non-controlling interests		102	(883)
NET INCOME – GROUP SHARE		**681,294**	**568,265**

NB: Basic earnings per share is identical to diluted earnings per share given the absence of any dilutive instruments. Details on the earnings per share computation are disclosed in note 5.15.3.

6.2.2 Net income and gains and losses recognised directly in equity

In € thousands	Notes	2017	2016
Net income		**681,192**	**569,148**
Actuarial gains and losses on post-employment benefits		*(773)*	*(3,258)*
Gains and losses on non-current assets held for sale		-	-
Pre-tax gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities		(773)	(3,258)
Pre-tax gains and losses recognised directly in equity of equity-accounted entities that will not be reclassified to profit and loss		-	-
Taxes on gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities		(1,057)	1,066
Taxes on gains and losses recognised directly in non-recyclable equity of equity-accounted entities		-	-
Net gains and losses recognised directly in equity and not recyclable at a later date		**(1,830)**	**(2,193)**
To profit and loss Translation gains and losses (a)		*(46,782)*	*6,426*
Gains and losses on available-for-sale assets (b)	*5.5.2*	*(53,289)*	*24,696*
Gains and losses on hedging derivative instruments (c)		-	-
Gains and losses on non-current assets held for sale (d)		-	-
Pre-tax gains and losses recognised directly in recyclable equity, excluding equity-accounted entities (a)+(b)+(c)+(d)		(100,070)	31,122
Taxes on gains and losses recognised directly in recyclable equity, excluding equity-accounted entities		(6,257)	4,097
Pre-tax gains and losses recognised directly in equity-accounted entities that may be reclassified to profit and loss		13,658	(122)
Taxes on gains and losses recognised directly in recyclable equity of equity-accounted entities		-	-
Net gains and losses recognised directly in equity and recyclable at a later date		**(92,669)**	**35,097**
Net gains and losses recognised directly in equity		**(94,499)**	**32,904**
TOTAL NET INCOME INCLUDING NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**586,693**	**602,052**
of which Group share		586,801	601,110
of which non-controlling interests		(107)	942

6.2.3 Balance sheet assets

In € thousands	Notes	31/12/2017	31/12/2016
Cash and central banks	5.1	43	24
Financial assets at fair value through profit and loss	5.2	7,662,260	6,246,976
Available-for-sale financial assets	5.5	1,179,241	1,922,746
Loans and receivables due from credit institutions	5.6	1,120,188	513,016
Current and deferred tax assets	5.9	201,155	110,540
Accruals, prepayments and sundry assets	5.10	2,133,759	1,644,866
Investments in equity-accounted entities	5.11	180,802	169,215
Property, plant and equipment	5.12	44,630	41,164
Intangible assets	5.12	623,162	107,888
Goodwill	5.13	5,674,053	3,161,540
TOTAL ASSETS		**18,819,292**	**13,917,975**

6.2.4 Balance sheet liabilities & equity

In € thousands	Notes	31/12/2017	31/12/2016
Financial liabilities designated at fair value through profit and loss	5.3	6,420,082	5,226,262
Due to credit institutions	5.7	603,031	94,982
Current and deferred tax liabilities	5.9	288,447	87,096
Accruals, deferred income and sundry liabilities	5.10	2,774,328	1,792,198
Provisions	5.14	226,272	72,754
Subordinated debt	5.8	303,859	-
Total debt		**10,616,019**	**7,273,292**
Equity, Group share		**8,203,116**	**6,644,355**
Share capital and reserves	5.15.1	2,976,782	1,569,838
Consolidated reserves		4,561,994	4,431,743
Share capital and reserves recognised directly		(16,954)	74,510
Net income/(loss) for period		681,294	568,265
Non-controlling interests		**156**	**328**
Total equity		**8,203,273**	**6,644,683**
TOTAL LIABILITIES		**18,819,292**	**13,917,975**

6.2.5 Statement of changes in equity

	Consolidated capital					
	Share capital and reserves				Gains and losses recognised directly in equity	
In € thousands	Share capital	Share premiums and consolidated reserves related to capital	Elimination of treasury shares	Total capital and consolidated reserves	Will not be reclassified to profit and loss	May be reclassified to profit and loss
Equity as of 1 January 2016	**418,114**	**5,946,988**	**-**	**6,365,101**	**(9,498)**	**51,158**
Capital increase	1,700	27,550		29,250		
Changes in treasury shares			(2,201)	(2,201)		
Dividends paid in 2016		(342,754)		(342,754)		
Impact of acquisitions and disposals on non-controlling interests		(51,714)		(51,714)		
Changes related to share-based payments		3,446		3,446		
Changes related to transactions with shareholders	**1,700**	**(363,472)**	**(2,201)**	**(363,973)**	**-**	**-**
Changes in gains and losses recognised directly in equity				-	(2,252)	35,219
Share of changes in equity of equity-accounted entities				-		(122)
Net income as of 31 December 2016				-		
Comprehensive income as of 31 December 2016	**-**	**-**	**-**	**-**	**(2,252)**	**35,097**
Other changes		453		453	2	3
EQUITY AS OF 31 DECEMBER 2016	**419,814**	**5,583,969**	**(2,201)**	**6,001,581**	**(11,748)**	**86,258**
Appropriation of 2016 net income		568,265		568,265		
EQUITY AS OF 1 JANUARY 2017	**419,814**	**6,152,234**	**(2,201)**	**6,569,846**	**(11,748)**	**86,258**
Capital increase	83,962	1,330,583		1,414,545		
Changes in treasury shares			796	796		
Dividends paid in 2017		(443,305)		(443,305)		
Impact of acquisitions and disposals on non-controlling interests				-		
Changes related to share-based payments		18,963		18,963		
Changes related to transactions with shareholders	**83,962**	**906,241**	**796**	**990,999**	**-**	**-**
Changes in gains and losses recognised directly in equity				-	(1,826)	(85,785)
Share of changes in equity of equity-accounted entities;				-		(6,883)
Net income as of 31 December 2017				-		
Comprehensive income as of 31 December 2017				**-**	**(1,826)**	**(92,668)**
Other changes		(22,069)		(22,069)		3,030
EQUITY AS OF 31 DECEMBER 2017	**503,777**	**7,036,405**	**(1,405)**	**7,538,776**	**(13,574)**	**(3,381)**

			Non-controlling interests				
				Share capital and reserves recognised directly			
	Net income	Equity Consolidated capital	Capital, consolidated reserves and net income	Will not be reclassified to profit and loss	May be reclassified to profit and loss	Non-controlling interests	Total equity
	-	6,406,761	6,667	(86)	-	6,582	6,413,344
		29,250				-	29,250
		(2,201)				-	(2,201)
		(342,754)	(1,289)			(1,289)	(344,043)
		(51,714)	(5,907)			(5,907)	(57,621)
		3,446				-	3,446
	-	**(363,973)**	**(7,196)**	-	-	**(7,196)**	**(371,169)**
		32,967		59		59	33,026
		(122)				-	(122)
	568,265	568,265	883			883	569,148
	568,265	**601,110**	**883**	**59**	-	**942**	**602,052**
		458				-	458
	568,265	6,644,355	354	(27)	-	328	6,644,683
	(568,265)	-				-	-
	-	6,644,355	354	(27)	-	328	6,644,683
		1,414,545					1,414,545
		796				-	796
		(443,305)	(66)			(66)	(443,371)
		-				-	-
		18,963					18,963
	-	**990,999**	**(66)**	-	-	**(66)**	**990,933**
		(87,611)		(5)		(5)	(87,616)
		(6,883)				-	(6,883)
	681,294	681,294	(102)			(102)	681,192
	681,294	**586,801**	**(102)**	**(5)**		**(107)**	**586,693**
		(19,039)				-	(19,039)
	681,294	8,203,116	187	(32)	-	156	8,203,273

6.2.6 Cash flow statement

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

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

Investing activities include acquisitions and disposals of investments in consolidated and non-consolidated companies, along with purchases of tangible and intangible assets. Non-consolidated equity investments included in this item are accounted for as "Available-for-sale assets".

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

Net cash includes cash, debit and credit balances with central banks, debit and credit demand balances in ordinary bank accounts, and overnight accounts and loans.

In € thousands	Notes	2017	2016
Pre-tax income		**967,101**	**827,503**
Net depreciation and amortisation and provisions in relation to tangible and intangible assets	4.4	22,548	14,705
Goodwill impairment			-
Net write-downs and provisions		77,434	(11,424)
Share of income of equity-accounted entities		(33,128)	(28,490)
Net income from investment activities		(19,674)	(27,370)
Net income from financing activities		3,859	-
Other movements		10,614	502
Total non-monetary items included in net income before taxes and other adjustments		**61,652**	**(52,077)**
Changes in interbank items		254,224	(287,602)
Changes in financial assets and liabilities[(1)]		615,412	379,412
Changes in non-financial assets and liabilities[(2)]		375,138	(199,372)
Dividends from equity-accounted affiliates	5.11	15,084	15,554
Tax paid	4.7	(268,898)	(248,036)
Net decrease (increase) in assets and liabilities from operating activities		**990,961**	**(340,043)**
Net cash flows from operating activities (a)		**2,019,715**	**435,383**
Change in equity investments[(3)]		(3,009,852)	(213,889)
Change in property, plant and equipment and intangible assets		(20,273)	(23,668)
Net cash flows from investing activities (b)		**(3,030,124)**	**(237,557)**
Cash flow from or intended for shareholders		972,032	(346,248)
Other net cash flows from financing activities		645,000	-
Net cash flow from financing operations[(4)] (c)		**1,617,032**	**(346,248)**
Impact of exchange rate changes and other changes on cash (d)		(21,363)	2,161
CHANGES IN NET CASH (a + b + c + d)		**585,260**	**(146,261)**

Cash at beginning of the period	**424,350**	**570,610**
Net cash balance and central banks	24	25
Net balance of accounts, demand loans and borrowings with credit institutions	424,326	570,585
Cash at end of the period	**1,009,610**	**424,350**
Net cash balance and central banks	43	24
Net balance of accounts, demand loans and borrowings with credit institutions	1,009,567	424,326
CHANGE IN NET CASH	**585,260**	**(146,261)**

(1) Operating flows impacting financial assets and liabilities include investments and disinvestments in the investment portfolio net of transfers. At 31 December 2017, flows are mainly related to disinvestments (to fund the acquisition of Pioneer Investments).

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

(3) The changes related to investments for the period ended 31 December 2017 mainly include the net impact of cash disbursed to acquire the Pioneer Investments entities and the entry of the cash balances in those acquired entities.

(4) Financing operation flows include the impact of the capital increase, the subordinated and senior loans taken out in order to acquire Pioneer Investments and the flow of the dividend payment to Amundi Group shareholders.

6.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PERIOD HIGHLIGHTS

The scope of consolidation and changes in the scope as of 31 December 2017 are presented in detail in note 9.3.

Here we highlight the main transactions carried out in 2017.

Capital increase

In the first half of 2017, the capital increase (with preferential subscription rights) launched by Amundi on 14 March 2017 by means of a press release, was finalised.

At the end of the subscription period (from 17 March 2017 to 31 March 2017), this capital increase led to the issue of 33,585,093 shares at a price of €42.50 per share (par value of €2.50 and share premium of €40.00).

This capital increase had been presented, in principle, on 12 December 2016, when Amundi announced its plans to acquire Pioneer Investments.

Acquisition of Pioneer Investments

On 3 July 2017, Amundi acquired companies belonging to the Pioneer Investments Group from UniCredit.

The detailed impacts of this transaction, for which a final agreement was signed in December 2016, are described in note 9 (changes in scope of consolidation).

Note 1 Principles and methods

1.1 APPLICABLE STANDARDS AND COMPARABILITY

These consolidated financial statements were prepared in accordance with IAS/IFRS standards and the IFRIC interpretations applicable as of 31 December 2017, as adopted by the European Union. The standards are available from the European Commission website at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

1.1.1 Standards applied at 31/12/2017

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements as of 31 December 2017 are identical to those used for the preparation of the consolidated statements for the period closed on 31 December 2016, with the exception of the following standards, amendments and interpretations applicable to the 2017 fiscal period:

Standards, amendments and interpretations	Date of publication by the European Union	Application dates for fiscal periods starting from
Amendment to IAS 12 "Income tax, Recognition of Deferred Tax Assets for Unrealised Losses"	6 November 2017 (EU 2017/1989)	1 January 2017
Amendment to IAS 7 "Statement of Cash Flows, Disclosure Initiative, Information on liabilities arising from financing activities"	6 November 2017 (EU 2017/1990)	1 January 2017

1.1.2 Standards adopted by the EU and applicable in advance

In addition, Amundi did not choose to apply the standards and interpretations adopted by the European Union early. The first mandatory application is for fiscal periods opening after 31 December 2017.

Standards, amendments and interpretations	Date of publication by the European Union	Application dates for fiscal periods starting from
IFRS 15 "Revenue from Contracts with Customers" Replacement of IAS 11 on the recognition of construction contracts and IAS 18 on the recognition of ordinary income	22 September 2016 (EU 2016/1905)	1 January 2018
IFRS 9 "Financial instruments" Replacement of IAS 39 "Financial Instruments: recognition and measurement, impairment, hedging"	22 November 2016 (EU 2016/2067)	1 January 2018
IFRS 16 "Leases" Replacement of IAS 17 on accounting for leases	31 October 2017 (EU 2017/1986)	1 January 2019
Amendment to IFRS 15 "Revenue from Contracts with Customers" Clarifications to IFRS 15	31 October 2017 (EU 2017/1987)	1 January 2018

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 "Revenue from contracts with customers" will apply to reporting periods beginning 1 January 2018, in accordance with EU Regulation 2016/1905.

For the first-time application of this standard, the Amundi Group has chosen the retrospective method as amended, accounting for the cumulative effect on 1 January 2018, without comparative data for 2017, and stating in the notes the implications, if any, of the standard for the various items in the financial statements.

IFRS 15 will replace IAS 11 "Construction Contracts" and IAS 18 "Revenue", as well as all related interpretations, IFRIC 13 "Customer Loyalty Programs", IFRIC 15 "Agreements For The Construction Of Real Estate", IFRIC 18 "Transfers Of Assets From Customers" and SIC 31 "Barter Transactions Involving Advertising Services".

It brings into a single norm the principles for recognising revenue for long-term sales contracts, the sale of property and services rendered that do not fall within the scope of standards concerning financial instruments (IAS 39), insurance contracts (IFRS 4) and leases (IAS 17). It introduces new concepts that could change the way certain items of net banking income are recognised.

Based on the conclusions of the impact study conducted, the Group believes that the implementation of IFRS 15 will not have a significant impact on the opening equity at 1 January 2018.

The analysis conducted by the Amundi Group on all its types of revenue (largely commissions) showed that implementing this new standard would not alter the way these revenues are currently recognised.

IFRS 9 "Financial instruments"

This standard, adopted by the European Union on 22 November 2016 and published in the Official Journal of the European Union on 29 November 2016, is intended to replace IAS 39 "Financial Instruments".

IFRS 9 will come into force on a mandatory basis for fiscal years beginning on or after 1 January 2018.

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

The main changes made by the standard

CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Under IFRS 9, classification and measurement criteria are dependent on the nature of the financial asset, whether they are classed as debt instruments (*i.e*. loans, advances, credits, bonds, fund units) or equity instruments (*i.e*. shares).

As regards debt instruments (loans and fixed or determinable-income securities), IFRS 9, on the one hand, uses a management model (pure hold to collect model, mixed model or pure hold to sell model) and, on the other, an analysis of contractual cash flow characteristics ("Solely Payments of Principal & Interests" test or "SPPI" test), to classify and measure financial assets.

As regards equity instruments (equity-type investments), these must, by default, be recognised at fair value through profit or loss, apart from an irrevocable option of classification at fair value in non-recyclable equity (provided that such instruments are not held for trading purposes).

WRITE-DOWN

IFRS 9 introduces a new impairment model which requires (Expected Credit Losses or ECL) to be recognised on debt instruments measured at amortised cost or at fair value in recyclable equity and on financial guarantee contracts which are not recognised at fair value.

This new ECL approach aims to allow expected credit losses to be recognised as early as possible, whilst in the IAS 39 impairment model, this is conditional on the establishment of an objective incurred loss event.

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

The new credit risk provisioning model distinguishes between three different stages:

- stage 1: right from the initial recognition of the instrument (loan, debt security, guarantee, etc.), the entity recognises credit losses expected over 12 months;
- stage 2: secondly, if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises the losses expected over its lifetime;
- stage 3: thirdly, from the moment that one or more default events occur in respect of the transaction or the counterparty and have a damaging effect on estimated future cash flows, the entity recognises objective evidence of impairment.

HEDGE ACCOUNTING

As regards hedge accounting (not including fair value macro-hedging), IFRS 9 makes limited changes to IAS 39. The standard's provisions apply to the following scope:

- all micro-hedges; and
- macro cash flow hedging only.

Fair value macro-hedging of interest rate risk is not included and may still be covered by IAS 39 (optional).

When IFRS 9 is first adopted, the standard offers two options:

- to apply the IFRS 9 section on "hedging"; or
- to continue to apply IAS 39 until IFRS 9 is adopted for all hedging relationships (at the latest, when the fair value macro-hedging of interest rates text is adopted by the European Union).

In accordance with the Group's decision, Amundi will not apply this section of the standard.

IMPLEMENTING THE PROJECT IN THE GROUP

The Amundi Group is an integral part of the Crédit Agricole Group project organised to implement IFRS 9 in the required time frame, and involving all of the accounting, Finance, Risks and IT Departments.

In the first half of 2015, work focused on:

- analysing the provisions of the standard, with particular attention to the changes wrought by the new criteria for classifying and measuring financial assets and by the redefinition of the credit risk impairment model from provisioning proven credit losses to provisioning expected credit losses (ECL);
- identifying the key issues and main areas of accounting interpretation from the first top-level quantification of the standard's impacts.

After this step of analysis and diagnosis, Amundi took part in the implementation phase of the project starting in September 2015.

In addition, during the 2016, Amundi was part of the major work done, relating to:

- standardisation, identifying the main impacts on the financial statements and defining the Group's target provisioning process, which resulted in the drafting of a common methodological framework;
- methodology, defining the Group's possible options for the formula to calculate provisions, significant deterioration and forward-looking information;
- provisional simulations of the impacts of the new standard on the financial statements and regulatory capital, especially in order to respond as fully as possible at the Group level to the requests of the European Banking Authority;
- IT, looking at the impacts on the information systems, entailing work on the specifications of the Risks and Finance software.

All of this implementation work was continued in 2017 and included quantifications of the impact on the financial statements as at 31 December 2016, particularly to meet the request of the European Banking Authority (EBA) at the Crédit Agricole Group level.

APPLICATION OF THE STANDARD & IMPACTS

After the impact analysis was performed, it was found that IFRS 9 will not have a significant impact on the Amundi Group's financial statements.

Limited to the Amundi Group, the impacts of applying this new standard affect:

- "classification and measurement", which is expected to result in:
  - an increase in assets at fair value through profit and loss, due to the reclassification of the UCITS and the majority of equity Instruments in that category,
  - the classification at amortised cost of loans and receivables whenever these meet the SPPI test,
  - the classification at fair value in recyclable equity of liability instruments depending on the management model recorded at the first-time application and whenever these meet the SPPI test;
- "impairment", which includes the line items of liability instruments measured at fair value in recyclable equity and financial guarantee contracts that are not recognised at fair value. Application of this element will not have a significant impact on the Group's statements.

TRANSITION

IFRS 9 is mandatory and to be applied retrospectively beginning 1 January 2018 by adjusting the opening balance sheet as of the initial application, with, however, no obligation to restate the financial statements of the comparative 2017 period. Accordingly, Amundi does not plan to restate the financial statements presented in comparison with those of the year 2018.

IFRS 16 "Leases"

IFRS 16 "Leases" will replace IAS 17 and related interpretations (IFRIC 4 "Determining Whether an Arrangement Contains a Lease", SIC 15 "Operating Leases – Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease"). It will apply to reporting periods beginning 1 January 2019.

The main change made by IFRS 16 has to do with accounting for lessees. IFRS 16 will call for a model in respect of lessees that recognises all leases on the balance sheet, with a lease liability on the liability side representing commitments over the life of the lease, and on the asset side, an amortisable right-to-use.

1.1.3 IFRS not yet adopted by the European Union

In addition, several amendments and two interpretations to existing standards have been published by the IASB, without major impact for the Group, and whose application is subject to their adoption by the European Union. The amendments are to IFRS 12 "Disclosure of Interests in Other Entities", applicable at 1 January 2017, and to IFRS 2 "Classification and Measurement of Share-Based Payment Transactions," IAS 40 "Investment Property", IAS 1 "Presentation of Financial Statements" and IAS 28 "Investments in Associates", all applicable at 1 January 2018. The interpretations are IFRIC 22 "Foreign Currency Transactions and Advance Consideration" at 1 January 2018 and IFRIC 23 "Uncertainty Over Income Tax Treatments", applicable at 1 January 2019.

1.2 PRESENTATION FORMAT OF THE FINANCIAL STATEMENTS

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

The income statement is presented by nature in note 6.2.1.

The main income statement aggregates are:

- net income, including net revenues from commissions and other customer activities (note 1.3.9) and net financial income;
- operating expenses;
- cost of risk (note 1.3.10);
- the share of net income from equity-accounted entities;
- net gains (losses) on other assets.

1.3 ACCOUNTING PRINCIPLES AND METHODS

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

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

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

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

- national and international market activity;
- interest rate, currency, stock and credit spread fluctuations;
- the economic and political environment in certain business sectors and countries;
- changes in regulations and legislation.

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

- assessment of the recoverable amount of goodwill (see notes 1.4.5 and 5.12);
- appreciation of the concept of control (see note 1.4.1.1);
- the fair value valuation of financial instruments (see notes 1.3.2 and 7);
- the valuation of provisions for guarantees granted to structured funds, retirement commitments and legal and regulatory risks (see notes 1.3.2.10 and 5.13);
- write-downs of available-for-sale securities (see notes 1.3.2.1 and 5.5).

1.3.2 Financial instruments

Financial assets and liabilities are recognised in the financial statements in accordance with the provisions of IAS 39 as adopted by the European Union.

When initially recognised, financial assets and liabilities are valued at their fair value including trading costs (with the exception of financial instruments recognised at fair value through the income statement). After initial recognition, financial assets and liabilities are valued based on their classification, either at their fair value or at amortised cost using the effective interest rate method.

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

The effective interest rate is the rate that accurately discounts future cash payments and receipts over the expected life of the financial instrument or, where appropriate, over a shorter period, in order to obtain the net carrying value of the financial asset or liability.

1.3.2.1 Securities on the asset side

CLASSIFICATION OF FINANCIAL ASSETS

Securities are divided into the four securities asset categories defined in IAS 39:

- financial assets at fair value through profit and loss, either by nature or designated;
- available-for-sale financial assets;
- loans and receivables;
- financial assets held to maturity.

The last category is not used by the Amundi Group.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS, EITHER BY NATURE OR DESIGNATED

According to IAS 39, this portfolio comprises securities that are classified under financial assets at fair value through profit or loss either as a result of a genuine intention to trade them (classification by nature) or as a result of being designated at fair value by Amundi.

Financial assets at fair value through profit or loss by nature are assets acquired or generated by the Company primarily with the aim of disposal in the short term or which are included in a portfolio of financial instruments managed as a unit and with the purpose of making a profit from short-term price fluctuations or an arbitrage margin.

The optional recognition of financial assets at fair value through profit and loss can be retained provided one of the following situations is met: hybrid instruments including one or more embedded derivatives, in order to lessen the distortion of the accounting treatment or in the case of groups of managed financial assets whose performance is measured at fair value.

Under this heading Amundi recognises seed money, short-term cash investments and hedging assets for EMTN issues.

Securities classified under financial assets at fair value through profit and loss are initially recognised at fair value, excluding transaction costs directly attributable to their acquisition (which are taken directly to profit or loss) and including accrued interest. They are subsequently carried at fair value and changes in fair value are taken to profit and loss.

No write-downs are booked for this category of securities.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

IAS 39 defines the “Available-for-sale financial assets” category as the category by default or by designation.

Available-for-sale financial assets are initially recognised at fair value, including transaction costs that are directly attributable to the acquisition and including accrued interest.

In this category, Amundi recognises holdings in which the Group does not have a controlling interest or notable influence, as well as cash investments other than short-term cash investments.

Available-for-sale financial assets are later measured at fair value and subsequent changes in fair value are recorded in gains and losses recognised directly in equity. In the event of sale or write-down, these changes are transferred to profit and loss.

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

This category of securities is subject to write-downs under the conditions described in the chapter entitled “Write-downs on available-for-sale financial assets”.

LOANS AND RECEIVABLES

“Loans and receivables” comprises unlisted financial assets that generate fixed or determinable revenues.

“Loans and receivables” portfolio securities are initially recognised at their acquisition price, including transaction costs that are directly attributable to the acquisition and including accrued interest.

They are subsequently valued at amortised cost with amortisation of any premium/discount and transaction costs using the effective interest rate method.

Amundi recognises loans granted to credit institutions under this item.

This category of financial assets is amortised under the conditions described in the dedicated “Write-downs of loans and receivables” chapter.

FINANCIAL ASSETS HELD TO MATURITY

Amundi does not hold any securities classified as “held-to-maturity financial assets”.

WRITE-DOWNS OF AVAILABLE-FOR-SALE FINANCIAL ASSETS

Write-downs are recognised when there is objective evidence of impairment as a result of one or more events occurring after acquisition of securities other than securities classified as at fair value through profit or loss.

Objective evidence of loss corresponds to a prolonged or significant decline in the value of the security for equity securities, or the appearance of significant deterioration in credit risk evidenced by a risk of non-recovery for debt securities.

For equity securities, Amundi uses quantitative criteria such as potential write-down indicators. These quantitative criteria are based on a loss of value of over 30% over a period of six consecutive months. Amundi also takes into consideration factors such as financial difficulties experienced by the issuer and the short-term outlook.

In addition to these criteria, Amundi systematically recognises an impairment loss when there is a decline in price of more than 50% for more than three years. These rules apply to fund units held by Amundi.

For debt securities, the write-down criteria are those applicable to loans and receivables (see below).

Such write-down is recognised for available-for-sale securities through a transfer to profit and loss of the amount of the aggregate loss in equity with the possibility that, for debt instruments, in the event of subsequent recovery in the price of the securities, the loss previously transferred to profit and loss may be reversed when justified by circumstances.

WRITE-DOWNS OF LOANS AND RECEIVABLES

These write-downs are created for loans and receivables when there is an objective indication of a loss of value tied to an event which occurred after the loan was granted.

The following are examples of write-down indicators:

- the existence of unpaid receivables for three months or more;
- significant known or observed financial difficulties;
- concessions granted on credit terms, which would not have been granted in the absence of financial difficulties.

A write-down is measured as the difference between the carrying value before depreciation and the value, discounted at the effective original interest rate of the asset, of the components deemed to be recoverable (principal, interest and guarantees). The amount of the loss is recognised in the income statement with a potential reversal in the event of a subsequent improvement.

1.3.2.2 Reclassification of financial assets

Amundi does not use the provisions of IAS 39 on the reclassification of financial assets.

1.3.2.3 Temporary acquisition and disposal of securities

Within the meaning of IAS 39, temporary sales of securities (securities lending/borrowing, repurchase agreements) do not fulfil the derecognition conditions of IAS 39 and are regarded as collateralised financing.

Securities lent or sold under repurchase agreements remain on the balance sheet. In the case of repurchases, the amounts received, representing the liability to the transferee, are recognised on the liabilities side of the balance sheet by the transferor.

Items borrowed or bought under repurchase agreements are not recognised on the transferee's balance sheet. A receivable is recognised for the amount paid. However, if the security is subsequently resold, the transferee must record a liability which represents the obligation to return the securities received under a repurchase agreement.

Income and expenses related to these transactions are posted to the income statement prorata temporis, except in the case of assets and liabilities recognised at fair value through profit or loss.

1.3.2.4 Financial liabilities

CLASSIFICATION OF FINANCIAL LIABILITIES

IAS 39 adopted by the European Union recognises three categories of financial liabilities:

- financial liabilities at fair value through profit and loss. Fair value changes in this portfolio are recognised in profit and loss at accounting end-periods;
- financial liabilities designated at fair value through profit or loss. The recognition of financial liabilities designated at fair value through profit and loss may be retained, provided one of the following situations is met: hybrid instruments including one or more embedded derivatives, lessening of the distortion of the accounting treatment or in the case of groups of managed financial liabilities whose performance is measured at fair value;
- other financial liabilities this category includes all other financial liabilities. This portfolio is initially measured at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

DISTINCTION BETWEEN LIABILITIES AND EQUITY

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

A debt instrument is a contractual obligation to:

- deliver cash or another financial asset; or
- exchange instruments under potentially unfavourable conditions.

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

1.3.2.5 Derivative instruments

Derivative instruments are financial assets or liabilities and are recognised on the balance sheet at fair value at inception of the transaction. At the end of each reporting period, these derivatives are measured at fair value, regardless of whether they are held for trading or used for hedging.

Any change in the value of derivatives on the balance sheet is recorded in profit and loss (except in the special case of a cash flow hedging relationship).

HEDGE ACCOUNTING

Fair value hedging is intended to provide protection from exposure to changes in the fair value of a financial instrument.

Cash flow hedging is intended to provide protection from a change in future cash flows from financial instruments associated with a recognised asset or liability (for example, with all or part of future interest payments on a floating-rate debt) or a projected transaction that is considered to be highly probable.

Hedging of net investments in a foreign operation is intended to provide protection from the risk of an adverse movement in fair value arising from the foreign exchange risks associated with a foreign investment in a currency other than the euro.

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

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

Hedges are recognised as follows:

- ***fair value hedge:*** the change in value of the derivative is recognised in profit and loss symmetrically with the change in value of the hedged item in the amount of the hedged risk. Only the net amount of any ineffective portion of the hedge is recognised in profit and loss;
- ***cash flow hedge:*** the change in value of the derivative is recognised in the balance sheet as a counterparty to a specific account in gains and losses recognised directly in equity for the effective portion, and any ineffective portion of the hedge is recognised in profit and loss. Any profits or losses on the derivative accrued through equity are then reclassified in profit and loss when the hedged cash flows occur;

- **hedges of a net investment in a foreign operation:** the change in value of the derivative is recognised in the balance sheet as a counterparty to the translation adjustment in equity and any ineffective portion of the hedge is recognised in profit and loss.

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

- **fair value hedge:** only the hedging instrument continues to be revalued as a counterparty to profit or loss. The hedged item is wholly accounted for according to its classification. For available-for-sale securities, changes in fair value subsequent to the end of the hedging relationship are recorded in equity. For hedged items valued at amortised cost, which were interest rate hedged, the revaluation adjustment is amortised over the remaining life of those hedged items;
- **cash flow hedge:** the hedging instrument is valued at fair value through profit or loss. The amounts accumulated in equity under the effective portion of the hedge remain in equity until the hedged element affects profit or loss. For interest rate hedged items, net income is allocated according to the payment of interest. The revaluation adjustment is therefore amortised over the remaining life of those hedged items;
- **hedging of a net investment in a foreign operation:** he amounts accumulated in equity in respect of the effective portion of the hedging remain in equity while the net investment is held. The income is recorded once the net investment in the foreign operation exits the scope of consolidation.

1.3.2.6 Measurement of the fair value of financial instruments

The fair value of financial instruments is identified and presented using the hierarchy defined in IFRS 13. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, on the primary market or on the most advantageous market.

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

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

When such quoted prices are not available, fair value is established by using valuation techniques based on observable and unobservable data.

FAIR VALUE OF STRUCTURED ISSUES

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

COUNTERPARTY RISK ON DERIVATIVE INSTRUMENTS

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

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

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

For derivatives contracted by Amundi and the funds, no CVA/DVA is calculated, given that there is no historical default data and the guarantee provided by Amundi to the funds.

FAIR VALUE HIERARCHY

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

- **Level 1:** Fair value corresponding to quoted prices (unadjusted) in active markets.

Level 1 is composed of financial instruments that are directly quoted in active markets for identical assets and liabilities that the entity can access at the measurement date. These are stocks and bonds quoted in active markets (such as the Paris Stock Exchange, the London Stock Exchange, the New York Stock Exchange, etc.) and investment fund securities listed on an active market and derivatives traded on an organised market, in particular futures.

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

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

Financial instruments valued at Level 1 fair value are presented in note 7.

- **Level 2:** Fair value measured using directly or indirectly observable inputs other than those in Level 1.

These data are directly observable (*i.e.* prices) or indirectly observable (data derived from prices) and generally meet the following criteria: they are data not specific to the entity, which are publicly available/accessible and based on a market consensus.

Level 2 consists of:

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

When the models used are consistent with standard models and on observable market data, the day one gain or loss on the instruments valued in this way is recognised in profit or loss from inception.

Financial instruments valued at Level 2 fair value are presented in note 7.

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

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

This is the case for private equity fund units, whose valuation requires parameters which cannot be directly compared to market data.

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

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

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

Financial instruments valued at Level 3 fair value are presented in note 7.

In accordance with the principles of IAS 39, if there is no satisfactory method or if the techniques used yield excessively divergent results, the security will continue to be valued at cost and recorded in "Available-for-sale financial assets" because its fair value cannot be reliably measured. In this case, Amundi will not report a fair value, in accordance with the recommendations of IFRS 7 in effect.

1.3.2.7 Net gains or losses on financial instruments

NET GAINS OR LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

This heading includes the following income statement items for financial instruments designated at fair value through profit or loss and held-for-trading financial assets and liabilities:

- dividends and other revenue from equities and other variable-income securities classified under financial assets at fair value through profit or loss;
- changes in fair value of financial assets or liabilities at fair value through profit or loss;
- gains and losses on disposal of financial assets at fair value through profit or loss;
- changes in fair value and gains and losses on disposal or termination of derivative instruments not included in a fair value hedging relationship or cash flow hedge;
- the ineffective portion of fair value hedges, cash flow hedges and net currency investments.

This heading also includes the revenue from structured EMTN issues (Euro Medium-Term Notes) for customers given that the issue vehicles are consolidated.

NET GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS

For available-for-sale financial assets, this heading includes the following income statement items:

- dividends and other revenue from equities and other variable-income securities classified as available-for-sale financial assets;
- gains and losses on disposals of fixed-income and variable-income securities classified as available-for-sale financial assets;
- losses on variable-income securities;
- net income on disposals or termination of fair value hedging instruments of available-for-sale financial assets when the hedged item is sold;
- gains and losses on disposal or termination of loans and receivables.

1.3.2.8 Offsetting of financial assets and financial liabilities

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

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

1.3.2.9 Derecognition of financial instruments

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

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

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

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

A financial liability is derecognised in full or in part:

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

1.3.2.10 Provisions

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

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

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

The Group creates provisions for these obligations which cover:

- operational risks;
- financing commitment execution risks;
- disputes and liabilities collateral;
- employee benefits;
- tax risks.

1.3.2.11 Employee benefits

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

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

1.3.2.12 Retirement plan – defined-contribution plans

There are several compulsory plans to which "employer" companies contribute. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years. Consequently, Amundi Group entities have no liabilities in this respect other than their contributions for the year ended.

1.3.2.13 Defined-benefits plans

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

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

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

The rate of return forecast for the assets in the plans is also estimated by Management. The estimated returns are based on the projected returns for fixed-income securities including, notably, the yield on bonds.

In accordance with IAS 19 R, the rate of return is equal to the discount rate.

The provision amount is equal to:

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

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

With respect to commitments which are not covered, a provision to cover the retirement benefits is included in balance sheet liabilities in the "Provisions" item.

1.3.2.14 Long-term benefits

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

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

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

1.3.3 Share-based payments (IFRS 2)

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

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

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

- share-based payment plans initiated by the Amundi Group of the type where settlement is made by awarding equity instruments (performance share grants).

  Share awards are measured at fair value at the time of the award. They are recognised in expenses under "Employee expenses", offsetting an equity account over the acquisition period of the rights;
- Crédit Agricole S.A. share subscriptions are made available to employees as part of the Employee Savings Plan. They are also covered by the provisions of IFRS 2. The shares are offered with a maximum discount of 20%. The plans have no vesting period, but include a five-year lock-up period. The benefit granted to employees is the difference between the fair value of the vested shares taking into account the lock-up condition and the acquisition price paid by the employee on the subscription date multiplied by the number of shares subscribed. The expense for the stock allocation plans settled by Crédit Agricole S.A. equity instruments is recognised in the financial statements of the entities employing the plan beneficiaries, including Amundi. The impact is recorded in personnel expenses offsetting an increase in "Consolidated reserves – Group share".

1.3.4 Current and deferred taxes

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

Tax liability

The standard defines current tax liability as "the amount of income tax payable (recoverable) with respect to the taxable profit (tax loss) for a reporting period". The taxable income is the profit or loss for a given fiscal period measured according to the rules set by the taxation authorities. The applicable rates and rules used to determine the current tax liability are those in effect in each country in which the Group's companies are established.

As of 1 January 2010, a tax consolidation group was set up for the French entities with Amundi Group as the head company.

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

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

Deferred taxes

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

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

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

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

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

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

Deferred taxes are not discounted in accordance with IAS 12.

Taxable unrealised gains on securities (FCP – mutual funds in France) do not generate any taxable temporary differences between the carrying amount of the asset and the tax basis. As a result, deferred tax is not recognised on these gains. When the securities in question are classified as available-for-sale securities, unrealised gains and losses are recognised as an offset to equity. The tax expense or savings effectively borne by the entity arising from these unrealised gains or losses is reclassified as a deduction from them.

In France, long-term capital gains on the sale of equity investments, as defined by the General Tax Code, are exempt from tax as from the tax year commencing on 1 January 2007 (the 12% of long-term capital gains are taxed at the normally applicable rate). Accordingly, unrealised gains recognised at the end of the year generate a temporary difference requiring the recognition of deferred tax on this share.

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

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

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

- the entity has a legally enforceable right to offset current tax assets against current tax assets and liabilities; and
- the deferred tax assets and liabilities concern income taxes assessed by the same tax authority:

i) either for the same taxable entity, or

ii) for different taxable entities that intend either to settle current tax assets and liabilities on a net basis, or to settle their tax assets and liabilities at the same time during each future fiscal year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

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

However, given that the legislative intent when introducing the tax credit for competitiveness and employment (*Crédit d'Impôts pour la Compétitivité et l'Emploi* – CICE) in France was to reduce employee expenses, Amundi chose to recognise the CICE (Article 244 quater C of the French General Tax Code, (CGI)) as a reduction in employee expenses.

1.3.5 Property, plant and equipment

Amundi applies component accounting for all of its property, plant and equipment. In accordance with the provisions of IAS 16, the depreciable base takes into account the potential residual value of property, plant and equipment.

Operating and investment buildings, as well as equipment, are stated at acquisition price less accumulated depreciation, amortisation and write-downs since the time they were placed into service.

Depreciation

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

- fixtures and fittings 5 to 10 years straight-line;
- computer hardware 3 years accelerated;
- office equipment 5 years straight-line;
- office furniture 10 years straight-line;
- technical plant 10 years straight-line;
- buildings 20 years straight-line.

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

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

1.3.6 Intangible assets

Intangible assets include software, sales commissions paid in advance (up front) to mutual fund distributors, as well as the intangible assets resulting from the identification of contractual rights at the time of allocation of the acquisition price of a business combination.

Purchased software is recorded on the balance sheet at acquisition price less accumulated depreciation and write-downs since acquisition.

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

Sales commissions paid in advance to mutual fund distributors are recognised at cost.

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

Amortisation

Intangible assets are amortised as follows:

- software: based on its estimated useful life;
- sales commissions: over the duration of the contract used as the calculation basis;
- for assets acquired in business combinations resulting from contractual rights: the contract period.

1.3.7 Foreign currency transactions

A distinction is made between monetary and non-monetary items, in application of IAS 21.

At period end, foreign-currency denominated monetary assets and liabilities are translated into the Amundi functional currency at the closing rate. The resulting translation adjustments are recognised in profit and loss. There are two exceptions to this rule:

- for available-for-sale financial assets, only the translation adjustments calculated on amortised cost is taken to profit and loss; the balance is recorded in equity;
- translation adjustments on elements designated as cash flow hedges or forming part of a net investment in a foreign entity are recognised in equity.

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

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

Translation adjustments on non-monetary items are recognised:

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

1.3.8 Earnings per share

In accordance with IAS 33, earnings per share is equal to net consolidated income divided by the weighted average number of shares in circulation during the fiscal year.

There are no dilutive instruments on Amundi's capital. The basic earnings per share is therefore identical to diluted earnings per share.

1.3.9 Fees

Most of the Group's revenue comes from managing assets for third parties in collective or individual vehicles (dedicated funds or mandates). They are primarily based on the assets of the funds managed.

Net fees and commissions include net management fees, which equal gross management fees received net of commissions paid:

- gross management fees received remunerate portfolio management services; they are recognised as the services are rendered and are primarily calculated via the application of a percentage to the assets managed; they are collected monthly, quarterly, and sometimes over a longer period;
- the commissions paid consist of:

i) rebates paid to third-party distributors as provided by contract. These generally equal a percentage of net management fees,

ii) custodian and valuation agent fees, when they are paid by the asset management company, and to a lesser extent, certain related administrative costs such as ETF listing fees.

Net fees and commissions also include:

- commissions paid to Amundi for the guarantee provided on guaranteed funds or structured EMTNs. These commissions include various costs associated with the creation and ongoing management of structured products;
- transaction fees paid by funds for the execution of purchases and sales of securities on behalf of funds by the Amundi trading desk;
- other fees for lesser amounts, including: entry fees, consulting services fees, borrowing and lending securities fees, and Employee Savings Plan account-holding fees.

Performance fees are paid to the asset management company as provided by contract. They are computed on the basis of a percentage on the positive difference between the actual performance and the reference index as provided by contract.

The fees and commissions received or paid for occasional services are recognised in full in profit and loss at inception.

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

- the amount of fees and commissions can be reliably estimated;
- it is probable that the future economic benefits resulting from the services rendered will flow to the Company;
- the stage of completion of the service can be reliably estimated; and the costs incurred for the service and the costs to complete it can be reliably estimated.

Performance fees are therefore recognised in profit and loss at the end of the calculation period, except for money-market funds, for which they are recognised on an ongoing basis.

The fees and commission remunerating ongoing services are recorded in profit and loss over the period of the service rendered.

1.3.10 Cost of risk

The cost of risk is mainly composed of provisions for litigation, provisions for guaranteed funds and other provisions related to operational risk.

1.3.11 Leases

In accordance with IAS 17 "Leases", leasing transactions are analysed based on their substance and financial reality. Depending on the case, they are recognised as operating leases or financing leases.

Financial leases in the following situations have been analysed:

- the contract provides for the compulsory transfer of ownership at the end of the lease period;
- the contract contains a purchase option and the conditions of the option are such that the transfer of the ownership is highly likely at the end of the lease;
- the contract period covers most of the estimated useful life of the property leased;
- the discounted value of the total minimal amounts due stated in the contract is close to the fair value of the property.

These situations are not significant and Amundi has not recorded any transactions in this respect.

However, Amundi has signed operating leases for its operations buildings.

In the case of operating leases, the property is not recognised in the lessee's assets. The payments made for operating leases are recorded in the income statement on a straight-line basis over the lease period.

1.3.12 Non-current assets held for sale and discontinued operations

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

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

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

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

If the fair value of a disposal group less selling costs is less than its carrying amount after write-down of non-current assets, the difference is allocated to the other assets of the disposal group, including the financial assets, and is recognised under net income from held-for-sale operations.

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

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

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

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

Amundi did not record any transactions covered by IFRS 5 during the 2016 and 2017 fiscal periods.

1.4 PRINCIPLES AND METHODS OF CONSOLIDATION

1.4.1 Consolidation scope and methods

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

1.4.1.1 Definitions of control

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

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

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

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

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

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

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

Control is primarily assessed based on the following:

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

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

FUNDS HELD BY GROUP COMPANIES

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

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

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

FUNDS GUARANTEED BY AMUNDI

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

- structured and formula-based funds;
- "portfolio insurance" funds.

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

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

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

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

1.4.2 Basis of consolidation

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

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

Full consolidation

Full consolidation consists in substituting for the value of the shares each of the assets and liabilities carried by each subsidiary.

Equity method

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

Non-controlling interests

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

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

1.4.3 Restatements and eliminations within the Amundi Group

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

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

1.4.4 Translation of the financial statements of foreign subsidiaries

Consolidated statements are prepared in euros.

The financial statements of foreign subsidiaries are converted into euros in two steps:

- if applicable, the local currency in which the financial statements are prepared is translated into the functional currency (currency of the main business environment in which the entity operates). The translation is made as if the information had been initially recognised in the functional currency (same translation principles as for foreign currency transactions);
- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities are translated at the closing rate. The income and expenses included in the income statement are translated at the average exchange rate for the period. Translation adjustments for assets, liabilities and income statement items are recorded under a specific item in equity. These translation differences are recognised as profit or loss at the time of the total or partial transfer of the entity. In the event of the sale of a subsidiary (exclusive control), the reclassification from equity to income will only take place in the event of a loss of control.

1.4.5 Business combinations and goodwill

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

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

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

- at fair value on the date of acquisition;
- at the share of the identifiable assets and liabilities of the acquired company revalued at fair value.

The option may be exercised acquisition by acquisition.

The balance of non-controlling interests (equity instruments issued by the subsidiary and not held by the Group) must be recognised at fair value on the acquisition date.

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

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

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

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

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

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

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

1.4.6 Goodwill impairment

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

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

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

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

Note 2 Financial management, risk exposure and hedging policy

A description of these processes and commentary now appear in the chapter on "Risk Analysis" in the management report, as allowed by IFRS 7. Nonetheless, the accounting breakdowns are still presented in the financial statements.

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

Regulatory capital, calculated on Amundi's scope of consolidation, breaks down into three categories: Common Equity Tier 1 capital (or CET1), Additional Tier 1 capital (or AT1) and Tier 2 capital consisting of equity and debt instruments, to which various adjustments are made. Regulatory capital is obtained from accounting shareholders' equity.

The adjustments made (prudential filters) mostly involve deducting goodwill and intangible assets (net of deferred taxes).

Amundi principally has CET1 capital, consisting of share capital and undistributed reserves. As part of the financing of the Pioneer acquisition, Amundi issued Tier 2 capital in the amount of €300 million in 2017, maturing in 2027.

Amundi met all regulatory requirements in effect as at 31 December 2017, as it did in 2016.

Note 3 Contractual maturity of Amundi financial assets and liabilities

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

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

	31/12/2017					
In € thousands	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	99,886	280,107	1,365,070	915,247	-	2,660,310
Financial assets at fair value through profit and loss	19,719	-	865,620	2,917,028	1,199,336	5,001,703
Derivative hedging instruments	-	-	143	104	-	247
Total financial assets designation at fair value through and loss	**119,605**	**280,107**	**2,230,833**	**3,832,379**	**1,199,336**	**7,662,260**
Available-for-sale financial assets	-	-	95,417	68,977	1,014,847	1,179,241
Total available-for-sale financial assets	**-**	**-**	**95,417**	**68,977**	**1,014,847**	**1,179,241**
Loans and receivables due from credit institutions	1,082,361	2,750	35,077	-	-	1,120,188
Total loans and receivables due from credit institutions	**1,082,361**	**2,750**	**35,077**	**-**	**-**	**1,120,188**
Financial liabilities held-for-trading	96,653	277,183	1,283,843	988,702	-	2,646,382
Financial liabilities designated at fair value through profit and loss	-	-	865,620	2,907,206	-	3,772,826
Derivative hedging instruments	-	-	507	367	-	874
Total financial liabilities at fair value through profit and loss	**96,653**	**277,183**	**2,149,970**	**3,896,275**	**-**	**6,420,082**
Due to credit institutions	123,458	203,573	276,000	-	-	603,031
Total due to credit institutions	**123,458**	**203,573**	**276,000**	**-**	**-**	**603,031**
Subordinated debt	-	3,859	-	300,000	-	303,859
Total subordinated debt	**-**	**3,859**	**-**	**300,000**	**-**	**303,859**

	31/12/2016					
In € thousands	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	72,146	132,716	1,453,053	533,993		2,191,908
Financial assets at fair value through profit and loss	13,629		889,178	2,154,473	997,788	4,055,068
Total financial assets designated at fair value through and loss	**85,775**	**132,716**	**2,342,231**	**2,688,466**	**997,788**	**6,246,976**
Available-for-sale financial assets					1,922,746	1,922,746
Total available-for-sale financial assets	**-**	**-**	**-**	**-**	**1,922,746**	**1,922,746**
Loans and receivables due from credit institutions	456,195	54,071	2,750			513,016
Total loans and receivables due from credit institutions	**456,195**	**54,071**	**2,750**	**-**	**-**	**513,016**
Financial liabilities held-for-trading	67,523	130,622	1,423,076	470,396		2,091,618
Financial liabilities designated at fair value through profit and loss			889,178	2,245,465		3,134,644
Total financial liabilities at fair value through profit and loss	**67,523**	**130,622**	**2,312,254**	**2,715,862**	**-**	**5,226,262**
Due to credit institutions	9,598	85,384				94,982
Total due to credit institutions	**9,598**	**85,384**	**-**	**-**	**-**	**94,982**

Note 4 Notes on net income and gains and losses recognised directly in equity

4.1 NET ASSET MANAGEMENT REVENUES

Commissions and fees break down as follows:

In € thousands	2017	2016
Net fee and commission income	2,029,096	1,510,236
Performance fees	174,921	114,898
TOTAL NET ASSET MANAGEMENT REVENUES	**2,204,017**	**1,625,134**

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

4.2 NET FINANCIAL INCOME

In € thousands	2017	2016
Interest income	11,990	7,097
Interest expense	(19,156)	(10,742)
Net interest income	**(7,166)**	**(3,645)**
Unrealised or realised gains or losses on assets/liabilities at fair value through profit and loss by nature	(1,970)	(208)
Unrealised or realised gains or losses on assets/liabilities designated at fair value through profit and loss	25,694	(3,971)
Net gains/(losses) on currency and similar financial instrument transactions	(4,625)	16,175
Net gains or losses on financial instruments at fair value through profit and loss	**19,099**	**11,996**
Dividends received	7,717	18,544
Gains or losses on sales of available-for-sale financial assets	78,397	45,995
Losses on securities durably impaired (equity securities)	(1,437)	(1,060)
Gains or losses on disposals on loans and receivables	-	-
Net gains and losses on available-for-sale financial assets	**84,677**	**63,479**
TOTAL NET FINANCIAL INCOME	**96,610**	**71,829**

Analysis of net gains (losses) from hedge accounting:

	2017		
In € thousands	Profits	Losses	Net
Fair value hedges			
Change in fair value of hedged items attributable to hedged risks	354	(247)	107
Change in fair value of hedging derivatives (including termination of hedges)	247	(354)	(107)
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**601**	**(601)**	**-**

4.3 OTHER NET INCOME

In € thousands	2017	2016
Other net income (expenses) from banking operations	(55,611)	(27,559)
Other net income (expenses) from non-banking operations	12,114	7,960
TOTAL OTHER NET INCOME (EXPENSES)	**(43,497)**	**(19,599)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily to members of the Group, along with the amortisation expense of intangible assets (distribution agreements) acquired in business combinations in the amount of €43,960 thousand at 31 December 2017 and €16,689 thousand at 31 December 2016.

4.4 OPERATING EXPENSES

In € thousands	2017	2016
Employee expenses (including seconded and temporary personnel)	(845,744)	(557,439)
Other operating expenses	(462,818)	(320,376)
Of which external services related to personnel and similar expenses	*(6,995)*	*(3,076)*
TOTAL OPERATING EXPENSES	**(1,308,562)**	**(877,816)**

Detail of employee expenses is presented in note 6.2.

Other operating expenses include allowances for depreciation and amortisation and write-downs on property, plant and equipment and intangible assets as follows:

In € thousands	2017	2016
Depreciation and amortisation	**(22,553)**	**(14,705)**
Property, plant and equipment	(13,348)	(10,188)
Intangible assets	(9,206)	(4,517)
Short-term investment securities	**-**	**-**
Property, plant and equipment	-	-
Intangible assets	-	-
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(22,553)**	**(14,705)**

4.5 COST OF RISK

In € thousands	2017	2016
Provisions and write-downs	**(12,320)**	**(2,615)**
Loans and receivables	-	-
Other assets	(1,903)	(112)
Commitments made	(526)	(1,900)
Risks and charges	(9,891)	(603)
Reversal of provisions and write-downs	**2,092**	**4,017**
Loans and receivables	-	-
Other assets	346	836
Commitments made	141	13
Risks and charges	1,605	3,168
Net changes in provisions	**(10,228)**	**1,402**
Other net gains (losses)	(3,050)	(1,959)
TOTAL COAST OF RISK	**(13,278)**	**(557)**

4.6 NET GAINS (LOSSES) ON OTHER ASSETS

In € thousands	2017	2016
Gains on disposals of tangible and intangible assets	57	48
Losses on disposals of tangible and intangible assets	(1,374)	(27)
Income from sales of securities from consolidated holdings	-	-
Net income from business combination operations	-	-
TOTAL GAINS OR LOSSES ON OTHER ASSETS	**(1,317)**	**22**

4.7 INCOME TAXES

In € thousands	2017	2016
Current tax charge	(303,171)	(257,165)
Deferred tax income (charge)	17,262	(1,191)
TOTAL TAX EXPENSE FOR THE PERIOD	**(285,910)**	**(258,356)**

Reconciliation of the theoretical tax rate with the effective tax rate:

	2017		2016	
In € thousands	Rate	Base	Rate	Base
Income before tax and income/(loss) of equity-method companies		933,973		799,013
Theoretical tax rate and expense	**34.43%**	**(321,567)**	**34.43%**	**(275,100)**
Effect of permanent differences	1.21 pts	(11,274)	(1.11 pts)	8,875
Effect of different tax rates on foreign entities	(3.85 pts)	35,958	(1.67 pts)	13,369
Impact of losses for the year, utilisation of losses carried forward, and of temporary differences and other items	(1.15 pts)	10,750	0.43 pts	(3,450)
Effect of taxation at a lower rate	(1.38 pts)	12,928	(0.12 pts)	921
Effect of other items	1.36 pts	(12,704)	0.37 pts	(2,971)
Effective tax rates and expenses	**30.61%**	**(285,910)**	**32.33%**	**(258,356)**

4.8 CHANGES IN GAIN AND LOSSES RECOGNISED DIRECTLY IN EQUITY

Net gains and losses recognised directly in equity for the 2017 fiscal year are detailed below:

Recyclable gains and losses *In € thousands*	2017	2016
Translation gains and losses	**(46,782)**	**6,426**
Revaluation adjustment for the period	(46,782)	6,426
Reclassified to profit and loss	-	-
Other reclassifications	-	-
Gains and losses on available-for-sale assets	**(53,289)**	**24,696**
Revaluation adjustment for the period	22,636	69,613
Reclassified to profit and loss	(75,921)	(44,929)
Other reclassifications	(3)	11
Gains and losses on hedging derivative instruments	**-**	**-**
Revaluation adjustment for the period	-	-
Reclassified to profit and loss	-	-
Other reclassifications	-	-
Gains and losses on non-current assets held for sale	**-**	**-**
Revaluation adjustment for the period	-	-
Reclassified to profit and loss	-	-
Other reclassifications	-	-
Pre-tax gains and losses recognised directly in equity-accounted entities that may be reclassified to profit and loss	**(6,883)**	**(122)**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	**14,284**	**4,097**
Taxes on gains and losses recognised directly in recyclable equity of equity-accounted entities	**-**	**-**
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND RECYCLABLE AT A LATER DATE	**(92,669)**	**35,097**

Non-recyclable gains and losses *In € thousands*	2017	2016
Actuarial gains and losses on post-employment benefits	(773)	(3,258)
Pre-tax gains and losses recognised directly in equity of equity-accounted entities that will not be reclassified to profit and loss	-	-
Income tax related to items that will not be reclassified excluding equity-accounted entities	(1,057)	1,066
Income tax on gains and losses recognised directly in equity of equity-accounted entities that will not be reclassified to profit and loss	-	-
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND RECYCLABLE AT A LATER DATE	**(1,830)**	**(2,193)**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**(94,499)**	**32,904**
Of which Group share	(94,495)	32,845
Of which non-controlling interests	(4)	59

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

In € thousands	31/12/2016				Change 2017				31/12/2017			
	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share	Gross	Tax	Net of tax	Net Group share
RECYCLABLE GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY												
Translation gains and losses	16,897	-	16,897	16,897	(46,782)		(46,782)	(46,782)	(29,884)	-	(29,884)	(29,884)
Gains and losses on available-for-sale assets	81,702	(17,168)	64,535	64,535	(49,633)	13,658	(35,975)	(35,975)	32,069	(3,509)	28,560	28,560
Gains and losses on hedging derivative instruments	-	-	-	-	-	-	-	-	-	-	-	-
Gains and losses on non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Gains and losses recognised directly in equity recyclable excl. equity-accounted entities	**98,599**	**(17,168)**	**81,432**	**81,432**	**(96,414)**	**13,658**	**(82,756)**	**(82,756)**	**2,185**	**(3,509)**	**(1,324)**	**(1,324)**
Gains and losses recognised directly in recyclable equity of equity-accounted entities	4,825	-	4,825	4,827	(6,883)	-	(6,883)	(6,883)	(2,058)	-	(2,058)	(2,056)
Recyclable gains and losses recognised directly in equity recyclables	**103,424**	**(17,168)**	**86,257**	**86,259**	**(103,297)**	**13,658**	**(89,639)**	**(89,639)**	**127**	**(3,509)**	**(3,382)**	**(3,380)**
NON-RECYCLABLE GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY												
Actuarial gains and losses on post-employment benefits post emploi	(17,708)	5,932	(11,777)	(11,750)	(773)	(1,057)	(1,830)	(1,826)	(18,481)	4,875	(13,606)	(13,576)
Gains and losses on non-current assets held for sale												
Non-recyclable gains and losses recognised directly in equity excl. equity-accounted entities	**(17,708)**	**5,932**	**(11,777)**	**(11,750)**	**(773)**	**(1,057)**	**(1,830)**	**(1,826)**	**(18,481)**	**4,875**	**(13,606)**	**(13,576)**
Non-recyclable gains and losses recognised directly in equity-accounted entities	-	-	-	-	-	-	-	-	-	-	-	-
Non-recyclable gains and losses recognised directly in equity	**(17,708)**	**5,932**	**(11,777)**	**(11,750)**	**(773)**	**(1,057)**	**(1,830)**	**(1,826)**	**(18,481)**	**4,875**	**(13,606)**	**(13,576)**
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**85,716**	**(11,236)**	**74,480**	**74,510**	**(104,070)**	**12,601**	**(91,469)**	**(91,465)**	**(18,354)**	**1,365**	**(16,989)**	**(16,956)**

Note 5 Notes on the balance sheet

5.1 CASH AND CENTRAL BANKS

In € thousands	31/12/2017	31/12/2016
Cash	43	24
TOTAL CASH AND CENTRAL BANKS	**43**	**24**

5.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

In € thousands	31/12/2017	31/12/2016
Financial assets held for trading	2,660,310	2,191,908
Derivative hedging instruments	247	-
Financial assets at fair value through profit and loss	5,001,703	4,055,068
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS	**7,662,260**	**6,246,976**

5.2.1 Financial assets held for trading

In € thousands	31/12/2017	31/12/2016
Derivative trading instruments	2,660,310	2,191,908
of which, interest rate swaps	147,106	160,982
of which, stock and index swaps	2,509,014	2,018,706
TOTAL FINANCIAL ASSETS HELD FOR TRADING	**2,660,310**	**2,191,908**

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

5.2.2 Assets – hedging derivatives

	31/12/2017		
	Market value		
In € thousands	Positive	Negative	Notional amount
FAIR VALUE HEDGES			
Interest rate	247	(874)	156,000

This heading refers to the hedges on treasury bills (OATs) acquired by Amundi in 2017 as collateral under the EMIR Regulation.

5.2.3 Financial assets at fair value through profit and loss

In € thousands	31/12/2017	31/12/2016
Funds	1,193,900	991,111
Bonds and other fixed-income securities	2,270,550	1,402,168
Shares and other variable-income securities	448,165	347,795
Loans and receivables due from credit institutions	1,089,088	1,313,994
Treasury bills and similar securities	-	-
TOTAL FINANCIAL ASSETS OPTIONALLY AT FAIR VALUE THROUGH PROFIT AND LOSS,	**5,001,703**	**4,055,068**

This section includes the fair value of seed money, short-term cash investments and hedging assets for EMTN issues (see note 5.3.3).

5.3 FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS

In € thousands	31/12/2017	31/12/2016
Financial liabilities held-for-trading	2,646,382	2,091,618
Derivative hedging instruments	874	-
Financial liabilities designated at fair value through profit and loss	3,772,826	3,134,644
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS	**6,420,082**	**5,226,262**

5.3.1 Financial liabilities held-for-trading

In € thousands	31/12/2017	31/12/2016
Derivative trading instruments	2,646,382	2,091,618
of which, interest rate swaps	106,770	99,305
of which, stock and index swaps	2,539,612	1,975,215
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	**2,646,382**	**2,091,618**

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

5.3.2 Liabilities – hedging derivatives

See note 5.2.2. Assets – hedging derivatives.

5.3.3 Financial liabilities designated at fair value through profit and loss

In € thousands	31/12/2017	31/12/2016
Debt securities	3,772,826	3,134,644
TOTAL FINANCIAL LIABILITIES OPTIONALLY AT FAIR VALUE THROUGH PROFIT AND LOSS,	**3,772,826**	**3,134,644**

This section records the securities issued by EMTN issuance vehicles for customers. The nominal value of the issues was €3,667,697 thousand at 31 December 2017 and €3,008,225 thousand at 31 December 2016.

5.4 INFORMATION ON THE NETTING OF FINANCIAL ASSETS AND LIABILITIES

5.4.1 Netting – Financial assets

Effects of netting on financial assets under the master netting agreement and other similar agreements.

Type of transaction	Gross amount of assets recognised before any netting effect	Gross amount of liabilities actually netted out	Net amount of financial assets covered by master netting agreement	Other amounts that can be netted under given conditions		Net amount After all netting effects
				Gross amount of financial liabilities covered by master netting agreement	Amounts of other financial instruments received as collateral, including security deposits	
In € thousands	(a)	(b)	(c) = (a) - (b)	(d)		(e) = (c) - (d)
31/12/2017						
Derivatives	2,656,576		2,656,576	1,460,064	900,015	296,497
TOTAL FINANCIAL ASSETS SUBJECT TO NETTING	**2,656,576**	**-**	**2,656,576**	**1,460,064**	**900,015**	**296,497**
31/12/2016						
Derivatives	2,179,688	-	2,179,688	883,542	686,382	609,764
FINANCIAL ASSETS SUBJECT TO NETTING	**2,179,688**	**-**	**2,179,688**	**883,542**	**686,382**	**609,764**

The gross amounts of the derivatives presented in these tables exclude adjustments for counterparty risks, credit valuation adjustment (CVA) and debit valuation adjustment (DVA).

5.4.2 Netting – Financial liabilities

Effects of netting on financial liabilities under the master netting agreement and other similar agreements.

Type of transaction *In € thousands*	Gross amount of liabilities recognised before netting (a)	Gross amount of assets actually netted out (b)	Gross amount of financial assets covered by master netting agreement (c) = (a) - (b)	Other amounts that can be netted under given conditions: Gross amount of financial assets covered by master netting agreement (d)	Other amounts that can be netted under given conditions: Amounts of other financial instruments given as collateral, including security deposits (d)	Net amount after all netting effects (e) = (c) - (d)
31/12/2017						
Derivatives	2,636,572	-	2,636,572	1,460,064	783,863	392,645
FINANCIAL LIABILITIES SUBJECT TO NETTING	**2,636,572**	**-**	**2,636,572**	**1,460,064**	**783,863**	**392,645**
31/12/2016						
Derivatives	2,074,520	-	2,074,520	883,542	835,847	355,131
FINANCIAL LIABILITIES SUBJECT TO NETTING	**2,074,520**	**-**	**2,074,520**	**883,542**	**835,847**	**355,131**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, credit valuation adjustment (CVA) and debit valuation adjustment (DVA).

5.5 AVAILABLE-FOR-SALE FINANCIAL ASSETS

In € thousands	31/12/2017	31/12/2016
Treasury bills and similar securities	164,394	-
Funds	665,398	1,560,274
Shares and other variable-income securities	11,441	11,619
Non-consolidated equity holdings	338,008	350,853
Available-for-sale securities	**1,179,241**	**1,922,746**
Available-for-sale receivables	-	-
Accrued interest	-	-
TOTAL FINANCIAL ASSETS AVAILABLE FOR SALE	**1,179,241**	**1,922,746**

5.5.1 Change in available-for-sale securities

In € thousands	
AVAILABLE-FOR-SALE SECURITIES AT 31/12/2017	**1,179,241**
Change in scope	58,049
Increases	1,458,317
Decreases	(2,204,858)
Foreign exchange gains and losses	(253)
Fair value in equity	(53,289)
Durable write-downs	(1,437)
Other movements	(33)
AVAILABLE-FOR-SALE SECURITIES AT 31/12/2016	**1,922,746**

5.5.2 Unrealised gains and losses on available-for-sale financial assets

In € thousand	31/12/2017			31/12/2016		
	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	164,394	1,116	-	-	-	-
Funds	665,398	10,965	(25)	1,560,274	60,166	(196)
Shares and other variable-income securities	11,441	1,110	(1,700)	11,619	758	(1,441)
Non-consolidated equity holdings	338,008	22,495	(1,891)	350,853	22,612	(197)
Available-for-sale financial assets	**1,179,241**	**35,686**	**(3,616)**	**1,922,746**	**83,536**	**(1,834)**
Income taxes	n.a.	(3,939)	430	n.a.	(17,221)	53
GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY ON AVAILABLE-FOR-SALE FINANCIAL ASSETS (NET OF INCOME TAX)	**N.A.**	**31,747**	**(3,186)**	**N.A.**	**66,316**	**(1,781)**

5.6 ASSETS – LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

In € thousands	31/12/2017	31/12/2016
Current accounts and overnight loans	1,032,296	425,009
Accounts and term deposits	87,725	87,860
Accrued interest	167	147
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS (NET VALUE)	**1,120,188**	**513,016**

“Loans and receivables due from credit institutions” were primarily granted to Crédit Agricole Group.

5.7 LIABILITIES – DUE TO CREDIT INSTITUTIONS

In € thousands	31/12/2017	31/12/2016
Accounts and term deposits	579,350	93,926
Accrued interest	951	374
Current accounts	22,729	683
TOTAL DUE TO CREDIT INSTITUTIONS	**603,031**	**94,983**

The main counterparty of “Total due to credit institutions” is the Crédit Agricole Group.

5.8 SUBORDINATED DEBT

In € thousands	31/12/2017	31/12/2016
Fixed-term subordinated debt	300,000	-
Perpetual subordinated debt	3,859	-
TOTAL SUBORDINATED DEBT	**303,859**	**-**

5.9 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

In € thousands	31/12/2017	31/12/2016
Current tax receivables	45,629	27,583
Deferred tax assets	155,526	82,957
TOTAL CURRENT AND DEFERRED TAX ASSETS	**201,155**	**110,540**
Current tax debt	93,779	41,805
Deferred tax liabilities	194,668	45,291
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**288,447**	**87,096**

The share of deferred taxes related to tax loss carry forwards was €11,580 thousand and €6,266 thousand for 2017 and 2016, respectively.

In the course of the year, following the acquisition of Pioneer Investments, a portion of the tax losses now usable in US subsidiaries were recognised in the financial statements. These accumulated tax losses, which until then were not recognised in the financial statements, amounted to €14,339 thousand at 31 December 2016.

5.10 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS AND LIABILITIES

5.10.1 Accruals, prepayments and sundry assets

In € thousands	31/12/2017	31/12/2016
Miscellaneous debtors	1,414,273	1,131,122
Accrued income	520,807	495,992
Prepaid expenses	198,679	17,752
ASSETS – ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS	**2,133,759**	**1,644,866**

Accruals, prepayments and sundry assets include management and performance fees due and the collateral paid for derivatives contracts. The collateral is recorded in the assets balance in the amount of €854,138 thousand at 31 December 2017 and €949,446 thousand at 31 December 2016.

5.10.2 Accruals, deferred income and sundry liabilities

In € thousands	31/12/2017	31/12/2016
Miscellaneous creditors	790,430	291,460
Accrued expenses	862,769	669,271
Unearned income	10,809	5,920
Other accruals	1,110,320	825,547
LIABILITIES – ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES	**2,774,328**	**1,792,198**

Accruals, deferred income and sundry liabilities include bonus debt, inducements payable to distributors and collateral received for derivatives contracts. The collateral is recorded in the liabilities balance in the amount of €1,041,601 thousand at 31 December 2017 and €741,655 thousand at 31 December 2016.

5.11 JOINT VENTURES AND ASSOCIATES

In € thousands	31/12/2017	31/12/2016
Joint ventures	12,274	11,224
Associates	168,528	157,991
ASSETS – INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**180,802**	**169,215**

In € thousands	31/12/2017	31/12/2016
Joint ventures	5,721	4,672
Associates	27,407	23,819
INCOME STATEMENT – SHARE OF NET INCOME FROM EQUITY-ACCOUNTED ENTITIES	**33,128**	**28,490**

5.11.1 Joint ventures

Amundi has interests in a joint venture, Fund Channel. The joint venture is presented in the table below. It is the only joint venture included in the "Investments in equity-accounted entities" item.

The equity-accounted value of the joint venture was €12,274 thousand at 31 December 2017 and €11,224 thousand at 31 December 2016.

In € thousands	31/12/2017 Equity-accounted value	31/12/2017 Dividends paid to Group entities	31/12/2017 Share of net income	31/12/2016 Equity-accounted value	31/12/2016 Dividends paid to Group entities	31/12/2016 Share of net income
Fund Channel	12,274	4,672	5,721	11,224	4,378	4,672
NET CARRYING AMOUNT OF SHARES IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURE)	**12,274**		**5,721**	**11,224**		**4,672**

The summarised financial information of this joint venture is presented below:

In € thousands	31/12/2017 NBI	31/12/2017 Net income	31/12/2017 Total assets	31/12/2017 Equity	31/12/2016 NBI	31/12/2016 Net income	31/12/2016 Total assets	31/12/2016 Equity
Fund Channel	25,787	13,367	140,574	28,180	23,577	12,118	128,397	26,931

5.11.2 Associates

At 31 December 2017, the equity-accounted value of associated enterprises was €168,528 thousand and €157,991 thousand at 31 December 2016.

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

In € thousands	Notes	31/12/2017 Equity-accounted value	31/12/2017 Dividends paid to Group entities	31/12/2017 Share of net income	31/12/2016 Equity-accounted value	31/12/2016 Dividends paid to Group entities	31/12/2016 Share of net income
NH-Amundi Asset Management		22,538	3,122	3,170	22,897	2,315	3,435
State Bank of India Fund Management (SBI FM)	(1)	74,426	3,763	12,756	70,042	2,926	8,621
ABC-CA		35,971	-	8,583	29,342	3,806	9,208
Wafa Gestion		4,860	2,071	2,310	4,862	2,126	2,230
Tobam Holding Company & Tobam	(2)	30,733	1,128	588	30,848	-	324
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (ASSOCIATES)		**168,528**		**27,407**	**157,991**		**23,819**

(1) Of which, goodwill for €28,125 thousand at 31 December 2017 and €30,078 thousand at 31 December 2016.
(2) Of which, goodwill for €29,015 thousand at 31 December 2017 and €28,590 thousand at 31 December 2016.

The summary financial information for Amundi's significant associates is presented below:

In € thousands	31/12/2017 NBI	31/12/2017 Net income	31/12/2017 Total assets	31/12/2017 Equity	31/12/2016 NBI	31/12/2016 Net income	31/12/2016 Total assets	31/12/2016 Equity
NH-Amundi Asset Management	29,753	10,568	81,546	75,126	23,656	11,451	77,183	76,324
State Bank of India Fund Management (SBI FM)	107,171	34,476	151,663	125,139	75,930	23,300	123,741	108,009
ABC-CA	68,263	25,751	135,677	107,913	75,005	27,625	111,342	88,026
Wafa Gestion	15,309	6,794	33,801	14,295	13,417	6,560	34,995	14,300
Tobam Holding Company & Tobam	26,533	2,938	37,871	7,913	23,623	8,783	32,128	8,496

5.12 TANGIBLE AND INTANGIBLE ASSETS

5.12.1 Tangible assets used in operations

In € thousands	01/01/2017	Change in scope	Increase	Decrease	Foreign exchange gains and losses	Other movements	31/12/2017
Gross value	110,506	84,331	9,456	(6,351)	(1,484)	(138)	196,320
Depreciation, amortisation and provisions	(69,342)	(75,215)	(13,343)	4,957	1,151	100	(151,691)
PROPERTY, PLANT AND EQUIPMENT – NET	**41,164**	**9,117**	**(3,887)**	**(1,394)**	**(333)**	**(38)**	**44,630**

In € thousands	01/01/2016	Change in scope	Increase	Decrease	Foreign exchange gains and losses	Other movements	31/12/2016
Gross value	114,568	4,313	5,274	(13,701)	51	-	110,506
Depreciation, amortisation and provisions	(70,212)	(2,196)	(10,188)	13,271	(17)	-	(69,342)
PROPERTY, PLANT AND EQUIPMENT-NET	**44,356**	**2,117**	**(4,914)**	**(430)**	**35**	**-**	**41,164**

5.12.2 Intangible assets from operations

In € thousands	01/01/2017	Change in scope	Increase	Decrease	Foreign exchange gains and losses	Other movements	31/12/2017
Gross value	378,672	740,644	11,249	(30,490)	28	(8)	1,100,094
Depreciation, amortisation and provisions	(270,783)	(181,817)	(54,316)	30,135	(154)	5	(476,932)
NON-CURRENT ASSETS NET INTANGIBLE ASSETS	**107,888**	**558,827**	**(43,068)**	**(355)**	**(126)**	**(3)**	**623,162**

In € thousands	01/01/2016	Change in scope	Increase	Decrease	Foreign exchange gains and losses	Other movements	31/12/2016
Gross value	369,971	1,481	18,847	(11,669)	42	-	378,672
Depreciation, amortisation and provisions	(258,761)	(1,069)	(22,600)	11,666	(19)	-	(270,783)
NON-CURRENT ASSETS NET INTANGIBLE ASSETS	**111,210**	**412**	**(3,753)**	**(3)**	**23**	**-**	**107,888**

Intangible assets consist primarily of:

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

5.13 GOODWILL

Goodwill amounted to €5,674.1 million at 31 December 2017 compared to €3,161.5 million at 31 December, 2016. The change over the period primarily reflects the acquisition of Pioneer Investments, which resulted in the recognition of goodwill of €2,537.3 million. Recognition of this business combination is described in note 9.3.2.

The goodwill consists of the following other main items:

- goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003, for €377.9 million;
- goodwill recognised in 2004 at the time of Crédit Agricole S.A.'s acquisition of Crédit Lyonnais, for €1,732.8 million;
- goodwill related to the transfer of Société Générale's asset management business in December 2009, for €707.8 million;
- goodwill recognised in 2015 at the time of the acquisition of Amundi Austria for €78.4 million;
- the goodwill recognised in 2016 following the acquisitions of KBI Global Investors and Crédit Agricole: Immobilier Investors for a total of €159.9 million.

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

The impairment test conducted on 31 December 2017 was carried out using results forecasts for the 2018-2020 period. The results forecasts were primarily based on the following assumptions about the economic environment:

- stronger growth than in past years took hold in the Euro zone, including in France and in Italy. This growth, non-inflationary in nature, was accompanied by a gradual rise in long-term interest rates and a return at the end of the period to positive short-term rates;
- steady growth in the United States, without inflationary pressures, accompanied by a slow escalation of interest rates;
- growth that is expected to improve moderately in the emerging countries, with varied situations: A very gradual slowing of the economy in China, continued high growth in India, improvement in Brazil and Russia, which are pulling themselves out of recession but where growth is moving at a limited pace.

Amundi used a perpetual growth rate of 2% for the tests at 31 December 2017 and 2016 and a discount rate of 8.11% for the test at 31 December 2017 (compared to 8.39% for the tests at 31 December 2016).

A change in these assumptions (+/-50 basis points in the discount rate and +/-50 basis points in the perpetual growth rate) would not change the conclusions of the impairment test of 31 December 2017.

5.14 PROVISIONS

In € thousands	01/01/17	Change in scope	Increases	Reductions and increases not used	Reversals used	Foreign exchange gains and losses	Other movements	31/12/17
Provisions for performance risks	1,863	10,652	1,664	(141)				14,038
Provisions for operational risks		981	200		(3)			1,178
Provisions for employee expenses	46,544	42,825	65,186	(1,221)	(4,165)	(132)	821	149,858
Provisions for disputes	11,596	15,710	8,695	(2,606)	(484)			32,911
Provisions for other risks	12,751	611	17,265	(318)	(1,985)	(37)		28,287
PROVISIONS	**72,754**	**70,779**	**93,010**	**(4,286)**	**(6,637)**	**(169)**	**821**	**226,272**

In € thousands	01/01/16	Change in scope	Increases	Reductions and increases not used	Reversals used	Foreign exchange gains and losses	Other movements	31/12/16
Provisions for performance risks	73	-	1,900	(13)	(97)	-	-	1,863
Provisions for operational risks	2,543	-	-	(2,543)	-	-	-	-
Provisions for employee expenses	38,969	-	8,252	(2,221)	(1,724)	(2)	3,269	46,544
Provisions for disputes	10,701	-	1,420	(414)	(111)	-	-	11,596
Provisions for other risks	29,202	-	1,210	(1,624)	(15,080)	(57)	(899)	12,751
PROVISIONS	**81,488**	**-**	**12,782**	**(6,815)**	**(17,012)**	**(59)**	**2,370**	**72,754**

As of 31 December 2017, disputes and other risks have a foreseeable expiration of less than two years.

Provisions for employee expenses include provisions for pensions (see note 6.4).

The increase in provisions during 2017 relates firstly to the change in scope of consolidation resulting from the acquisition of Pioneer Investments.

The rest of the increase is mainly attributable to integration costs and in particular, severance costs.

5.15 EQUITY

5.15.1 Composition of the share capital

As of 31 December 2017, the allocation of share capital and voting rights was as follows:

Shareholders	Number of shares	% of share capital	% of voting rights
Crédit Agricole SA	137,606,739	68.29%	68.30%
Other Crédit Agricole group companies	3,450,660	1.71%	1.71%
Employees	426,085	0.21%	0.21%
Treasury shares	41,135	0.02%	-
Float	59,985,943	29.77%	29.77%
TOTAL SECURITIES	**201,510,562**	**100.00%**	**100.00%**

In 2017 there was a capital increase resulting in the issuance of 33,585,093 shares (see "Highlights of the year").

5.15.2 Dividends allocated

In 2017, in accordance with the deliberations of the ordinary AGM of 18 May 2017, Amundi paid its shareholders a dividend of €2.20 per share, *i.e.* a total of €443.3 million for fiscal year 2016.

The dividend distribution by shareholder was as follows:

In € thousands	For fiscal year 2016	For fiscal year 2015
Crédit Agricole SA	302,735	254,253
Other Crédit Agricole group companies	7,591	4,705
Employees	921	930
Float	132,058	82,866
TOTAL DIVIDENDS	**443,305**	**342,754**

5.15.3 Calculation of earnings per share

	31/12/2017	31/12/2016
Net income Group share for the period *(in € thousands)*	681,294	568,265
Weighted average number of ordinary shares outstanding during the period	192,401,181	167,366,374
BASIC EARNINGS PER SHARE *(in €)*	**3.54**	**3.40**

Note 6 Employee benefits and other compensation

6.1 HEADCOUNT

	2017	2017	2016
Period headcount in Full-time equivalents – FTE	**Average headcount**	**Closing**	**headcount**
France	2,127.6	2,119.7	2,102.4
Other European Union countries	1,030.5	1,583.4	529.2
Other European countries	9.8	10.0	9.0
North America	285.1	516.5	74.5
Central and South America	3.6	8.0	1.0
Africa and Middle East	6.5	6.0	7.0
Asia and Oceania (excluding Japan)	175.5	186.0	159.0
Japan	180.9	176.1	186.1
TOTAL WORKFORCE	**3,819.5**	**4,605.7**	**3,068.2**

6.2 ANALYSIS OF EMPLOYEE EXPENSES

In € thousands	2017	2016
Salaries	(551,058)	(378,302)
Retirement fund contributions	(32,957)	(24,713)
Social charges and taxes	(154,124)	(125,323)
Other	(107,606)	(29,100)
TOTAL EMPLOYEE EXPENSES	**(845,744)**	**(557,439)**

Following the introduction of the tax credit for competitiveness and employment (*Crédit d'Impôt pour la Compétitivité et l'Emploi* – CICE, in accordance with Article 244 quater C of the French General Tax Code, applicable as of 1 January 2013) Amundi recognised the amount of €555 thousand at 31 December 2017 and €559 thousand at 31 December 2016 as a deduction from its operating expenses under "Employee expenses and taxes".

6.3 POST-EMPLOYMENT BENEFITS, DEFINED-CONTRIBUTION PLANS

There are several compulsory plans to which "employer" companies contribute. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not generate sufficient revenue to cover all benefits corresponding to services rendered by employees during the year and during prior years. Accordingly, Amundi Group companies do not have any liabilities in this respect other than the contributions payable. Contributions for defined-contribution plans amounted to €24,968 thousand at 31 December 2016 and €33,654 thousand at 31 December 2017.

6.4 POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

	31/12/2017			31/12/2016
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
ACTUARIAL LIABILITY AT 31/12/N-1	**58,453**	**6,929**	**65,382**	**57,492**
Translation adjustment	-	(607)	(607)	384
Cost of services rendered during the period	4,230	1,101	5,331	4,323
Financial cost	1,210	12	1,222	953
Employee contributions	26	-	26	-
Benefit plan changes, withdrawals and settlement	-	-	-	22
Change in scope	55,463	-	55,463	24
Benefits paid (mandatory)	(1,189)	(734)	(1,923)	(1,761)
Taxes, administrative expenses, and bonuses	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions[1]	310	(75)	235	2,383
Actuarial (gains)/losses arising from changes in financial assumptions	582	(29)	553	1,561
ACTUARIAL LIABILITY AT 31/12/N	**119,085**	**6,598**	**125,683**	**65,382**

(1) Including actuarial gains/losses related to experience adjustments.

Expense recognised in the income statement

	31/12/2017			31/12/2016
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
Service cost	4,230	1,101	5,331	4,345
Net interest expense (income)	701	2	703	540
IMPACT ON THE INCOME STATEMENT AT 31/12/N	**4,931**	**1,102**	**6,033**	**4,885**

	31/12/2017			31/12/2016
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
Remeasurement of net assets (liabilities)				
AMOUNT OF CUMULATIVE ACTUARIAL DIFFERENCES IN OTHER RECYCLABLE ITEMS OF COMPREHENSIVE INCOME AT 31/12/N-1	**15,829**	**1,861**	**17,690**	**14,430**
Translation adjustment	-	(138)	(138)	91
Actuarial gains/(losses) on assets	377	(256)	121	(774)
Actuarial gains/(losses) arising from demographic assumptions*	310	(75)	235	2,383
Actuarial gains/(losses) arising from financial assumptions	582	(29)	553	1,561
Impact of asset restriction	-	-	-	-
Items recognised immediately in other items of comprehensive income during the period (Actuarial gains and losses on post-employment benefits)	**1,269**	**(497)**	**773**	**3,260**
TOTAL AMOUNT OF ACTUARIAL GAINS OR LOSSES RECOGNISED IN OTHER ITEMS OF COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED AT 31/12/N	**17,098**	**1,364**	**18,462**	**17,690**

Change in the fair value of assets

In € thousands	31/12/2017			31/12/2016
	Euro zone	Non-Euro zone	All zones	All zones
FAIR VALUE OF ASSETS AT 31/12/N-1	**22,768**	**5,988**	**28,756**	**27,676**
Translation adjustment	-	(536)	(536)	448
Interest on assets (income)	509	10	519	414
Actuarial gains/(losses)	(377)	256	(121)	774
Employer contributions	26	904	930	1,060
Employee contributions	26	-	26	-
Benefit plan changes, withdrawals and settlement	52	-	52	-
Change in scope	21,877	-	21,877	-
Taxes, administrative expenses, and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(780)	(734)	(1,514)	(1,617)
FAIR VALUE OF ASSETS AT 31/12/N	**44,101**	**5,890**	**49,991**	**28,756**

Net position

In € thousands	31/12/2017			31/12/2016
	Euro zone	Non-Euro zone	All zones	All zones
CLOSING ACTUARIAL LIABILITY	**119,085**	**6,598**	**125,683**	**65,382**
Impact of asset restriction			-	-
Fair value of assets at the end of the period	(44,101)	(5,890)	(49,991)	(28,756)
NET POSITION AT END OF PERIOD (LIABILITIES)	**74,984**	**708**	**75,692**	**36,626**

	31/12/2017	31/12/2016
Amundi Asset Management plan & other plans discount rate	1.37%	1.37%
Discount rate, Amundi Deutschland GmbH(1)	1.63%	n.a.
Expected salary increase rates	2.00%	2.00%

(1) Group entity Pioneer Investments acquired during the year (see note 9.3.2).

Asset allocation at 31/12/2017

In € thousands	Euro zone			Non-Euro zone			All zones		
	In %	Amount	o/w listed	In %	Amount	o/w listed	In %	Amount	o/w listed
Equity	4.70%	2,072	2,071	-	-	-	4.14%	2,072	2,071
Bonds	37.74%	16,642	16,642	-	-	-	33.29%	16,642	16,642
Real Estate	3.60%	1,587	-	-	-	-	3.17%	1,587	-
Other assets	53.97%	23,800	-	100.00%	5,890	-	59.39%	29,690	-
FAIR VALUE OF ASSETS	**100.00%**	**44,101**	**18,713**	**100.00%**	**5,890**	**-**	**100.00%**	**49,991**	**18,713**

At 31 December 2017, the data for France showed an actuarial liability of €59,553 thousand, a fair value of assets of €22,042 thousand and a net end-of-period position of €37,512 thousand.

Sensitivity to discount rates at 31 December 2017

- a 50 basis point increase in discount rates would reduce the commitment by -8.02%;
- a 50 basis point decrease in discount rates would increase the commitment by 8.91%.

6.5 SHARE-BASED PAYMENTS

Amundi performance share plans

An expense of €18,963 thousand for share-based payments was recognised in employee expenses for the period ended 31 December 2017 in respect of Amundi performance share plans for Group employees.

This award scheme is described below:

Performance share plans

Date of general meeting authorising share plan	30/09/2015	30/09/2015	18/05/2017
Date of Board meeting	11/02/2016	09/02/2017	13/12/2017
Date of allocation of shares	11/02/2016	09/02/2017	13/12/2017
Number of shares allocated	235,160(1)	139,930(1)	1,551,750
Methods of payment	Amundi shares	Amundi shares	Amundi shares
Vesting period	11/02/2016 11/02/2019	09/02/2017 09/02/2020	01/07/2017 31/12/2021
Performance conditions(2)	Yes	Yes	Yes
Continued employment condition	Yes	Yes	Yes
Shares remaining at 31 December 2017	235,160	139,930	1,551,750
Fair value of one share – Tranche 1	€26.25(1)	€43.41(1)	€67.12
Fair value of one share – Tranche 2	n.a.	n.a.	€63.69
Fair value of one share – Tranche 3	n.a.	n.a.	€59.85

(1) Simultaneous adjustment of the quantity and fair value of shares following the capital increase in the first half of 2017 (preservation of rights and interests of beneficiaries).

(2) Performance conditions are based on net income Group share (NIGS), amount of new assets and the Group's cost-to-income ratio.

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

6.6 EXECUTIVE COMPENSATION

The compensation and benefits of the Chief Executive Officer and of the Division Heads for the 2017 and 2016 fiscal years taken into account in Amundi's consolidated financial statements were €8,203 thousand and €6,826 thousand, respectively. They include gross fixed and variable compensation, benefits in kind, retirement benefits and the expense for the supplementary pension plan implemented for the key executives of the Group. The compensation breaks down as follows:

In € thousands	2017	2016
Gross compensation, employer contributions and benefits in kind	6,804	6,418
Post-employment benefits	394	408
Other long-term benefits	-	-
Severance payments	-	-
Cost of option and other plans	1,005	-
TOTAL COMPENSATION AND BENEFITS	**8,203**	**6,826**

In addition, the directors' fees paid in respect of 2017 and 2016 are presented in the table below:

In € thousands	2017	2016
Directors' fees	302	287

Note 7 Fair value of financial instruments

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

7.1 DERIVATIVES

The valuation of derivatives includes:

- an adjustment for the quality of the counterparty (credit value adjustment or CVA) intended to include the credit risk associated with the counterparty in the valuation of derivative instruments (risk of non-payment of the amount due in the event of default). The adjustment is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is deducted from the fair value of the financial assets;
- a value adjustment for the credit risk for our Company (debt value adjustment – DVA) intended to integrate the risk associated with our counterparties in the valuation of derivative instruments. The adjustment is calculated on an aggregate basis by counterparty based on the future exposure profile of the transactions. This adjustment is always positive and is deducted from the fair value of the financial liabilities.

7.2 OTHER FINANCIAL ASSETS AND LIABILITIES

7.2.1 Other financial assets

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

7.2.2 Other financial liabilities

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

7.3 FINANCIAL ASSETS AT FAIR VALUE ON THE BALANCE SHEET

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

In € thousands	Total 31/12/2017	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**2,660,557**	**-**	**2,660,557**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Securities received under repurchase agreements	-	-	-	-
Securities held for trading	-	-	-	-
Treasury bills and similar securities	-	-	-	-
Bonds and other fixed-income securities	-	-	-	-
Shares and other variable-income securities	-	-	-	-
Derivative instruments	2,660,557	-	2,660,557	-
Financial assets at fair value through profit and loss	**5,001,703**	**3,464,450**	**1,537,253**	**-**
Assets backing unit-linked contracts	-	-	-	-
Securities designated at fair value through profit and loss	3,912,615	3,464,450	448,165	-
Treasury bills and similar securities	-	-	-	-
Funds	1,193,900	1,193,900	-	-
Bonds and other fixed-income securities	2,270,550	2,270,550	-	-
Shares and other variable-income securities	448,165	-	448,165	-
Loans and receivables due from credit institutions	1,089,088	-	1,089,088	-
Available-for-sale financial assets	**1,179,241**	**1,077,238**	**96,285**	**5,718**
Treasury bills and similar securities	164,394	164,394	-	-
Funds	665,398	657,874	1,806	5,718
Shares, other variable-income securities, and non-consolidated equity holdings	349,449	254,970	94,479	-
Available-for-sale receivables	-	-	-	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**8,841,501**	**4,541,688**	**4,294,095**	**5,718**

In € thousands	Total 31/12/2016	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial assets held for trading	**2,191,908**	**-**	**2,191,908**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Securities received under repurchase agreements	-	-	-	-
Securities held for trading	-	-	-	-
Treasury bills and similar securities	-	-	-	-
Bonds and other fixed-income securities	-	-	-	-
Shares and other variable-income securities	-	-	-	-
Derivative instruments	2,191,908	-	2,191,908	-
Financial assets at fair value through profit and loss	**4,055,068**	**2,393,279**	**1,661,789**	**-**
Assets backing unit-linked contracts	-	-	-	-
Securities designated at fair value through profit and loss	2,741,074	2,393,279	347,795	-
Treasury bills and similar securities	-	-	-	-
Funds	991,111	991,111	-	-
Bonds and other fixed-income securities	1,402,168	1,402,168	-	-
Shares and other variable-income securities	347,795	-	347,795	-
Loans and receivables due from credit institutions	1,313,994	-	1,313,994	-
Available-for-sale financial assets	**1,922,746**	**1,772,665**	**144,982**	**5,098**
Treasury bills and similar securities	-	-	-	-
Funds	1,560,274	1,553,214	1,962	5,098
Shares, other variable-income securities, and non-consolidated equity holdings	362,471	219,451	143,020	-
Available-for-sale receivables	-	-	-	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**8,169,721**	**4,165,944**	**3,998,679**	**5,098**

7.4 FINANCIAL LIABILITIES AT FAIR VALUE ON THE BALANCE SHEET

In € thousands	Total 31/12/2017	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held-for-trading	**2,647,256**	**-**	**2,647,256**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2,647,256	-	2,647,256	-
Financial liabilities designated at fair value through profit and loss	**3,772,826**	**-**	**3,772,826**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**6,420,082**	**-**	**6,420,082**	**-**

	Total 31/12/2016	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
Financial liabilities held-for-trading	**2,091,618**	**-**	**2,091,618**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	2,091,618	-	2,091,618	-
Financial liabilities designated at fair value through profit and loss	**3,134,644**	**-**	**3,134,644**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**5,226,262**	**-**	**5,226,262**	**-**

7.5 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT COST

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

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

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

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

Note 8 Non-consolidated structured entities

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

Amundi has defined criteria to identify companies which intervene as sponsors of structured entities:

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

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

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

8.1 NATURE AND EXTENT OF AMUNDI'S INVOLVEMENT WITH THE NON-CONSOLIDATED STRUCTURED ENTITIES

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

	31/12/2017			
	Asset management			
		Maximum loss		
In € thousands	Value on the balance sheet	Maximum exposure to loss risk	Guarantees received and other credit enhancements	Net exposure
Financial assets held for trading	704,693	704,693	-	704,693
Financial assets at fair value through profit and loss	812,915	812,915	-	812,915
Available-for-sale financial assets	664,983	664,983	-	664,983
Loans and receivables	-	-	-	-
Financial assets held to maturity	-	-	-	-
Assets recognised vis-à-vis non-consolidated structured entities	**2,182,591**	**2,182,591**	**-**	**2,182,591**
Equity instruments	-	n.a.	n.a.	-
Financial liabilities held-for-trading	1,415,686	n.a.	n.a.	1,415,686
Financial liabilities designated at fair value through profit and loss	-	n.a.	n.a.	-
Debt	-	n.a.	n.a.	-
Liabilities recognised vis-à-vis non-consolidated structured entities	**1,415,686**			**1,415,686**
Commitments given				
Financing commitments	n.a.	-	-	
Guarantee commitments	n.a.	21,322,324	-	21,322,324
Other	n.a.	-	-	
Provisions – Commitments made	n.a.	(20,333)	-	(20,333)
Off-balance sheet commitments net of provisions vis-à-vis non-consolidated structured entities	**n.a.**	**21,301,991**	**-**	**21,301,991**
TOTAL NON-CONSOLIDATED STRUCTURED ENTITIES	**86,013,577**	**N.A.**	**N.A.**	**N.A.**

In € thousands	31/12/2016			
	Asset management			
		Maximum loss		
	Value on the balance sheet	Maximum exposure to loss risk	Guarantees received and other credit enhancements	Net exposure
Financial assets held for trading	885,341	885,341	-	885,341
Financial assets at fair value through profit and loss	462,307	462,307	-	462,307
Available-for-sale financial assets	1,554,475	1,554,475	-	1,554,475
Loans and receivables	-	-	-	-
Financial assets held to maturity	-	-	-	-
Assets recognised vis-à-vis non-consolidated structured entities	**2,902,123**	**2,902,123**	**-**	**2,902,123**
Equity instruments	-	n.a.	n.a.	-
Financial liabilities held-for-trading	1,220,431	n.a.	n.a.	1,220,431
Financial liabilities designated at fair value through profit and loss	-	n.a.	n.a.	-
Debt	-	n.a.	n.a.	-
Liabilities recognised vis-à-vis non-consolidated structured entities	**1,220,431**	**-**	**-**	**1,220,431**
Commitments given				
Financing commitments	n.a.	-	-	-
Guarantee commitments	n.a.	17,487,286	-	17,487,286
Other	n.a.	-	-	-
Provisions – Commitments made	n.a.	(8,157)	-	(8,157)
Off-balance sheet commitments net of provisions vis-à-vis non-consolidated structured entities	**n.a.**	**17,479,129**	**-**	**17,479,129**
TOTAL NON-CONSOLIDATED STRUCTURED ENTITIES	**76,483,810**	**N.A.**	**N.A.**	**N.A.**

The information about the fund units held by Amundi and recorded in "Financial assets designated at fair value through profit and loss" and "Available-for-sale financial assets" does not include the consolidated funds or those in which the Group only holds a single share (founder's share).

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

The off-balance sheet commitment shown corresponds to the off-balance sheet commitment recognised by Amundi as part of its fund guarantor activity. A provision for the risk associated with this commitment is recorded in "Provisions" in the amount of €20,333 thousand at 31 December 2017 and €8,157 thousand at 31 December 2016.

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

8.2 NET REVENUES FROM SPONSORED STRUCTURED ENTITIES

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

Note 9 Other information

9.1 SEGMENT INFORMATION

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

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

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

In € millions	2017	2016
Retail	1,413	981
Institutional investor	615	529
Institutional, Corporate and employee savings	477	388
Insurers	139	142
Net fee and commission income	**2,029**	**1,510**
Performance fees	175	115
Total net asset management revenues	**2,204**	**1,625**
Net financial income	**97**	**72**
Other net income	**(43)**	**(20)**
TOTAL NET REVENUES	**2,257**	**1,677**

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

In € millions	2017	2016
France	1,334	1,274
Abroad	923	403
TOTAL NET REVENUES	**2,257**	**1,677**

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

9.2 RELATED PARTIES

9.2.1 Scope of related parties

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

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

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

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

9.2.2 Nature of the transactions with related parties

Amundi has commercial relationships with companies in the Crédit Agricole Group.

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

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

9.2.3 Related party transactions

The following tables present the transactions undertaken with the Crédit Agricole Group and with the equity-accounted entities of the Amundi Group.

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

	Crédit Agricole group	
In € thousands	2017	2016
NET INCOME		
Net interest and similar income	(9,200)	(1,784)
Net fee and commission income	(284,623)	(230,834)
Other net income	(10,148)	(9,726)
Operating expenses	(8,272)	(8,124)
BALANCE SHEET	**31/12/2017**	**31/12/2016**
Assets		
Loans and receivables due from credit institutions	341,158	266,092
Accruals, prepayments and sundry assets	70,595	56,161
Financial assets at fair value through profit and loss	3,440,397	2,790,693
Equity and liabilities		
Subordinated debt	303,859	-
Due to credit institutions	576,476	86,069
Accruals, deferred income and sundry liabilities	202,948	162,586
Financial liabilities designated at fair value through profit and loss	104,172	91,947
Off-balance sheet items		
Guarantees given	2,066,196	1,172,846
Guarantees received	-	-

	Associates and joint ventures	
In € thousands	2017	2016
NET INCOME		
Net interest and similar income	-	-
Net fee and commission income	(3,470)	(5,325)
Operating expenses	-	-
BALANCE SHEET	**31/12/2017**	**31/12/2016**
Assets		
Loans and receivables due from credit institutions	-	-
Accruals, prepayments and sundry assets	569	509
Financial assets at fair value through profit and loss	-	-
Equity and liabilities		
Due to credit institutions	-	-
Accruals, deferred income and sundry liabilities	1,158	858
Off-balance sheet items		
Guarantees given	-	-
Guarantees received	-	-

9.3 SCOPE OF CONSOLIDATION

9.3.1 Scope on 31 December 2017 and change over the period

Consolidated companies	Notes	Change in scope	Method	31/12/2017 % control	31/12/2017 % interest	31/12/2016 % control	31/12/2016 % interest	Principal place of business
FRENCH COMPANIES								
AMUNDI			Full	100.0	100.0	100.0	100.0	France
AMUNDI ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE EMISSIONS			Full	100.0	100.0	100.0	100.0	France
AMUNDI IMMOBILIER			Full	100.0	100.0	100.0	100.0	France
AMUNDI INDIA HOLDING			Full	100.0	100.0	100.0	100.0	France
AMUNDI INTERMEDIATION			Full	100.0	100.0	100.0	100.0	France
AMUNDI ISSUANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI IT SERVICES			Full	95.4	95.4	95.4	95.4	France
AMUNDI PRIVATE EQUITY FUND			Full	100.0	100.0	100.0	100.0	France
AMUNDI TENUE DE COMPTES			Full	100.0	100.0	100.0	100.0	France
AMUNDI VENTURES			Full	100.0	100.0	100.0	100.0	France
BFT INVESTMENT MANAGERS			Full	100.0	100.0	100.0	100.0	France
CPR AM			Full	100.0	100.0	100.0	100.0	France
ETOILE GESTION			Full	100.0	100.0	100.0	100.0	France
LCL Emissions			Full	100.0	100.0	100.0	100.0	France
SOCIÉTÉ GÉNÉRALE GESTION			Full	100.0	100.0	100.0	100.0	France
TOBAM HOLDING COMPANY			Equity-accounted	25.6	25.6	25.6	25.6	France
TOBAM			Equity-accounted	4.1	20.0	4.1	20.0	France
FUNDS AND OPCI								
ACACIA			Full	100.0	100.0	100.0	100.0	France
ACAJOU			Full	100.0	100.0	100.0	100.0	France
AMUNDI HK – GREEN PLANET FUND		Exit	Full	-	-	99.4	99.4	Hong Kong
AMUNDI PERFORMANCE ABSOLUE ÉQUILIBRE		Exit	Full	-	-	100.0	100.0	France
CEDAR			Full	100.0	100.0	100.0	100.0	France
CHORIAL ALLOCATION			Full	99.7	99.7	99.7	99.7	France
GENAVENT			Full	52.3	52.3	52.3	52.3	France
LONDRES CROISSANCE 16			Full	100.0	100.0	100.0	100.0	France
OPCI IMMANENS			Full	100.0	100.0	100.0	100.0	France
OPCI IMMO EMISSIONS			Full	100.0	100.0	100.0	100.0	France
PEG – PORTFOLIO EONIA GARANTI			Full	97.2	97.2	96.4	96.4	France
RED CEDAR			Full	100.0	100.0	100.0	100.0	France

Consolidated companies	Notes	Change in scope	Method	31/12/2017 % control	31/12/2017 % interest	31/12/2016 % control	31/12/2016 % interest	Principal place of business
FOREIGN COMPANIES								
AMUNDI ASSET MANAGEMENT DEUTSCHLAND	(1)	Merger	Full	-	-	100.0	100.0	Germany
AMUNDI DEUTSCHLAND GMBH		Entry	Full	100.0	100.0	-	-	Germany
PIONEER GLOBAL INVESTMENTS LTD BUENOS AIRES BRANCH	(2)	Entry	Full	100.0	100.0	-	-	Argentina
PIONEER GLOBAL INVESTMENTS (AUSTRALIA) PTY LIMITED		Entry	Full	100.0	100.0	-	-	Australia
AMUNDI AUSTRIA			Full	100.0	100.0	100.0	100.0	Austria
PIONEER INVESMENTS AUSTRIA GMBH		Entry	Full	100.0	100.0	-	-	Austria
AMUNDI ASSET MANAGEMENT BELGIUM	(1)		Full	100.0	100.0	100.0	100.0	Belgium
PIONEER ASSET MANAGEMENT A.S. SOFIA	(4)	Entry	Full	100.0	100.0	-	-	Bulgaria
PIONEER GLOBAL INVESTMENTS LTD SANTIAGO BRANCH	(2)	Entry	Full	100.0	100.0	-	-	Chile
ABC-CA FUND MANAGEMENT CO. LTD			Equity-accounted	33.3	33.3	33.3	33.3	China
NH-AMUNDI ASSET MANAGEMENT			Equity-accounted	30.0	30.0	30.0	30.0	Korea
PIONEER GLOBAL INVESTMENTS LTD JELLING BRANCH	(2)	Entry	Full	100.0	100.0	-	-	Denmark
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	(1)	Entry	Full	100.0	100.0	-	-	United Arab Emirates
AMUNDI IBERIA SGIIC SA			Full	100.0	100.0	100.0	100.0	Spain
PIONEER GLOBAL INVESTMENTS LTD MADRID BRANCH	(2)	Entry	Full	100.0	100.0	-	-	Spain
AMUNDI DISTRIBUTORS USA LLC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI SMITH BREEDEN			Full	100.0	100.0	100.0	100.0	United States
AMUNDI USA INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER ASSET MANAGEMENT USA, INC		Entry	Full	100.0	100.0	-	-	United States
AMUNDI PIONEER ASSET MANAGEMENT, INC.		Entry	Full	100.0	100.0	-	-	United States
AMUNDI PIONEER DISTRIBUTOR, INC.		Entry	Full	100.0	100.0	-	-	United States
AMUNDI PIONEER INSTITUTIONAL ASSET MANAGEMENT, INC.		Entry	Full	100.0	100.0	-	-	United States
VANDERBILT CAPITAL ADVISORS LLC		Entry	Full	100.0	100.0	-	-	United States
PIONEER GLOBAL INVESTMENTS LTD PARIS BRANCH	(2)	Entry	Full	100.0	100.0	-	-	France
AMUNDI HELLAS			Full	100.0	100.0	100.0	100.0	Greece
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI HONG KONG LTD			Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI INVESTMENT FUND MGMT PRIVATE LTD CO.		Entry	Full	100.0	100.0	-	-	Hungary
SBI FUNDS MANAGEMENT PRIVATE LIMITED			Equity-accounted	37.0	37.0	37.0	37.0	India
KBI GLOBAL INVESTORS LTD			Full	87.5	100.0	87.5	100.0	Ireland
KBI FUND MANAGERS LTD			Full	87.5	100.0	87.5	100.0	Ireland

Consolidated companies	Notes	Change in scope	Method	31/12/2017 % control	31/12/2017 % interest	31/12/2016 % control	31/12/2016 % interest	Principal place of business
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD			Full	87.5	100.0	87.5	100.0	Ireland
PIONEER GLOBAL INVESTMENTS LTD		Entry	Full	100.0	100.0	-	-	Ireland
PIONEER INVESTMENT MANAGEMENT LIMITED		Entry	Full	100.0	100.0	-	-	Ireland
AMUNDI REAL ESTATE ITALIA SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
PIONEER INVESTMENT MANAGEMENT SGR P.A.		Entry	Full	100.0	100.0	-	-	Italy
AMUNDI JAPAN			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI JAPAN HOLDING			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI GLOBAL SERVICING			Full	100.0	100.0	100.0	100.0	Luxembourg
AMUNDI LUXEMBOURG			Full	100.0	100.0	100.0	100.0	Luxembourg
FUND CHANNEL			Equity-accounted	50.0	50.0	50.0	50.0	Luxembourg
PIONEER ASSET MANAGEMENT S.A.		Entry	Full	100.0	100.0	-	-	Luxembourg
AMUNDI MALAYSIA SDN BHD			Full	100.0	100.0	100.0	100.0	Malaysia
WAFA GESTION			Equity-accounted	34.0	34.0	34.0	34.0	Morocco
PIONEER GLOBAL INVESTMENTS LTD MEXICO CITY BRANCH	(2)	Entry	Full	100.0	100.0	-	-	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	(1)		Full	100.0	100.0	100.0	100.0	Netherlands
AMUNDI POLSKA			Full	100.0	100.0	100.0	100.0	Poland
AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT		Entry	Full	100.0	100.0	-	-	Czech Republic
PIONEER INVESTICNI SPOLECNOST, A.S.		Entry	Full	100.0	100.0	-	-	Czech Republic
AMUNDI ASSET MANAGEMENT S.A.I. SA		Entry	Full	100.0	100.0	-	-	Romania
AMUNDI ASSET MvANAGEMENT LONDON BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI UK LTD			Full	100.0	100.0	100.0	100.0	United Kingdom
PIONEER GLOBAL INVESTMENTS LTD LONDON BRANCH	(2)	Entry	Full	100.0	100.0	-	-	United Kingdom
PIONEER INVESTMENT MANAGEMENT LTD LONDON BRANCH	(3)	Entry	Full	100.0	100.0	-	-	United Kingdom
AMUNDI SINGAPORE LTD			Full	100.0	100.0	100.0	100.0	Singapore
PIONEER INVESTMENT MANAGEMENT LTD SINGAPORE BRANCH	(3)	Entry	Full	100.0	100.0	-	-	Singapore
FUND CHANNEL SINGAPORE BRANCH	(5)	Entry	Equity-accounted	100.0	100.0	-	-	Singapore
PIONEER ASSET MANAGEMENT A.S. BRATISLAVA BRANCH	(4)	Entry	Full	100.0	100.0	-	-	Slovakia
AMUNDI SUISSE			Full	100.0	100.0	100.0	100.0	Switzerland
PIONEER GLOBAL INVESTMENTS (TAIWAN) LTD		Entry	Full	100.0	100.0	-	-	Taiwan

(1) Branch of AMUNDI ASSET MANAGEMENT.
(2) Branch of PIONEER GLOBAL INVESTMENTS LTD.
(3) Branch of PIONEER INVESTMENT MANAGEMENT LIMITED.
(4) Branch of PIONEER ASSET MANAGEMENT A.S.
(5) Branch of FUND CHANNEL.

9.3.2 Significant changes in the scope during the year

Acquisition of Pioneer Investments Group entities

9.3.2.1 Description of the transaction

On 3 July 2017, Amundi acquired (Share Purchase Agreement) Pioneer Investments Group companies from Pioneer Global Asset Management S.p.A. ("PGAM") a subsidiary of UniCredit, thus sealing the agreement entered into in December 2016.

Tracing its history to 1928, Pioneer Investments is an international asset management company operating in 27 countries. The Pioneer Investments Group operates mainly in Milan, Boston, Dublin and London and has a significant presence in Germany, Austria, Eastern Europe. It employed about 1,800 people at 30 June 2017.

This transaction created the eighth-largest asset management company in the world in terms of assets under management. The combined entity is already serving all client segments with a diversified offer of products and solutions together with a first-rate quality of service and commitment.

9.3.2.2 Pioneer Investments Group entities acquired

		03/07/2017		
Pioneer Investments group entities acquired	**Method**	**% control**	**% interest**	**Principal place of business**
SUBSIDIARIES				
Pioneer Investment Management Sgr p.A.	Full	100%	100%	Italy
Pioneer Investments Kapitalanlage GmbH	Full	100%	100%	Germany
Pioneer Investments Austria GmbH	Full	100%	100%	Austria
Pioneer Global Investments Ltd	Full	100%	100%	Ireland
Pioneer Investment Management Limited	Full	100%	100%	Ireland
Pioneer Asset Management S.A.	Full	100%	100%	Luxembourg
Pioneer Investment Management USA Inc	Full	100%	100%	United States
Pioneer Asset Management A.S.	Full	100%	100%	Czech Republic
Pioneer Investment Company A.S.	Full	100%	100%	Czech Republic
Pioneer Investment Management Inc	Full	100%	100%	United States
Pioneer Funds Distributor Inc	Full	100%	100%	United States
Pioneer Institutional Asset Management Inc	Full	100%	100%	United States
Vanderbilt Capital Advisors LLC	Full	100%	100%	United States
Pioneer Global Investments (Australia) Pty Limited	Full	100%	100%	Australia
Pioneer Global Investments (Taiwan) Ltd	Full	100%	100%	Taiwan
Pioneer Investment Fund Management Limited	Full	100%	100%	Hungary
Pioneer Asset Management S.A.I. SA	Full	100%	100%	Romania
Pioneer Investments (Schweiz) GmbH(1)	Full	100%	100%	Switzerland
BRANCHES				
Pioneer Global Investments LTD Madrid Branch(2)	Full	100%	100%	Spain
Pioneer Global Investments LTD Paris Branch(2)	Full	100%	100%	France
Pioneer Global Investments LTD London Branch(2)	Full	100%	100%	United Kingdom
Pioneer Global Investments LTD Buenos Aires Branch(2)	Full	100%	100%	Argentina
Pioneer Global Investments LTD Tokyo Branch(2) (5)	Full	100%	100%	Japan
Pioneer Global Investments LTD Santiago Branch(2)	Full	100%	100%	Chile
Pioneer Global Investments LTD Mexico city Branch(2)	Full	100%	100%	Mexico
Pioneer Global Investments LTD Jelling Branch(2)	Full	100%	100%	Denmark
Pioneer Investment Management Limited Singapore Branch(3)	Full	100%	100%	Singapore
Pioneer Investment Management Limited London Branch(3)	Full	100%	100%	United Kingdom
Pioneer Asset Management A.S. Bratislava Branch(4)	Full	100%	100%	Slovakia
Pioneer Asset Management A.S. Sofia(4)	Full	100%	100%	Bulgaria

(1) Entity merged with Amundi Suisse in the second half of 2017.
(2) Branch of Pioneer Global Investments Ltd.
(3) Branch of Pioneer Investment Management Limited.
(4) Branch of Pioneer Asset Management A.S.
(5) Liquidation during the second half of 2017.

9.3.2.3 Fair value of the consideration transferred

In accordance with IFRS 3 revised (Business Combinations), the Amundi Group proceeded with the temporary allocation of the cost of acquisition at closing and, as a result, the amounts allocated to identifiable assets and liabilities acquired and to goodwill may change within a year (measurement period) as of the date of the combination in the event that new information is obtained concerning the facts and circumstances that existed at the acquisition date.

Net assets acquired (after temporary allocation of acquisition price)

In € thousands	03/07/2017
Total assets acquired	**1,789,375**
Cash and central banks	20
Financial assets at fair value through profit and loss	64,745
Available-for-sale financial assets	58,049
Loans and receivables due from credit institutions	576,401
Current and deferred tax assets	85,617
Accruals, prepayments and sundry assets	436,601
Property, plant and equipment	9,116
Intangible assets	558,827
Total liabilities taken over	**807,075**
Due to credit institutions	-
Current and deferred tax liabilities	204,674
Accruals, deferred income and sundry liabilities	531,623
Provisions	70,779
NET ASSETS 100% ACQUIRED	**982,300**

At the time of the provisional allocation of the acquisition cost, two types of amortisable assets apart from goodwill were identified:

- the distribution agreements signed with partners networks (in Italy, Germany, Austria and the Czech Republic), valued at a total of €545.5 million. The purpose of these ten-year distribution agreements is to organise the distribution and promotion by the UniCredit networks of certain products of the Group to their customers, on a preferential but non-exclusive basis and to provide a framework for cooperation between the Amundi Group and the UniCredit networks to develop dedicated products, adapted to the needs of each network. These contractual commitments, valued using the excess-profits method, were recognised in intangible assets. In addition, in accordance with IFRS, the accounting for these intangible assets resulted in the recognition of deferred tax liabilities totalling €160.8 million, calculated in light of the tax rates in force in each country. The amortisation period of these distribution agreements, matching with their term, is ten years;
- the "Pioneer" trademark valued at €7.1 million. This trademark, valued using the royalty-savings method, was recognised in intangible assets and resulted in the recognition of a deferred tax liability of €2.7 million. The amortisation period of this intangible property was determined using assumptions about the gradual run-off of the brand (*i.e.*, an average duration of seven years).

Fair value of the consideration transferred

In € thousands	03/07/2017
Net assets 100% acquired	982,300
Net assets to the holders of a non-controlling interest	-
Goodwill on the share acquired(1)	2,537,294
ACQUISITION PRICE (FAIR VALUE OF COUNTERPARTY TRANSFERRED TO SELLER) (2) (3)	**3,519,594**

(1) After identifying all separable assets, residual goodwill in relation to this business combination corresponds to the expected future economic advantages of the effects of synergies, the value of human capital and the capacity of the new combined entity to grow its business.

(2) €1,460 million of the purchase price was funded by Amundi's surplus capital, €1,415 million (less expenses) by a capital increase with preferential subscription rights, and the balance of €645 million by senior and subordinated debt.

(3) Pioneer Investments' Indian entities, which were not acquired, are not included in the acquisition price shown here.

Acquisition costs

In accordance with revised IFRS 3, the acquisition costs associated with this transaction were recognised under expenses.

Contribution to the consolidated net income of the Group and the net income of the combined entity

In this section, Amundi provides, in accordance with IFRS 3 revised:

- the income from ordinary activities and profits of Pioneer Investments since the acquisition date that are included in the consolidated income statement as at 31 December 2017 (1), as well as;
- the income from ordinary activities and the net income of the combined entity for the current reporting period as if the acquisition date of Pioneer Investments had been the opening date for 2017 (2).

In € thousands	Amount included in the Group's consolidated income statement (1)	Entity combined as if the acquisition had occurred at 1 January 2017 (2)
Net revenues	**408,470**	**2,682,399**
NET INCOME FOR THE PERIOD	**105,520**	**808,218**

The data presented above equal the arithmetic sum of the accounting profits of the acquired subsidiaries of Pioneer Investments and therefore have not been restated *pro forma*.

9.4 NON-CONSOLIDATED ENTITIES

These securities recorded in the portfolio of "Available-for-sale financial assets" are representative of a significant fraction of the equity of the companies that issued them and are intended to be held long-term.

This line item amounted to €338,008 thousand at 31 December 2017, compared with €350,853 thousand at 31 December 2016.

Entities excluded from the scope of consolidation

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

Non-consolidated entities	Registered office	% interest	Grounds for excluding from scope of consolidation
TIKEHAU CAPITAL EUROPE LTD	United Kingdom	24.9%	Materiality thresholds
AMUNDI-ACBA ASSET MANAGEMENT CJSC	Armenia	51.0%	Materiality thresholds
AMUNDI ASSET MANAGEMENT AUSTRALIA LIMITED	Australia	100.0%	Materiality thresholds
AMUNDI CANADA INC	Canada	100.0%	Materiality thresholds
AMUNDI TRANSITION ENERGETIQUE	France	60.0%	Materiality thresholds
ANATEC	France	49.7%	Materiality thresholds
ELIDITUS	France	100.0%	Materiality thresholds
IM SQUARE	France	42.1%	Materiality thresholds
LA FINANCIERE MAGELLAN	France	33.3%	Materiality thresholds
SCI MASCARIN	France	100.0%	Materiality thresholds
SCI LES PALMIERS BLEUS	France	100.0%	Materiality thresholds
SUPERNOVA INVEST	France	43.0%	Materiality thresholds
AMUNDI ALTERNATIVE INVESTMENT IRELAND LTD	Ireland	100.0%	Materiality thresholds
AMUNDI REAL ESTATE LUXEMBOURG SA	Luxembourg	100.0%	Materiality thresholds
DNA SA	Luxembourg	100.0%	Materiality thresholds
LRP	Luxembourg	100.0%	Materiality thresholds
AMUNDI INVESTMENT MAROC	Morocco	100.0%	Materiality thresholds
AMUNDI MALAYSIA SDN BHD	Malaysia	100.0%	Materiality thresholds
FUND CHANNEL (SUISSE) SA	Switzerland	50.0%	Materiality thresholds
AMUNDI MUTUAL FUND BROKERAGE SECURITIES (THAILAND) COMPANY LIMITED	Thailand	100.0%	Materiality thresholds
AMUNDI TAIWAN LTD	Taiwan	100.0%	Materiality thresholds

Excluded from this disclosure are inactive entities as at 31 December 2017.

Significant non-consolidated equity holdings

Investments in associates (over which the Group has neither control or significant influence) representing a fraction of equity equal to or greater than 10% and not in the scope of consolidation are shown in the following table.

Non-consolidated entities	Registered office	% interest
FC INTERNATIONAL	France	10.0%
NEXTSTAGE SAS	France	11.5%

9.5 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments at 31 December 2017 include:

- the guarantee commitments presented in the table below:

In € thousands	31/12/2017	31/12/2016
Guarantee commitments given	21,322,324	17,487,286
Of which fund guarantee commitments	*20,743,366*	*17,487,286*
Of which other guarantee commitments	*578,958*	-

The increase in these guarantee commitments during 2017 is mainly attributable to the change in scope of consolidation resulting from the acquisition of Pioneer Investments.

- the financial commitments for the Revolving Credit Facility granted to Amundi for €1,750 million at 31 December 2017 and 31 December 2016;
- the notional value of the derivatives contracted with funds and market counterparties whose fair values are presented in notes 7.3 and 7.4;

In € thousands	31/12/2017	31/12/2016
Interest-rate instruments	2,667,582	2,160,968
Other instruments	46,469,805	40,037,867
NOTIONAL TOTAL	**49,137,387**	**42,198,835**

- non-cancellable operating lease commitments amounting to €171,968 thousand at 31 December 2017 (see note 9.6).

9.6 LEASES

The Group signed operating leases on the operations buildings used in France and other countries. The Group expects to receive minimum future payments for non-cancellable sub-leasing contracts.

In € thousands	31/12/2017	< = 1 yr	Between 1 and 5 years	> 5 years
Commitments given	175,425	44,288	116,466	14,671
Commitments received (sub-leases)	(3,457)	(860)	(2,554)	(44)
NON-CANCELLABLE OPERATING LEASE COMMITMENTS	**171,968**	**43,428**	**113,913**	**14,628**

In € thousands	31/12/2017	< = 1 yr	Between 1 and 5 years	> 5 years
Commitments given	159,865	34,993	119,853	5,020
Commitments received (sub-leases)	(4,710)	(870)	(3,174)	(666)
NON-CANCELLABLE OPERATING LEASE COMMITMENTS	**155,155**	**34,123**	**116,679**	**4,353**

9.7 SUBSEQUENT EVENTS

None.

9.8 STATUTORY AUDITORS' FEES

The allocation of fees by firm and type of assignment recognised in the 2017 and 2016 consolidated results is provided below:

	2017			2016		
In € thousands	PWC	E&Y	Total	PWC	E&Y	Total
Statutory audit, certification, audit of the individual andconsolidated financial statements	1,817	1,959	3,776	1,152	1,228	2,380
Other assignments and services directly related to the statutory auditors' role	-	-	-	295	212	507
Services other than certification of the financial statements(1)	1,217	481	1,698	1,307	109	1,415
STATUTORY AUDITORS' FEES	**3,034**	**2,440**	**5,474**	**2,754**	**1,548**	**4,303**

(1) *Services other than auditing the financial statements consist of comfort letters, agreed procedures, statements of compliance with accounting principles, consultations on regulatory matters and due diligence in acquisitions.*

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

- by "Ernst & Young et Autres", for €952 thousand for auditing the financial statements and €274 thousand for services other than auditing the financial statements;
- by "PricewaterhouseCoopers Audit", for €810 thousand for auditing the financial statements and €425 thousand for services other than auditing the financial statements.

6.4 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

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

This statutory auditors' report includes information specifically required by European regulations or French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report.

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

To the Annual General Meeting of Amundi,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of the Amundi Group for the year ended December 31, 2017.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2017 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

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

BASIS FOR OPINION

Audit framework

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

Our responsibilities under these standards are further described in the "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2017 to the date of our report and specifically we did not provide any non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (Code de déontologie) for Statutory Auditors.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill

Risk identified	Our response
The goodwill mainly results from external growth operations and amounts to € 5.7 billion as at December 31, 2017. Management performs impairment tests whenever there is an indication of a loss in value, and at least once a year, in order to measure any impairment loss on goodwill. These tests are based on the comparison between the carrying amount of the cash generating unit (CGU) and its value in use. The value in use is calculated on the basis of the present value of the future cash flows generated by the CGU. These provisional cash flows are determined on the basis of the medium-term plans based on the medium-term strategic plan established as part of the budgetary procedure, and are submitted for approval to the Board of Directors. They are based on assumptions concerning the growth of the Amundi Group's business in its various markets, integrating trends in macroeconomic parameters such as stock market indices, interest rates and exchange rates. The present value of the future cash flows also takes into account assumptions concerning discount rates and growth rates to infinity which necessitate the exercise of judgment on the part of management. In view of the materiality of the goodwill and the degree of judgment exercised by management to determine an impairment loss, we considered that this is a key audit matter.	We analyzed the methods used by Amundi to identify any indications of loss in value. We performed the verification of the calculations made, and we involved our valuation specialists to assess the assumptions used by management to determine the discount rates and the growth rates to infinity included in the calculations of the discounted cash flows, comparing them with external sources if necessary. We analyzed the financial trajectories prepared by the Amundi Group's management and used in the impairment tests, in order to: ▪ compare them with the documents approved by the Amundi Group's relevant bodies; ▪ assess the main underlying assumptions. The reliability of these assumptions was notably assessed based on the comparison of the financial trajectories prepared in past years with the corresponding actual performance. We also performed analyses of sensitivity to some assumptions (growth rate to infinity, discount rate) and analyzed the information provided in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to the various assumptions.

Goodwill is recorded in the balance sheet for a net amount of € 5.7 billion as at December 31, 2017

See Notes 1.4.5, 1.4.6 and 5.13 to the consolidated financial statements

Allocation of the purchase price of the Pioneer Investments entities, in accordance with IFRS 3 (revised)

Risk identified	Our response
On July 3, 2017, Amundi acquired the companies of the Pioneer Investments Group from Pioneer Global Asset Management S.p.A, ("PGAM"), a subsidiary of the Italian bank UniCredit. The price of this acquisition was € 3.5 billion for net assets of approximately € 1 billion after purchase price allocation. In accordance with IFRS 3R, the Amundi Group allocated the purchase price to the identifiable assets acquired and liabilities assumed relating to the Pioneer Investments entities, as well as to the goodwill. The allocation of the purchase price led to the identification of intangible assets related to the Pioneer brand and to distribution agreements entered into with partners' networks in Italy, Germany, Austria and the Czech Republic. The brand was valued according to the royalty savings method, whereas the contractual commitments resulting from the distribution agreements are valued according to the excess earnings method. We considered that the purchase price allocation and the measurement of the fair value of the intangible assets identified constituted a key audit matter. Indeed, by its very nature, this allocation requires the exercise of judgment to identify the identifiable assets acquired and the liabilities assumed, and to determine the various assumptions used to estimate the fair value of these assets and liabilities.	Our audit work notably consisted in the following: ▪ analyzing the procedures set up by the Amundi Group to identify the identifiable assets acquired and the liabilities assumed; ▪ assessing the process for the measurement of the fair value of these assets and liabilities, the assumptions used and the useful lives of the intangible assets applied; ▪ performing analyses of sensitivity to certain assumptions. We involved valuation specialists to assess the actuarial assumptions used and to assess the valuation of the distribution agreements and the brand. We analyzed the financial trajectories used for the valuation of the distribution agreements and considered their consistency with the business plan prepared by management within the context of the acquisition of Pioneer. Lastly, we considered the public information relating to purchase price allocations for past transactions in the asset management sector.

The brand is recorded in the balance sheet for €7.1 million, the distribution agreements for € 545.5 million, and residual goodwill for € 2.5 billion.

See Note 9.3.2.3 to the consolidated financial statements.

Recognition and measurement of performance fees

Risk identified	Our response
Amundi manages a diversified fund portfolio covering all asset classes: in particular, active management (equities, bonds and multi-assets), passive management (ETFs, index funds and Smart Beta), management of real and alternative assets (real estate, private debt, infrastructure and private equity), as well as cash and structured products. For certain funds, contractual provisions stipulate remuneration in the event of the outperformance of the fund via the payment of a "performance fee". These fees are received by Amundi when a fund outperforms a defined index or exceeds a trigger point at the end of the calculation period specified in the prospectus. The fees correspond to a percentage of the outperformance. The corresponding income is recognised in profit or loss at the end of the calculation period specified in the prospectus, except for money-market funds for which they are recognised on an ongoing basis. The diverse maturity dates, indices and trigger points lead to complexity in determining the amount of the performance fees and in determining the different dates of recognition of the corresponding income. We therefore considered the recognition and methods of calculation of the outperformance fees to be a key audit matter. *Performance fees are recorded in the profit and loss account for € 174,9 million.* *Refer to Notes 1.3.9 and 4.1 to the consolidated financial statements.*	We analysed the process for the calculation of the performance fees implemented by the Amundi Group. In particular, we tested the periodic reconciliations performed between the performance fees calculated by management and the amounts recognised in P&L, and, for the funds, with the fees provided by the funds administrator. In addition, on the basis of a sample of selected funds: ▪ we reconciled the reference index used with the prospectus; ▪ we reconciled the fee amount determined by management with the amounts recognised; ▪ for funds, we reconciled the performance fees recognised in P&L with the fees calculated by the funds administrator; ▪ For non-monetary funds, we considered whether the fees were recognised by the management's Company at the end of the calculation period specified in the prospectus.

Estimation of retrocessions payable to third-party distributors

Risk identified	Our response
The Amundi Group's management companies pay retrocessions to distributors according to contractual agreements. These generally equal a percentage of management fees. At the closing date, an estimation is made to determine the retrocessions to be paid by the group's management companies to third-party distributors. The process for the billing of these retrocessions and the estimation of the accruals is complex, given the large number of distributors, and the disparity in the billing frequencies and processes, and it necessitates the involvement of many participants. We considered that the estimation of accrued invoices at the closing date in respect with certain categories of retrocessions to be paid to third-party distributors involved a risk of material misstatement in the consolidated accounts, in view of the numerous distributors and distribution agreements, the disparity in the frequency of the billing of external distributors, and the complexity of the calculation of these estimates. *Retrocessions to be paid by the Group's management companies to third-party distributors are recognised in accruals, deferred income and sundry liabilities. The retrocessions are recognised in commissions and other customer activity expenses, in profit or loss.* *See Notes 1.3.9 and 5.10.2 to the consolidated financial statements.*	We analysed the procedure set up by the Finance Department to estimate, at the closing date, the accruals to be recorded for retrocessions to be paid to third-party distributors. We performed analytical procedures to assess the consistency of the accruals accounted for with the management fees recognized. In addition, for a sample of external distributors: ▪ we critically assessed the assumptions used to estimate accrued retrocessions to determine whether they are accounted for in accordance with contractual information and management data for the asset under management marketed by third-party distributors; ▪ where possible, we reconciled the accruals recognised at the closing date with the invoices actually issued post-closing, in order to assess the reliability of the accrual recorded. We also examined aged accrued retrocessions and we inquired any new information liable to call into question the estimates made.

VERIFICATION OF THE INFORMATION PERTAINING TO THE GROUP PRESENTED IN THE MANAGEMENT REPORT

As required by law and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the Board of Directors' management report.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Amundi by the Annual General Meetings held on November 16, 1989 for PricewaterhouseCoopers Audit and on May 31, 1991 for ERNST & YOUNG et Autres.

As at 31 December 2017, PricewaterhouseCoopers Audit was in the twenty-ninth year of total uninterrupted engagement and ERNST & YOUNG et Autres in the twenty-seventh year, respectively, of which twenty years since the Company became a public interest entity, due to its status as a credit institution.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements presenting a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements free of material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

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

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

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

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of management of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or

conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;

- Evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

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

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

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, March 7, 2018

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres	
Emmanuel Benoist	Claire Rochas	Olivier Durand

6.5 *PRO FORMA* FINANCIAL INFORMATION

6.5.1 Description of the transaction

On 3 July 2017, Amundi acquired (Share Purchase Agreement) Pioneer Investments Group companies from Pioneer Global Asset Management S.p.A. ("PGAM") a subsidiary of UniCredit, thus sealing the agreement entered into in December 2016.

Tracing its history to 1928, Pioneer Investments is an international asset management company operating in 27 countries. The Pioneer Investments Group operates mainly in Milan, Boston, Dublin and London and has a significant presence in Germany, Austria, Eastern Europe. It employed about 1,800 people at 30 June 2017.

This transaction created the eighth-largest asset management company in the world in terms of assets under management. The combined entity is already serving all client segments with a diversified offer of products and solutions together with a first-rate quality of service and commitment.

6.5.2 Basis of presentation

6.5.2.1 OBJECTIVES OF THE *PRO FORMA* FINANCIAL INFORMATION

The *pro forma* financial information is intended to show the reader, either investor or shareholder, the impact that the above-mentioned transaction would have had on the historical financial statements of Amundi if it had occurred on a date prior to its actual occurrence. The purpose of such information is to aid the reader in analysing the future prospects of the entity at constant scope and accounting methods.

The *pro forma* financial information is presented for purposes of illustration only and is not an indication of the performance that the consolidated company would have had if the business combination in question had been carried out on 1 January 2017. Neither is it an indication of future results of the consolidation as a whole. The *pro forma* adjustments detailed below are based on the information available, as well as on certain assumptions and estimates considered reasonable by Amundi.

6.5.2.2 REGULATORY BASIS

The *pro forma* financial information has been prepared in accordance with Annex I of the European "Prospectus Regulation" No. 809-2004. The transaction involves a change in size greater than 25% in terms of income and profits of the Amundi Group (considered the purchaser for accounting purposes in accordance with IFRS 3 – Business Combinations).

The information was prepared in accordance with Annex II of European Regulation No. 809/2004 "*Pro Forma* Financial Information Building Block".

The *pro forma* financial information follows the recommendations issued by ESMA (ESMA/2013/319 of 20 March 2013 and AMF Recommendation 2013-08 relative to *pro forma* financial information, amended on 15 April 2016).

6.5.2.3 UNDERLYING ASSUMPTIONS

The *pro forma* financial information presented below was prepared in millions of euros (the historical functional currency of Amundi and Pioneer Investments financial statements) and include the following information:

- an income statement for the year ended 31 December 2017, as if the acquisition had occurred on 1 January 2017;
- explanatory disclosures.

The calculation and allocation of the acquisition price are presented in note 9.3.2 "Significant changes in the scope" to the financial statements of the Amundi Group as at 31 December 2017.

6.5.3 Unaudited *pro forma* financial information

In accordance with the recommendation of the AMF, Amundi presents unaudited *pro forma* financial information based on the following consolidated financial statements prepared in accordance with the IAS/IFRS (International Financial Reporting Standards) applicable at 31 December 2017:

- the audited consolidated financial statements of the Amundi Group for the year ended 31 December 2017;
- the consolidated financial statements of the Pioneer Investments group for the half-year ended 30 June 2017, prepared to meet the needs of Amundi and reflecting the scope of the entities involved in this transaction [1]. These statements were subject to a limited review by Pioneer Investments' statutory auditors.

Moreover, in compliance with AMF Recommendation 2013-08, adjustment for the following items was not made in preparing the *pro forma* financial information:

- expenses due exclusively to future changes (changes in strategy and organisation) which, because they do not reflect the existing state of the company in the transaction, must be excluded from the *pro forma* information;
- future effects of synergies and economies of scale, since these are in the nature of projected data.

(1) See note 9.3.2.2. to the financial statements of the Amundi Group as at 31 December 2017.

6.5.3.1 *PRO-FORMA* INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

In € millions	Note	Pioneer Investments 1st Half 2017(1)	Amundi Reported(2)	Adjustments *pro forma*	Non-recurrent items	Financial information *pro forma*
Net asset management revenues		422.5	2,204.0			2,626.5
Net financial income		2.8	96.6	(47.4)		52.0
Other net income		-	(43.5)	(27.9)		(71.4)
Net revenues		**425.3**	**2,257.1**	**(75.2)**	**-**	**2,607.2**
Operating expenses		(273.1)	(1,308.6)		149.2	(1,432.5)
Gross operating income		**152.2**	**948.6**	**(75.2)**	**149.2**	**1,174.7**
Pre-tax income		**152.7**	**967.1**	**(75.2)**	**149.2**	**1,193.8**
Income tax charge		(25.7)	(285.9)	26.9	(69.5)	(354.1)
Net income for the period		**127.0**	**681.2**	**(48.3)**	**79.7**	**839.6**
NET INCOME – GROUP SHARE		**127.0**	**681.3**	**(48.3)**	**79.7**	**839.8**

(1) As the consolidated financial statements of Pioneer Investments for the first half of 2017 were subject to a limited review.
(2) The audited consolidated financial statements of the Amundi Group for the year ended 31 December 2017.

6.5.4 Explanatory disclosures concerning the *pro forma* information

6.5.4.1 EXPLANATORY DISCLOSURES CONCERNING THE *PRO FORMA* INFORMATION

At the time of the provisional allocation of the acquisition cost, two types of amortisable assets apart from goodwill were identified:

- The distribution agreements signed with partners networks (in Italy, Germany, Austria and the Czech Republic), valued at a total of €545.5 million.

  These items are amortised over a period of ten years, matching their contractual period.

- The "Pioneer" trademark valued at €7.1 million.

  The amortisation period of this intangible property was determined using assumptions about the gradual run-off of the brand (*i.e.*, an average duration of seven years).

In the *pro forma* financial information, the impacts on the income statement of the provisional allocation of the purchase price were adjusted by -€27.9 million (before tax effect) to make them retroactive to 1 January 2017.

The tax effects applied to these adjustments were calculated using the applicable statutory tax rates in each country affected, for a total impact of €8.3 million.

6.5.4.2 INCOME FROM CASH INVESTMENTS

In the *pro forma* presentation of the income statement for the period ended 31 December 2017 (as if the transaction had occurred on 1 January 2017), the income produced by the various short-term cash investments used to acquire Pioneer Investments was restated in the amount of -€44.9 million.

This restatement was estimated on the basis of an assumed yield of 2% [(1)] applied to a base corresponding to the amount of the Group's investment portfolio post acquisition. In line with this assumption, income of €11.1 million was therefore substituted for the net income of the first half of 2017 (an increase of €56.0 million).

As the tax effect applied to the above restatement related to the French entities, the tax rate used was the statutory tax rate of 39.43% applicable in France for 2017.

6.5.4.3 COST OF FINANCING

The cost of financing Pioneer Investments (the portion financed by senior debt and subordinated debt for a total of €645 million) was restated in the *pro forma* financial information in the amount of -€2.5 million before taxes.

The purpose of this adjustment was to reflect its impact in the financial statements of the Group beginning 1 January 2017, as these debts were taken out in May 2017.

As the tax effect applied to the foregoing restatement related to the French entities, the tax rate used was the statutory tax rate of 39.43% pertaining in France in 2017.

6.5.4.4 INTRA-GROUP TRANSACTIONS AND RELATIONS WITH THE SUBSIDIARIES

Under AMF Recommendation No. 2013-08, if there are relations between the companies that were parties to the transaction prior to its effective date, it is recommended that these transactions, which have automatically become "reciprocal transactions", be restated in the *pro forma* financial information.

In this transaction:

- no material reciprocal transactions were identified in the reported financial data of Amundi and Pioneer Investments for the first half of 2017;
- no significant contractual change was identified regarding the holdings of subsidiaries or equity investments by Pioneer or Amundi.

Thus no adjustment of this nature impacts the *pro forma* financial information.

(1) As this income equals the historical yield rate observed at the Group level (i.e., 2%).

6.5.5 Explanatory disclosures relating to non-recurring items

The various adjustments presented in this section are intended to restate the costs which, by their nature, do not have a recurring impact on the statements of the consolidated whole.

Furthermore, no adjustment characterised as projected data was subject to adjustment for the presentation of this financial information.

6.5.5.1 COST RELATED TO THE CONSOLIDATION OF PIONEER INVESTMENTS

As part of this transaction, costs were incurred relating to the consolidation of Pioneer Investments into the Amundi Group.

These costs, which by their nature do not have a recurring impact on the statement of the consolidated whole, were restated in the *pro forma* financial information in the amount of €149.2 million before tax effects (including €13.8 million recognised in the consolidated statements prepared by Pioneer Investments for the first half of 2017).

Moreover, the tax effects applied to these adjustments were calculated using the applicable statutory tax rates in each country affected, for a total impact of €47.4 million.

6.5.5.2 CORPORATE INCOME TAX

The half-yearly statements of Pioneer Investments at 30 June 2017 include extraordinary income tax income of €22.0 million.

These items of a non-recurring nature were therefore restated in the *pro forma* financial information.

6.5.6 Statutory Auditors' report on the *pro forma* financial information for the year ended 31 December 2017

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and is construed in accordance with French law and professional auditing standards applicable in France

To the Chief Executive Officer,

In our capacity as Statutory Auditors of your Company and in accordance with Commission Regulation (EC) no. 809/2004, we hereby report to you on the pro forma financial information of Amundi for the year ended December 31, 2017, which is set out in section 6.5 of the Registration Document.

This pro forma financial information has been prepared for the sole purpose of illustrating the impact that the acquisition of Pioneer Investments by Amundi might have had on the consolidated income statement of Amundi for the year ended December 31, 2017, had it taken place with effect from January 1, 2017. By its very nature, this information is based on a hypothetical situation and does not represent the financial position or the performance that would have been reported, had the transaction or event taken place at an earlier date than the actual or contemplated date.

- It is your responsibility to prepare the pro forma financial information in accordance with the provisions of Commission Regulation (EC) no. 809/2004 and ESMA's recommendations on pro forma financial information.

It is our responsibility to express an opinion, based on our work, in accordance with Annex II, item 7 of Commission Regulation (EC) no. 809/2004, as to the proper preparation of pro forma financial information.

We performed those procedures that we deemed necessary in accordance with the professional auditing standards applicable in France to such engagements. These procedures, which did not include an audit or a review of the financial information used as a basis to prepare the pro forma financial information, mainly consisted in ensuring that the information used to prepare the pro forma information was consistent with the underlying documents, as described in the notes to the pro forma financial information, reviewing the evidence supporting the pro forma adjustments and conducting interviews with the management of Amundi to obtain the information and explanations we deemed necessary.

In our opinion:

- the pro forma financial information has been properly prepared on the basis stated;
- this basis is consistent with the accounting policies of the issuer.

This report has been issued solely for the purposes of registering the Registration Document with the AMF and may not be used for any other purpose.

Neuilly-sur-Seine and Paris-La Défense, April 10, 2018

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres	
Emmanuel Benoist	Olivier Durand	Claire Rochas

Parent company financial statements

7.1 ANNUAL FINANCIAL STATEMENTS

Balance sheet at 31 December 2017

ASSETS

In € thousands	Notes	31/12/2017	31/12/2016
Interbank transactions and similar items		**594,368**	**371,415**
Cash, due from central banks			
Treasury bills and similar securities			
Loans and receivables due from credit institutions	3	594,368	371,415
Loans and receivables due from customers	**4**	**256,407**	**214,279**
Securities transactions		**1,551,455**	**2,139,922**
Bonds and other fixed-income securities	5		
Shares and other variable-income securities	5	1,551,455	2,139,922
Fixed assets		**6,121,901**	**2,716,179**
Equity investments and other long-term equity investments	6-7	225,134	219,451
Investments in subsidiaries and affiliates	6-7	5,896,741	2,496,692
Intangible assets	7		
Property, plant and equipment	7	25	36
Due from shareholders – Unpaid capital			
Treasury shares	**8**	**2,906**	**3,035**
Accruals, prepayments and sundry assets		**559,764**	**415,949**
Other assets	9	543,811	415,396
Accruals	9	15,953	552
TOTAL ASSETS		**9,086,801**	**5,860,779**

EQUITY AND LIABILITIES

In € thousands	Notes	31/12/2017	31/12/2016
Interbank transactions and similar items		**876,244**	**358,751**
Due to central banks			
Due to credit institutions	11	876,244	358,751
Due to customers	**12**	**2,727,300**	**1,422,000**
Debt securities	**13**		
Accruals, deferred income and sundry liabilities		**413,785**	**422,589**
Other liabilities	14	404,066	404,227
Accruals	14	9,719	18,362
Provisions and subordinated debt		**304,063**	**49**
Provisions	15-16-17	205	49
Subordinated debt	19	303,859	
Fund for general banking risks (FGBR)	**18**	**37,149**	**37,149**
Equity excluding FGBR:	**20**	**4,728,260**	**3,620,241**
Share capital		503,776	419,814
Share premiums		2,474,411	1,152,225
Reserves		62,308	53,741
Revaluation gains/losses			
Regulated provisions and investment subsidies			
Retained earnings		1,550,986	1,695,335
Income statement awaiting approval/Interim dividend			
Net income (loss) for the year		136,779	299,126
TOTAL EQUITY AND LIABILITIES		**9,086,801**	**5,860,779**

OFF-BALANCE SHEET

In € thousands	Notes	31/12/2017	31/12/2016
Commitments given			
Financing commitments	26		
Guarantee commitments	26	912,441	308,939
Commitments on securities	26		

In € thousands	Notes	31/12/2017	31/12/2016
Commitments received			
Financing commitments	26	1,750,000	1,750,000
Guarantee commitments	26	250,000	
Commitments on securities	26		

Income statement for the year ended 31 December 2017

In € thousands	Notes	31/12/2017	31/12/2016
Interest and similar income	28-29	12,452	10,910
Interest and similar expenses	28	(9,818)	(8,183)
Income from variable-income securities	29	105,799	270,438
Fees and commissions (income)	30	1,411	327
Fees and commissions (expenses)	30	(66)	(116)
Net gains (losses) on trading book	31	1,007	1,273
Net gains (losses) on short-term investment portfolios and similar	32	40,304	58,636
Other income from banking operations	33	10,651	9,815
Other expenses from banking operations	33	(10,845)	(10,052)
Net banking income		**150,895**	**333,048**
Operating expenses	34	(15,093)	(28,834)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		(11)	(11)
Gross operating income		**135,791**	**304,204**
Cost of risk	35		
Results of operations		**135,791**	**304,204**
Net gains (losses) on fixed assets	36		
Pre-tax income on ordinary activities		**135,791**	**304,204**
Net extraordinary income			
Income tax charge	37	988	(5,078)
Net allocation to FGBR and regulated provisions			
NET INCOME		**136,779**	**299,126**

7.2 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

DETAILED SUMMARY OF THE NOTES

DETAILED SUMMARY OF THE NOTES

Note 1 Legal and financial background – Significant events in 2017

1.1 LEGAL AND FINANCIAL BACKGROUND

Amundi is a French *société anonyme* (public limited company) with share capital of €503,776,405.00 (*i.e*. 201,510,562 shares with a par value of €2.50 each).

In accordance with Article 44 of the law of 16 July 1992 bringing legislation on insurance and credit in line with the Single European Market, Amundi is considered a credit institution and classified as a financial company. This law modifies Article 18 of banking law 84-46 of 24 January 1984 and abrogates Article 99.

Pursuant to the French Financial Activity Modernisation Act No. 96-597 of 2 July 1997, Amundi opted to be categorised as a financial company, *i.e*., a credit institution.

The *Comité des Établissements de Crédit et des Entreprises d'Investissement* (Credit Institutions and Investment Firms Committee) redefined Amundi's authorisation on 19 February 2002. Amundi, as a financial company, is accredited to issue capital and/or performance guarantees in the field of asset management, particularly for customers of the Crédit Agricole Group or of any mutual fund it manages.

Ownership percentages in the Company are:

- 68.29% by Crédit Agricole S.A.;
- 29.99% by the public (including employees);
- 1.71% by the other Crédit Agricole Group companies;
- 0.02% in treasury shares.

1.2 SIGNIFICANT EVENTS IN 2017

- Capital increase

  In the first half of 2017, the capital increase (with preferential subscription rights) launched by Amundi on 14 March 2017 by means of a press release, was finalised.

  At the end of the subscription period (from 17 March 2017 to 31 March 2017), this capital increase led to the issue of 33,585,093 shares at a price of €42.50 per share (par value of €2.50 and share premium of €40.00). The final amount of this transaction was €1.4 billion.

  This capital increase had been presented, in principle, on 12 December 2016, when Amundi announced its plans to acquire Pioneer Investments.

- Acquisition of Pioneer Investments

  The proceeds from this capital increase enabled Amundi to finance a portion of the €3.4 billion capital increase of Amundi AM, which acquired companies from the Pioneer Investments Group from UniCredit on 3 July 2017 for €3.5 billion. The balance was financed in the amount of approximately €1.5 billion with Amundi's surplus capital, and €645 million through senior and subordinated debt.

1.3 EVENTS AFTER THE 2017 REPORTING PERIOD

No significant events took place after the reporting period, whether recorded or not.

Note 2 Accounting principles and methods

The Amundi financial statements comply with the provisions of ANC (French accounting standards authority) regulation No. 2014-07 of 26 November 2014, which, for financial years starting from 1 January 2015, aggregates as one set of regulations, on the basis of established law, all accounting standards applicable to credit institutions.

ANC regulation No. 2014-07 had no impact on Amundi's results and net financial position.

2.1 LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS AND CUSTOMERS – FINANCING COMMITMENTS

Loans and receivables due from credit institutions and customers are broken down according to their initial term or type: demand deposits (current accounts and overnight loans) and term deposits for credit institutions, and other customer loans.

Only payables and receivables meeting the following conditions were subject to netting on the balance sheet: same counterparty, identical due dates and currencies, same accounting entity, and an assigned joint account.

Subordinated loans are included under the various categories of loans and receivables according to counterparty type (interbank, customers).

Accrued interest not yet due on receivables is recognised under accrued interest on the income statement.

Income and expenses for fees and commissions are recognised on the income statement according to the nature of the services they represent.

2.2 SECURITIES PORTFOLIO

Securities are classified among the following categories: trading securities, short-term investment securities, medium-term portfolio securities, long-term investment securities, other long-term equity investments, equity investments and investments in subsidiaries and affiliates.

Trading securities

These are securities originally acquired for the purpose of resale or sold with the intent of repurchasing them in the short-term.

Trading securities are recognised on the balance sheet at their acquisition price, excluding acquisition costs.

They are valued based on their market value on the reporting date.

The balance of unrealised gains and losses thus recorded, as well as the balance of the gains and losses on the disposal of securities, is recognised on the income statement, under "Net gains (losses) on trading book".

Short-term investment securities

These securities are those that not considered trading securities, long-term investment securities, other long-term equity investments, equity investments or investments in subsidiaries and affiliates.

Shares and other variable-income securities

Equities are recorded in the balance sheet at their purchase price excluding acquisition costs or at their transfer value. They are valued at the lower of the purchase price or the market value at the reporting date. Accordingly, when the book value on one line is lower than the carrying amount, a charge for write-down of unrealised gains is recognised.

Potential capital gains are not recognised.

The cost of short-term investment securities sold is calculated according to the "first in, first out" method. Capital gains and losses are recognised under "Net gains (losses) on short-term investment portfolios and similar".

Investments in subsidiaries and affiliates, equity investments and other long-term equity investments:

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and which are, or are liable to be, fully consolidated into a single group that can be consolidated.
- Equity investments are investments (other than investments in subsidiaries and affiliates), of which the long-term ownership is judged beneficial to the reporting entity, in particular because it allows it to exercise influence or control over the issuer.
- Other long-term equity investments consist of securities held with the intention of promoting long-term business relations by creating a special relationship with the issuer, but with no influence on the issuer's management due to the small percentage of voting rights held.

These securities are recognised at acquisition price, including transaction expenses.

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

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

When value in use is lower than historical cost, write-downs are booked for these unrealised losses, without offsetting against any unrealised gains.

Market price

The market price at which the various categories of securities are measured is determined in the following manner:

- securities traded on an active market are measured at the most recent quote;
- if the market on which the security is traded is considered inactive or no longer active or if the security is not listed, Amundi determines the probable trading price of the security by using valuation techniques. In the first place, these techniques refer to recent transactions carried out under normal competitive conditions. Where appropriate, Amundi uses valuation techniques commonly used by market actors to value these securities when it has been demonstrated that these techniques produce reliable estimates of prices obtained in actual market trades.

Purchase of treasury shares

The treasury shares repurchased by Amundi under the liquidity agreement are recognised as assets on the balance sheet under a specific heading.

They are recorded in a trading book at their carrying amount.

2.3 FIXED ASSETS

Amundi applies ANC regulation 2014-03 of 5 June 2014 for the depreciation, amortisation and write-down of assets.

As a result, Amundi applies component accounting for all its property, plant and equipment. In accordance with this regulation, the depreciable base takes account of the potential residual value of property, plant and equipment.

In accordance with CRC regulation 2004-06, the acquisition price of fixed assets includes the purchase price plus any incidental expenses, namely expenses directly or indirectly incurred in connection with bringing the asset into service or “into inventory”.

Buildings and equipment are stated at acquisition price less accumulated depreciation, amortisation and write-downs since the time they were placed into service.

Acquired software is measured at cost less accumulated depreciation, amortisation and write-downs booked since their acquisition date.

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

Intangible assets other than software, patents and licences are not amortised.

If applicable, they may be subject to write-down.

Fixed assets are depreciated over their estimated useful lives.

The following components and depreciation periods have been adopted by Amundi following the application of component accounting for fixed assets. These depreciation periods are adjusted according to the nature of the asset and its location:

Component	Depreciation period
Technical equipment and installations	5 years
IT equipment	3 years

2.4 DUE TO CREDIT INSTITUTIONS AND CUSTOMERS

Amounts due to credit institutions and customers are classified in the financial statements by their initial term or the nature of the liability:

- demand or term debt with institutions;
- other liabilities for customers (these include financial customers).

The interest accrued on these debts is recognised under related payables with counterparty in the income statement.

2.5 PROVISIONS

Amundi applies ANC regulation No. 2014-03 of 5 June 2014 to recognise and assess provisions.

These provisions include provisions relating to financing commitments, retirement and end-of-career liabilities, litigation and various risks.

All these risks are reviewed quarterly.

2.6 FUND FOR GENERAL BANKING RISKS (FGBR)

In accordance with the Fourth European Directive and CRBF regulation 90-02 of 23 February 1990 relating to capital, funds for general banking risks are constituted by Amundi, at the discretion of its management, to meet any expenses or risks relating to banking operations but whose incidence is not certain.

Provisions are released to cover any incidence of these risks during a given period.

At 31 December 2017 the balance in this account was €37,148,962.00.

2.7 FOREIGN CURRENCY TRANSACTIONS

Assets and liabilities in foreign currencies are converted using the reporting date exchange rate. The gains or losses resulting from these conversions, as well as the translation adjustments on the fiscal year’s transactions, are recognised in the income statement.

The monetary assets and liabilities, as well as the forward currency contracts appearing as off-balance sheet commitments in foreign currencies are translated at the foreign exchange rate prevailing at the balance sheet date or the market price on the nearest preceding date.

2.8 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments mainly reflect the unused portion of financing commitments and guarantee commitments given and received.

Reported off-balance sheet items do not include commitment or forward financial instruments or foreign exchange transactions.

2.9 EMPLOYEE PROFIT-SHARING AND INCENTIVE PLANS

Employee profit-sharing and incentive plans are recognised on the income statement in the year in which the employees' rights are earned, under "Employee expenses".

Some Group companies have formed "Social and Economic Units" (Amundi, Amundi AM, Amundi ITS, Amundi Finance, Amundi Tenue de Comptes, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Funds, Etoile Gestion, BFT IM, Société Générale Gestion, CPR AM and Amundi Transition Energétique). Associated agreements on employee profit-sharing and incentive plans were signed.

The employees provided by Crédit Agricole S.A. are covered by agreements signed for that entity's SEU. The estimated expense to be paid for the profit-sharing and incentive plans allocated in this context is recognised.

2.10 POST-EMPLOYMENT BENEFITS

Pension plans – Defined-contribution plans

There are several compulsory plans to which "employer" companies contribute. Plan assets are managed by independent organisations and the contributing companies have no legal or implied obligation to pay additional contributions if the funds do not have sufficient assets to cover all benefits corresponding to services rendered by employees during the year and during prior years.

Consequently, Amundi has no liabilities in this respect other than its contributions for the year ended.

The amount of the contributions made to these retirement plans is recognised under "employee expenses".

Commitments in terms of retirement plans, pre-retirement and end-of-career payments – Defined benefit plans

Amundi has applied ANC (French accounting standards authority) recommendation No. 2013-02 of 7 November 2013 regarding accounting and valuation rules for retirement plans and similar benefits since 1 January 2013. This recommendation was abrogated and incorporated into Section 4 of Chapter II of Title III of ANC regulation No. 2014–03 of 5 June 2014.

In accordance with this regulation, Amundi provisions its retirement plans and similar benefits falling under the category of defined-benefit plans.

Within the Amundi Group, Amundi AM has signed an insurance contract for an "end-of-career allowance" (IFC) with PREDICA, and management agreements were signed between Amundi and its SEU (Social and Economic Unit) subsidiaries. This outsourcing of the "end-of-career allowance" results in the transfer of a portion of the liability provision from the financial statements to the PREDICA contract.

The non-outsourced balance remains recorded under the provision for liabilities.

2.11 SHARE AND SHARE SUBSCRIPTION SCHEMES OFFERED TO EMPLOYEES AS PART OF THE COMPANY SAVINGS SCHEME

Share award plan

Three performance share plans granted to certain categories of employees were created.

These shares will be delivered at the end of a three-year vesting period either by the issue of new shares or by a share buyback.

These award schemes are described below:

Performance share plan

Date of general meeting authorising share plan	30/09/15	30/09/15	18/05/17
Date of Board meeting	11/02/16	09/02/17	13/12/17
Date of allocation of shares	11/02/16	09/02/17	13/12/17
Number of shares allocated	235,160 (1)	139,930 (1)	1,551,750
Methods of payment	Amundi shares	Amundi shares	Amundi shares
Vesting period	11/02/2016 11/02/2019	09/02/2017 09/02/2020	01/07/2017 31/12/2021
Performance conditions (2)	Yes	Yes	Yes
Continued employment condition	Yes	Yes	Yes
Shares remaining at 31 December 2017	235,160	139,930	1,551,750
Fair value of one share – Tranche 1	€26.25(1)	€43.41(1)	€67.12
Fair value of one share – Tranche 2	n.a.	n.a.	€63.69
Fair value of one share – Tranche 3	n.a.	n.a.	€59.85

(1) Simultaneous adjustment of the quantity and fair value of shares following the capital increase in the first half of 2017 (preservation of rights and interests of beneficiaries).

(2) Performance conditions are based on net income Group share (NIGS), amount of new assets and the Group's cost-to-income ratio.
The option selected is that shares will be delivered at the end of the vesting period through the issuance of new shares, no expense is recognised during the financial year and no liability is recorded on the balance sheet.

Subscription of shares offered to employees as part of the Company savings plan

The subscription of shares offered to employees as part of the Company savings plan, with a maximum discount of 20%, does not involve a vesting period; however, the shares are subject to a lock-up period of five years. These share subscriptions are recognised in accordance with the provision relating to capital increases.

2.12 EXTRAORDINARY INCOME AND EXPENSES

These consist of expenses and income that occur on an exceptional basis and that are associated with operations that do not pertain to Amundi's ordinary business activities.

2.13 INCOME TAX CHARGE

Generally, only the current tax liability is recorded in the separate statements.

The tax charge shown in the income statement is the corporate tax due for the fiscal year. It includes the effects of the employer social security contribution on earnings of 3.3%.

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

Amundi has had a tax consolidation mechanism since 2010. At 31 December 2017, 17 companies had signed tax consolidation agreements with Amundi. Under these agreements, each company that is part of the tax consolidation mechanism recognises in its financial statements the tax that it would have had to pay in the absence of the mechanism.

Following the 15 April 2010 signature of tax consolidation agreement, Amundi leads the tax consolidation group of the following companies:

- CPR Asset Management;
- Amundi Finance;
- Amundi Intermédiation;
- Société Générale Gestion;
- Amundi AM;
- Amundi Immobilier;
- Amundi Private Equity Funds;
- Amundi Tenue de Comptes;
- Amundi Finance Emissions;
- LCL Emissions;
- Amundi Issuance;
- Etoile Gestion;
- Amundi India Holding;
- Amundi Ventures;
- Valinter 19;
- Valinter 20;
- Eliditus.

Given that the legislative intent when introducing the tax credit for competitiveness and employment (*Crédit d'Impôts pour la Compétitivité et l'Emploi* – CICE) was to reduce employee expenses, Amundi chose to recognise the CICE (Article 244 quater C of the French General Tax Code) as a reduction in employee expenses rather than a tax deduction.

Note 3 Loans and receivables from credit institutions – Analysis by remaining maturity

In € thousands	31/12/2017							31/12/2016
	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and loans:								
■ demand	338,273				338,273		338,273	221,310
■ term	40,000	116,000			156,000	54	156,054	50,065
Pledged securities								
Securities received under repurchase agreements								
Subordinated loans				100,000	100,000	40	100,040	100,040
Total	**378,273**	**116,000**		**100,000**	**594,273**	**95**	**594,368**	**371,415**
Write-downs								
NET CARRYING AMOUNT	**378,273**	**116,000**		**100,000**	**594,273**	**95**	**594,368**	**371,415**
Current accounts								
Accounts and straight loans								
Total								
Write-downs								
NET CARRYING AMOUNT								
TOTAL	**378,273**	**116,000**		**100,000**	**594,273**	**95**	**594,368**	**371,415**

Note 4 Loans and receivables due from customers

4.1 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY REMAINING MATURITY

In € thousands	31/12/2017							31/12/2016
	< 3 months	> 3 months <1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Trade receivables								
Other customer loans	104,898			150,000	254,898	1,509	256,407	214,279
Securities bought under repurchase agreements								
Current accounts in debit								
Write-downs								
NET CARRYING AMOUNT	**104,898**			**150,000**	**254,898**	**1,509**	**256,407**	**214,279**

Subordinated loans granted to customers totalled €150,000 thousand.

4.2 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – GEOGRAPHIC ANALYSIS

In € thousands	31/12/2017	31/12/2016
France (including overseas departments and territories)	225,700	213,000
Other EU countries	29,198	
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
International organisations		
Total principal	**254,898**	**213,000**
Accrued interest	1,509	1,279
Write-downs		
NET CARRYING AMOUNT	**256,407**	**214,279**

4.3 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – DOUBTFUL LOANS AND WRITE-DOWNS GEOGRAPHIC ANALYSIS

	31/12/2017				
In € thousands	Gross outstandings	o/w doubtful loans	o/w non-performing loans	Write-downs of doubtful loans	Write-downs of non-performing loans
France (including overseas departments and territories)	225,700				
Other EU countries	29,198				
Other European countries					
North America					
Central and Latin America					
Africa and Middle East					
Asia and Oceania (excluding Japan)					
Japan					
International organisations					
Accrued interest	1,509				
CARRYING AMOUNT	**256,407**				

	31/12/2016				
In € thousands	Gross outstandings	o/w doubtful loans	o/w non-performing loans	Write-downs of doubtful loans	Write-downs of non-performing loans
France (including overseas departments and territories)	213,000				
Other EU countries					
Other European countries					
North America					
Central and Latin America					
Africa and Middle East					
Asia and Oceania (excluding Japan)					
Japan					
International organisations					
Accrued interest	1,279				
CARRYING AMOUNT	**214,279**				

4.4 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

In € thousands	31/12/2017				
	Gross outstandings	o/w doubtful loans	o/w non-performing loans	Write-downs of doubtful loans	Write-downs of non-performing loans
Individual customers					
Farmers					
Other small businesses					
Financial institutions	254,898				
Corporates					
Public authorities					
Other customers					
Accrued interest	1,509				
CARRYING AMOUNT	**256,407**				

In € thousands	31/12/2016				
	Gross outstandings	o/w Doubtful loans	o/w Non-performing loans	Write-downs of doubtful loans	Write-downs of non-performing loans
Individual customers					
Farmers					
Other small businesses					
Financial institutions	213,000				
Corporates					
Public authorities					
Other customers					
Accrued interest	1,279				
CARRYING AMOUNT	**214,279**				

Note 5 Trading, short-term investment, long-term investment and medium-term portfolio securities

	31/12/2017					31/12/2016
In € thousands	Trading account securities	Short-term investments	Medium-term portfolio securities	Investment	Total	Total
Treasury bills and similar securities						
■ o/w Residual net premium						
■ o/w Residual net discount						
Accrued interest						
Write-downs						
Net carrying amount						
Bonds and other fixed-income securities						
Issued by a public entity						
Other issuers						
■ o/w Residual net premium						
■ o/w Residual net discount						
Accrued interest						
Write-downs						
Net carrying amount						
Shares and other variable-income securities	8,682	1,574,296			1,582,978	2,177,016
Accrued interest						
Write-downs		(31,523)			(31,523)	(37,094)
Net carrying amount	**8,682**	**1,542,773**			**1,551,455**	**2,139,922**
TOTAL	**8,682**	**1,542,773**			**1,551,455**	**2,139,922**
Estimated values	**8,682**	**1,563,446**			**1,563,400**	**2,187,719**

Of which for trading securities: €8,682 thousand negotiable on an active market.

The estimated value of the unrealised gains on the investment portfolio was €20,549 thousand at 31 December 2017.

The estimated value of the short-term investment securities corresponds to the last trading price.

5.1 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES (EXCLUDING TREASURY BILLS) – BREAKDOWN BY MAJOR CATEGORY OF COUNTERPARTY

In € thousands	Net exposures 31/12/2017	Net exposures 31/12/2016
Government and central banks (including States)		
Credit institutions		
Financial institutions	1,582,872	2,176,911
Local authorities		
Corporates, insurance companies and other customers	105	105
Other and non-allocated		
Total principal	**1,582,978**	**2,177,016**
Accrued interest		
Write-downs	(31,523)	(37,094)
NET CARRYING AMOUNT	**1,551,455**	**2,139,922**

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

	31/12/2017				31/12/2016			
In € thousands	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable-income securities	Total	Bonds and other fixed-income securities	Treasury bills and similar securities	Shares and other variable-income securities	Total
Listed securities								
Unlisted securities			1,582,978	1,582,978			2,177,016	2,177,016
Accrued interest								
Write-downs			(31,523)	(31,523)			(37,094)	(37,094)
NET CARRYING AMOUNT			**1,551,455**	**1,551,455**			**2,139,922**	**2,139,922**

5.3 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES – ANALYSIS BY REMAINING MATURITY

None.

5.4 TREASURY BILLS, BONDS AND OTHER FIXED-INCOME SECURITIES – GEOGRAPHIC ANALYSIS

None.

Note 6 Equity investments and subsidiaries

In € thousands	Financial information				Carrying amount of shares owned						
Company	**Currency**	**Share capital**	**Shareholders' equity other than capital**	**Percentage of capital owned**	**Gross value**	**Net value**	**Unpaid loans and advances from the Company**	**Amount of deposits and sureties given by the Company**	**Rev excl. tax of last complete year**	**Net income (profit or loss for the latest fiscal year ended)**	**Dividends received by the Company during the period**
Equity investments with a book value higher than 1% of the Company's share capital											
1) Investments in banking subsidiaries and affiliates (over 50% of share capital)											
2) Investments in banking subsidiaries and affiliates (10% to 50% of share capital)											
Amundi Finance	EUR	40,320	462,855	23.87%	227,357	227,357	100,000		146,757	81,536	
3) Investments in other subsidiaries and affiliates (over 50% of share capital)											
Amundi AM	EUR	1,086,263	3,925,278	100.00%	4,673,774	4,673,774	150,000		1,235,717	373,264	
SOCIÉTÉ GÉNÉRALE GESTION	EUR	567,034	46,969	100.00%	582,437	582,437			237,862	34,866	43,816
ETOILE GESTION	EUR	29,000	2,994	100.00%	155,000	155,000			85,231	9,248	9,223
CPR ASSET MANAGEMENT	EUR	53,446	38,428	86.36%	99,563	99,563			143,851	39,848	13,200
BFT GESTION	EUR	1,600	41,677	99.99%	60,374	60,374			44,454	9,471	
Amundi Immobilier	EUR	16,685	34,718	100.00%	63,989	63,989			158,460	47,316	29,619
Amundi PRIVATE EQUITY FUND	EUR	12,394	37,615	59.93%	33,998	33,998			31,018	7,539	
4) Other equity investments (10% to 50% of share capital)											
Equity investments with a book value lower than 1% of the share capital of Amundi Finance											
	EUR				484	250					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					**5,896,976**	**5,896,741**					

"Net income for the year ended" concerns income for the current financial year.

6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

In € thousands	31/12/2017 Carrying amount	31/12/2017 Estimated value	31/12/2016 Carrying amount	31/12/2016 Estimated value
Investments in subsidiaries and affiliates				
Unlisted securities	5,896,976	5,896,741	2,496,832	2,496,692
Listed securities				
Advances available for consolidation				
Accrued interest				
Write-downs	(234)		(141)	
Net carrying amount	**5,896,741**	**5,896,741**	**2,496,692**	**2,496,692**
Equity investments and other long-term equity investments				
Equity investments				
Unlisted securities				
Listed securities				
Advances available for consolidation				
Accrued interest				
Write-downs				
Sub-total of equity investments				
Other long-term equity investment				
Unlisted securities				
Listed securities	283,979	225,134	283,979	219,451
Advances available for consolidation				
Accrued interest				
Write-downs	(58,845)		(64,528)	
Sub-total other long-term equity investments	**225,134**	**225,134**	**219,451**	**219,451**
Net carrying amount	**225,134**	**225,134**	**219,451**	**219,451**
TOTAL EQUITY INVESTMENTS	**6,121,875**	**6,121,875**	**2,716,142**	**2,716,142**

Note 7 Changes in fixed assets

7.1 FINANCIAL ASSETS

In € thousands	01/01/2017	Increases (acquisitions)	Decreases (disposals, maturities)	Other movements	31/12/2017
Investments in subsidiaries and affiliates					
Gross values [1]	2,496,832	3,400,143			5,896,976
Advances available for consolidation					
Accrued interest					
Write-downs	(141)			(94)	(234)
Net carrying amount	**2,496,692**	**3,400,143**		**(94)**	**5,896,741**
Equity investments					
Gross values					
Advances available for consolidation					
Accrued interest					
Write-downs					
Other long-term equity investment					
Gross values	283,979				283,979
Advances available for consolidation					
Accrued interest					
Write-downs	(64,528)			5,683	(58,845)
Net carrying amount	**219,451**			**5,683**	**225,134**
TOTAL	**2,716,142**	**3,400,143**		**5,589**	**6,121,875**

(1) Of which €3,400 thousand in capital increase of Amundi AM for the acquisition of companies of the Pioneer Investments Group.

The heading "Other movements" shows the effect of changes in foreign exchange rates on the value of fixed assets in foreign currencies.

7.2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

In € thousands	01/01/2017	Increases (acquisitions)	Decreases (disposals, maturities)	Other movements	31/12/2017
Property, plant and equipment					
Gross values	53				53
Amortisation and write-downs	(17)			(11)	(28)
Net carrying amount	**36**			**(11)**	**25**
Intangible assets					
Gross values	420				420
Amortisation and write-downs	(420)				(420)
Net carrying amount					
TOTAL	**36**			**(11)**	**25**

Note 8 Treasury shares

In € thousands	31/12/2017				31/12/2016
	Trading securities	Short-term investment securities	Fixed assets	Total	Total
Number	41,135			41,135	61,045
Carrying amounts	2,906			2,906	3,035
Market value	2,906			2,906	3,035

Share par value: €2.50.

Treasury shares are held under a liquidity contract and recorded in the trading book.

Note 9 Accruals, prepayments and sundry assets

In € thousands	31/12/2017	31/12/2016
Other assets (1)		
Financial options bought		
Inventory accounts and miscellaneous		
Miscellaneous debtors (2)	543,811	415,396
Collective management of account (LDD) securities Livret de développement durable (Sustainable development passbook)		
Settlement accounts		
Net carrying amount	**543,811**	**415,396**
Accruals		
Items in course of transmission from other banks		
Adjustment accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on forward financial instruments		
Other accrued income	15,633	343
Prepaid expenses	321	209
Deferred charges		
Other accruals		
Net carrying amount	**15,953**	**552**
TOTAL	**559,764**	**415,949**

(1) Amounts include accrued interest.
(2) Including €281 thousand as contribution to the Resolution Fund paid in the form of a security deposit. This deposit is usable by the Resolution Fund at any time and without condition, to fund an intervention.

Note 10 Write-downs deducted from assets

In € thousands	Balance at 31/12/2016	Increases	Reversals and utilisations	Accretion	Other movements	Balance at 31/12/2017
On interbank transactions and similar items						
On loans and receivables due from customers						
On securities transactions	101,762	1,702	(11,844)		(1,018)	90,602
On fixed assets						
On other assets						
TOTAL	**101,762**	**1,702**	**(11,844)**		**(1,018)**	**90,602**

Note 11 Amounts due to credit institutions – Analysis by remaining maturity

	31/12/2017							31/12/2016
In € thousands	≤ 3 months	> 3 months ≤1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and borrowings:								
■ demand	219,032				219,032		219,032	295,006
■ term (1)	194,159	116,000	345,000	1,000	656,159	1,052	657,212	63,744
Securities sold under repurchase								
Securities sold under repurchase agreements								
CARRYING AMOUNT	**413,191**	**116,000**	**345,000**	**1,000**	**875,191**	**1,052**	**876,244**	**358,751**

(1) Of which €345,000 thousand in senior debt for the financing of the acquisition of Pioneer Investments.

Note 12 Due to customers

12.1 DUE TO CUSTOMERS – ANALYSIS BY REMAINING MATURITY

	31/12/2017							31/12/2016
In € thousands	< 3 months	> 3 months <1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Current accounts in credit								
Special savings accounts:								
■ demand								
■ term								
Other amounts due to customers:	2,727,300				2,727,300		2,727,300	1,422,000
■ demand	58,100				58,100		58,100	1,389,800
■ term	2,669,200				2,669,200		2,669,200	32,200
Securities sold under repurchase agreements								
CARRYING AMOUNT	**2,727,300**				**2,727,300**		**2,727,300**	**1,422,000**

12.2 DUE TO CUSTOMERS – GEOGRAPHIC ANALYSIS

In € thousands	31/12/2017	31/12/2016
France (including overseas departments and territories)	2,587,300	1,422,000
Other EU countries	140,000	
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Non-allocated and international organisations		
Total principal	**2,727,300**	**1,422,000**
Accrued interest		
CARRYING AMOUNT	**2,727,300**	**1,422,000**

12.3 DUE TO CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

In € thousands	31/12/2017	31/12/2016
Individual customers		
Farmers		
Other small businesses		
Financial institutions	2,727,300	1,422,000
Corporates		
Public authorities		
Other customers		
Total principal	**2,727,300**	**1,422,000**
Accrued interest		
CARRYING AMOUNT	**2,727,300**	**1,422,000**

Note 13 Debt securities

13.1 DEBT SECURITIES – ANALYSIS BY REMAINING MATURITY

None.

13.2 BONDS (BY CURRENCY OF ISSUANCE)

None.

Note 14 Accruals, deferred income and sundry liabilities

In € thousands	31/12/2017	31/12/2016
Other liabilities[1]		
Counterparty transactions (trading securities)		
Liabilities relating to stock lending transactions		
Optional instruments sold		
Settlement and negotiation accounts		
Miscellaneous creditors	404,066	404,227
Payments outstanding on securities		
Carrying amount	**404,066**	**404,227**
Accruals		
▪ Items in course of transmission from other banks		
▪ Adjustment accounts		
▪ Unrealised gains and deferred gains on financial instruments		
▪ Unearned income		
▪ Accrued expenses on commitments on forward financial instruments		
▪ Other accrued expenses	9,719	18,362
▪ Other accruals		
Carrying amount	**9,719**	**18,362**
TOTAL	**413,785**	**422,589**

(1) The amounts include accrued interest.

Note 15 Provisions

In € thousands	Balance at 01/01/2017	Increases	Reversals used	Decreases and reversals not used	Other movements	Balance at 31/12/2017
Provisions						
For pension commitments and similar						
For other employee commitments						
For financing commitment execution risks						
For tax disputes						
For other litigation						
For country risk						
For credit risks						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions	49	155				205
CARRYING AMOUNT	**49**	**155**				**205**

Note 16 Home purchase savings contracts

None.

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

Change in actuarial liability

In € thousands	31/12/2017	31/12/2016
ACTUARIAL LIABILITY AT 31/12/N-1	318	464
Cost of services rendered during the period	16	23
Effect of discounting		
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Change in scope		
Early retirement allowances		
Benefits paid		(170)
Actuarial (gains)/losses	(2)	1
ACTUARIAL LIABILITY AT 31/12/N	332	318

Breakdown of the net charge recognised in the income statement

In € thousands	31/12/2017	31/12/2016
Cost of services rendered during the period	**16**	**23**
Financial cost	3	5
Expected return of assets during the period		
Amortisation of past service cost	(11)	(13)
Other gains or losses		
NET CHARGE RECOGNISED IN THE INCOME STATEMENT	8	15

Change in fair value of plan assets

In € thousands	31/12/2017	31/12/2016
FAIR VALUE OF ASSETS/RIGHT TO REIMBURSEMENT AT 31/12/N-1	855	972
Expected return on assets	11	13
Actuarial gains (losses)	(13)	40
Employer contributions		
Employee contributions		
Benefit plan changes/ withdrawals/ settlement		
Change in scope		
Early retirement allowances		
Benefits paid by the fund		(170)
FAIR VALUE OF ASSETS/RIGHT TO REIMBURSEMENT AT 31/12/N	853	855

Net position

In € thousands	31/12/2017	31/12/2016
ACTUARIAL LIABILITY AT 31/12/N	332	318
Impact of asset restriction		
Fair value of assets at year-end	(853)	(855)
NET POSITION (LIABILITIES)/ASSETS AT 31/12/N	521	537

Note 18 Fund for general banking risks (FGBR)

In € thousands	31/12/2017	31/12/2016
Fund for General Banking Risks	37,149	37,149
CARRYING AMOUNT	**37,149**	**37,149**

Note 19 Subordinated debt – Analysis by remaining maturity

	31/12/2017							31/12/2016
In € thousands	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Subordinated term debt								
Euro								
Dollar								
Securities and equity loans								
Other term subordinated loans								
Perpetual subordinated debt(1)				300,000	300,000	3,859	303,859	
Blocked C/C from Local Banks								
Mutual security deposits								
CARRYING AMOUNT				**300,000**	**300,000**	**3,859**	**303,859**	

(1) Residual term of perpetual subordinated debt set by default at >5 years.

The amount of the charges related to subordinated debt was €3,859 thousand at 31 December 2017.

Note 20 Change in equity – (Before appropriation)

In € thousands	Share capital	Premiums, reserves and retained earnings	Interim dividend	Regulated provisions & investment subsidies	Net income	Total equity
Balance at 31 December 2016	**419,814**	**2,901,301**			**299,126**	**3,620,241**
Dividends paid for 2016		(434,909)				(434,909)
Changes in share capital	83,963	1,322,187				1,406,149
Change in share premium and reserves						
Allocation of Parent company net income		299,126			(299,126)	
Retained earnings						
Net income for the 2017 fiscal year					136,779	136,779
Other changes						
BALANCE AT 31 DECEMBER 2017	**503,776**	**4,087,704**			**136,779**	**4,728,260**

The share capital is composed of 201,510,652 shares with a par value of €2.50 each.

Note 21 Composition of capital

In € thousands	31/12/2017	31/12/2016
Equity	4,728,260	3,620,241
Fund for General Banking Risks	37,149	37,149
Subordinated debt and participating securities	303,859	
Mutual security deposits		
TOTAL CAPITAL	**5,069,268**	**3,657,390**

Note 22 Transactions with subsidiaries and affiliates and equity investments

In € thousands	Balance at 31 December 2017 Transactions with subsidiaries and affiliates and equity investments	Balance at 31 December 2016 Transactions with subsidiaries and affiliates and equity investments
Loans and receivables	**850,775**	**585,694**
due from credit institutions and financial institutions	594,368	371,415
due from customers	256,407	214,279
Bonds and other fixed-income securities		
Debt	**3,907,402**	**1,780,751**
Credit institutions and financial institutions	876,244	358,751
Due from customers	2,727,300	1,422,000
Debt securities and subordinated debt	303,859	
Commitments given	**25,988**	**18,933**
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	25,988	18,933
Securities acquired with repurchase options		
Other commitments given		

Note 23 Transactions in foreign currencies

	31/12/2017		31/12/2016	
In € thousands	Assets	Equity and liabilities	Assets	Equity and liabilities
Euro	8,783,657	9,032,622	5,558,535	5,846,026
Other European Union currencies	397	2,767	303	292
Swiss franc				
Dollar	29,574	47,566	3,269	14,460
Yen	273,170		298,669	
Other currencies	3	3,845	3	
TOTAL	**9,086,801**	**9,086,801**	**5,860,779**	**5,860,779**

Note 24 Foreign exchange transactions, loans and borrowings

None.

Note 25 Forward financial instruments

None.

Note 26 Commitments given or received

In € thousands	31/12/2017	31/12/2016
COMMITMENTS GIVEN	**912,441**	**308,939**
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
■ Confirmed credit lines		
■ Documentary credits		
■ Other confirmed credit lines		
■ Other commitments to customers		
Guarantee commitments	**912,441**	**308,939**
Commitments from credit institutions		
■ Confirmed documentary credit lines		
■ Other guarantees		
Customers	912,441	308,939
■ Real estate guarantees		
■ Financial guarantees		
■ Other customer guarantees	912,441	308,939
Commitments on securities		
■ Securities acquired with repurchase options		
■ Other commitments to be given		
COMMITMENTS RECEIVED	**2,000,000**	**1,750,000**
Financing commitments	**1,750,000**	**1,750,000**
Commitments from credit institutions	1,750,000	1,750,000
Commitments from customers		
Guarantee commitments	**250,000**	
Commitments from credit institutions	250,000	
Commitments from customers		
Commitments on securities		
Securities sold with repurchase options		
Other commitments received		

Note 27 Information on counterparty risk on derivative products

None.

Note 28 Net interest and similar income

In € thousands	31/12/2017	31/12/2016
On transactions with credit institutions	7,382	9,426
On transactions with customers	3,620	1,279
On bonds and other fixed-income securities		
Net income on macro-hedging transactions		
Other interest and similar income	1,450	205
Interest and similar income	**12,452**	**10,910**
On transactions with credit institutions [1]	(9,746)	(5,541)
On transactions with customers		6
Net expenses on macro-hedging transactions		
On bonds and other fixed-income securities		
Other interest and similar expenses	(73)	(2,648)
Interest and similar expenses	**(9,818)**	**(8,183)**
TOTAL NET INTEREST AND SIMILAR INCOME	**2,634**	**2,727**

(1) Including €1,553 thousand in respect of the cost of financing of the Revolving Credit Facility granted to Amundi of €1,750,000 thousand; of which 3,859 thousand for expenses related to the subordinated debt.

Note 29 Income from securities

In € thousands	31/12/2017	31/12/2016
Short-term investment securities		
Sustainable development passbook account (LDD)		
Long-term investment securities		
Other securities transactions		
Income from fixed income securities		
Investments in subsidiaries and affiliates, equity investments and other long-term equity investments	102,066	268,594
Short-term investment securities and medium-term portfolio securities	3,732	1,844
Other securities transactions		
Income from variable-income securities	**105,799**	**270,438**
TOTAL INCOME FROM SECURITIES	**105,799**	**270,438**

Note 30 Net fee and commission income

	31/12/2017			31/12/2016		
In € thousands	Proceeds	Expenses	Net	Proceeds	Expenses	Net
On transactions with credit institutions						
On transactions with customers						
On securities transactions		(66)	(66)		(116)	(116)
On forward financial instruments and other off-balance sheet transactions	1,411		1,411	327		327
On financial services						
Provisions for fee and commission risks						
TOTAL NET FEE AND COMMISSION INCOME	**1,411**	**(66)**	**1,345**	**327**	**(116)**	**211**

Note 31 Net gains (losses) on trading book

In € thousands	31/12/2017	31/12/2016
Net gains/(losses) on trading account securities	1,007	1,273
Net gains/(losses) on currency and similar financial instrument transactions		
Net gains/(losses) on forward financial instruments		
NET GAINS (LOSSES) ON TRADING BOOK	**1,007**	**1,273**

Note 32 Net gains (losses) on short-term investment portfolios and similar

In € thousands	31/12/2017	31/12/2016
Short-term investment securities		
Write downs	(1,702)	(5,634)
Reversals of write-downs	11,844	23,668
Net write-downs	10,142	18,035
Gains on disposals	34,875	48,307
Losses on disposals	(4,713)	(7,706)
Net gains (losses) on disposals	30,162	40,601
Net gains (losses) on short-term investment securities	**40,304**	**58,636**
Medium-term portfolio securities		
Write downs		
Reversals of write-downs		
Net write-downs		
Gains on disposals		
Losses on disposals		
Net gains (losses) on disposals		
Net gains (losses) on medium-term portfolio securities		
NET GAINS (LOSSES) ON INVESTMENT PORTFOLIOS AND SIMILAR	**40,304**	**58,636**

Note 33 Other banking income and expenses

In € thousands	31/12/2017	31/12/2016
Sundry income	13	1
Share of joint ventures		
Charge-backs and expense reclassification	10,639	9,814
Provision reversals		
Other income from banking operations	**10,651**	**9,815**
Sundry expenses		
Share of joint ventures		
Charge-backs and expense reclassification	(10,845)	(10,052)
Provisions		
Other expenses from banking operations	**(10,845)**	**(10,052)**
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS	**(194)**	**(237)**

Note 34 Operating expenses

In € thousands	31/12/2017	31/12/2016
Employee expenses		
Salaries	(1,754)	(745)
Social security charges	(863)	(536)
Profit-sharing and incentive plans	(129)	(61)
Payroll-related tax	(281)	(232)
Total employee expenses	**(3,027)**	**(1,573)**
Charge-backs and reclassification of employee expenses	60	60
Net employee expenses	**(2,967)**	**(1,513)**
Administrative costs		
Taxes	(2,896)	(2,999)
External services and other Administrative expenses	(18,541)	(25,723)
Total administrative expenses	**(21,436)**	**(28,722)**
Charge-backs and reclassification of administrative expenses	9,310	1,402
Net administrative costs	**(12,126)**	**(27,320)**
OPERATING EXPENSES	**(15,093)**	**(28,833)**

34.1 HEADCOUNT BY CATEGORY

In average number of employees	31/12/2017	31/12/2016
Executives	10	9
Non-executives	1	1
TOTAL	**11**	**10**
Of which:		
■ France	10	10
■ Abroad		
Of which seconded employees		

Note 35 Cost of risk

None.

Note 36 Gains (losses) on fixed assets

None.

Note 37 Income tax charge

Amundi heads the tax consolidation group established since the fiscal year ended 31 December 2010.

The Group had taxable income of €489,082,732 for the fiscal year ended 31 December 2017.

No tax loss carryforwards were identified at Group level for the fiscal year ended 31 December 2017.

The total income tax charge generated by the companies within the scope and recognised as income for the Parent company stands at €173,669,986.

The tax owed to the Public Treasury for the year ended 31 December 2017 by the Company heading the Group is €166,920,667 in terms of corporate tax and €24,454,137 for the exceptional additional tax contribution.

Individually and in the absence of tax consolidation, Amundi would not have incurred any taxes at 31 December 2017.

Within the context of the tax consolidation, Amundi, as the consolidating company, incurs a tax liability of €16,709 thousand.

By agreement, the subsidiaries pay the income tax charge they would have incurred in the absence of a tax consolidation group.

In addition, at 31 December 2017, Amundi recognised tax income in respect of the reimbursement by the French government of the 3% tax on dividends of €26,829 thousand for the 2014 to 2016 financial years and €13,459 thousand for the 2017 financial year.

Note 38 Allocation of income

	In €
Profit for the year	136,779,154.47
Allocation to the legal reserve	0.00
Previous retained earnings	1,550,985,725.82
TOTAL (DISTRIBUTABLE PROFIT)	**1,687,764,880.29**
Allocation	
Dividend distribution	503,776,405.00
Retained earnings after allocation	1,183,988,475.29
TOTAL	**1,687,764,880.29**

Note 39 Presence in non-cooperative states or territories

None.

Note 40 Compensation of members of the management bodies

Amundi paid €2.425 million in compensation to members of the management bodies.

During the year no advances or loans were made to members of the administrative or management bodies, and no commitments were made on their behalf as any kind of guarantee.

Directors' fees and other compensation received by members of the Board of Directors are shown in Section 2.5.6 of the Registration Document, "Directors' Compensation".

Note 41 Fees paid to the statutory auditors

The Company is fully consolidated in the Amundi Group. Accordingly, information on the statutory auditors' fees is given in the notes to the consolidated financial statements of the Amundi Group.

7.3 STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2017

Amundi

91-93 boulevard Pasteur

75015 Paris

OPINION

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying financial statements of Amundi for the year ended 31 December 2017.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

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

BASIS FOR OPINION

Audit framework

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

Our responsibilities under these standards are further described in the "Statutory Auditors' responsibilities for the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us for the period from January 1, 2017 to the date of our report and specifically we did not provide any non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (Code de déontologie) for Statutory Auditors.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were of most significance in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement of unlisted investments in subsidiaries and affiliates

Risk identified	Our response
Unlisted investments in subsidiaries and affiliates are recorded in the balance sheet for the net amount of € 5.9 billion as at December 31, 2017, compared to € 2.5 billion as at December 31, 2016. As stated in Note 2.2 to the financial statements, investments in subsidiaries and affiliates are recorded at their acquisition cost and are valued at the reporting date according to their value in use. An impairment loss is recognised when the value in use of the investments is lower than their historical cost. The investments are thus recorded in the balance sheet at the lower of their acquisition cost and value in use. The value in use may be estimated on the basis of various factors, such as the issuer's profitability and profitability outlooks, its equity and the economic environment. Considering the judgement involved in the choice of methods used to determine the value in use, and in the assumptions underlying these methods, we considered that the estimate of the value in use of unlisted investments in subsidiaries and affiliates constituted a key audit matter.	Our work consisted in: ■ updating, through discussion, our understanding of the procedures set up by the Amundi Group in order to value unlisted investments in subsidiaries and affiliates; ■ performing the verification, through sampling, of the permanence of methods used to determine the values in use of the equity holdings; ■ performing the verification, through sampling, of the financial aggregates used to estimate the values in use of the investments in subsidiaries and affiliate by reconciling them with the closing balance sheets and profit and loss accounts of the entities assessed; ■ assessing, where appropriate, the existence of external benchmarks supporting the levels of multiples used to calculate values in use. In addition, based on samples, we tested the mathematical accuracy of the calculations of values in use. Finally, for the investments in subsidiaries and affiliates whose estimated value in use is lower than their acquisition price, we evaluated the consistency of the impairment losses recognised with the calculation of the values in use.

Unlisted investments in subsidiaries and affiliates are recorded in the balance sheet for the net amount of € 5.9 billion as at December 31, 2017.

See Notes 2.2, 6 and 7 to the financial statements.

VERIFICATION OF THE MANAGEMENT REPORT AND OF THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the financial position and the financial statements.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-3 and L.225-37-4 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of article L.225-37-3 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Amundi by the General Meetings held on November 16, 1989 for PricewaterhouseCoopers Audit and on May 31, 1991 for ERNST & YOUNG et Autres.

As at 31 December 2017, PricewaterhouseCoopers Audit was in the twenty-ninth year of total uninterrupted engagement and ERNST & YOUNG et Autres in the twenty-seventh year, respectively, of which twenty years since the Company became a public interest entity, due to its status as a credit institution.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for preparing financial statements presenting a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements free of material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE FINANCIAL STATEMENTS

Objective and audit approach

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

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of management of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

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

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

We also provide the Audit Committee with the declaration required in article 6 of Regulation (EU) No 537-2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee any risks to our independence and the related safeguard measures.

Neuilly-sur-Seine and Paris-La Défense, March 7, 2018

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres	
Emmanuel Benoist	Claire Rochas	Olivier Durand

General information

8.1 ARTICLES OF ASSOCIATION

SECTION I – FORM- COMPANY NAME- OBJECTS- REGISTERED OFFICE- TERM

Article 1 – Form

The Company is a French *société anonyme* (public limited company). The Company is governed by applicable law and regulations and by these Articles of Association.

Article 2 – Company name

The Company's name is "Amundi".

Article 3 – Objects

The Company's objects are to carry out the operations listed below with any natural or legal person, both inside and outside France, for itself, on behalf of third parties or in partnership:

- operations that its certification as a credit institution by the *Autorité de contrôle prudentiel et de résolution* (authority charged with prudential supervision) (formerly known as *CECEI*) allows it to carry out;
- all associated operations within the meaning of the French Monetary and Financial Code (*Code monétaire et financier*);
- the creation or acquisition of stakes in all companies or other entities whether French or foreign, in particular portfolio management companies, investment businesses and credit institutions; and
- more generally, all operations directly or indirectly associated with these objects or likely to facilitate their achievement.

Article 4 – Registered office

The Company's registered office is located at 91-93, Boulevard Pasteur, 75015 Paris.

The registered office may be transferred to any other place in accordance with applicable law and regulations.

Article 5 – Term

The Company's term, which started on 6 November 1978, will end on 5 November 2077 unless it is wound up in advance or extended in accordance with the conditions set down by law.

SECTION II – SHARE CAPITAL – SHARES

Article 6 – Share capital

The Company's share capital is set at an amount of €503 776 405, represented by 201 510 562 shares of €2.5 each, all of the same class and fully paid up.

Pursuant to the terms of the contribution agreement dated 14 September 2016, as approved by the Board of Directors of the Company on 27 October 2016, Crédit Agricole Immobilier contributed 165,195 Crédit Agricole Immobilier Investors shares, representing 100% of the capital and voting rights of Crédit Agricole Immobilier Investors, and free of any pledge, privilege or any third-party rights, in exchange for the allocation of 680,232 ordinary Amundi shares to Crédit Agricole Immobilier.

Article 7 – Form of shares

Shares are registered or bearer shares, at the shareholder's choice, subject to the provisions of applicable law and regulations.

Shares are subscribed for in accordance with applicable law.

The Board of Directors determines the amount and timing of payments of outstanding sums due in respect of shares to be paid up in cash.

Any and all calls for payment will be published at least fifteen days in advance in a journal publishing legal notices in the department in which the registered office is located.

Any payment not made by the due date will automatically bear interest for the benefit of the Company, at the legal rate plus one percentage point calculated from this due date, with no formal notice.

Article 8 – Identification of shareholders – Disclosure of holdings in excess of thresholds

In accordance with applicable law and regulations, the Company has the right to request the Central Securities Depository, at any time and at its expense, to provide the name or corporate name, nationality, date of birth or date of incorporation, postal address and, if need be, the electronic address of holders of bearer shares which give a present or future right to vote in its general meetings, together with the number of shares held by each one of them and, if need be, any restrictions that may apply to the shares. On the basis of the list provided by the Central Securities Depository, the Company has the right to ask those on the list whom the Company considers might be acting on behalf of third parties, to provide the information set out above concerning the owners of the shares.

If a person who has been asked for information fails to provide it within the time limits set down by the law and regulations, or provides incomplete or inaccurate information concerning either its status or the name of the owner of the shares, the shares or securities which confer present or future entitlement to share capital, for which this person was registered, will lose their right to vote in any and all shareholder meetings until this identification information has been provided; the payment of any dividend is deferred until this date.

In addition to the legal obligation to inform the Company of the holding of certain percentages of share capital, any natural or legal person, acting alone or in concert, who comes to hold directly or indirectly a percentage of share capital, voting rights or a class of securities conferring future entitlement to the Company's share capital, equal to or in excess of 1.5% and thereafter any multiple of 0.5%, together with holdings in excess of the thresholds set down by the law and regulations, must inform the Company, by registered letter with acknowledgement of receipt, of the number of securities held within five trading days of the crossing of each of these thresholds.

Subject to the above, this obligation set down by these Articles of Association is governed by the same provisions as those governing the legal obligation, including those instances where the law and regulations treat certain securities and rights as forming part of a shareholding.

If the above mentioned declaration is not made, the shares in excess of the percentage that should have been disclosed will lose their voting rights in shareholder meetings if, at the time of a meeting, the failure to disclose has been recorded and if one or more shareholders together holding at least 3% of the Company's share capital or voting rights so request at this meeting.

Any natural or legal person must also inform the Company, in the manner and within the time limits described in paragraph 3 above, in the event that their direct or indirect holdings drop below any of the thresholds set out above.

Article 9 – Rights and obligations attached to shares

In addition to the right to vote, each share entitles its holder to a share in Company assets, profits and the liquidation surplus in proportion to the number of shares issued.

Under the conditions set down by law and these Articles of Association, each share carries a right to attend and to vote in general meetings. The double voting right set down by Article L. 225-123 of the French Commercial Code (*Code de commerce*) is expressly excluded.

Where a certain number of shares must be held in order to exercise any right, more particularly in the case of the exchange, conversion, consolidation or allocation of free shares, share capital decrease, merger, demerger or any other operation, a shareholding of less than the requisite number of shares grants its owner no right against the Company, and shareholders shall personally ensure that they obtain the requisite number of shares required or a multiple thereof; the provisions of Article L. 228-6 of the Commercial Code shall apply to fractional shares.

SECTION III – MANAGEMENT OF THE COMPANY

Article 10 – The Board of Directors

The Company is managed by a Board of Directors. The minimum and maximum number of members is set down by applicable law.

Each director must own at least 200 shares during his/her term of office.

The Board of Directors is renewed each year by rotation; this rotation will concern a certain number of Board members.

The general meeting sets the length of a director's term of office at three years, subject to legal provisions allowing for any extension, to end with the ordinary general meeting of shareholders deliberating on the accounts for the previous financial year and held in the year in which the said director's term of office comes to an end.

Exceptionally, in order to begin or maintain the above mentioned rotation, the general meeting may appoint one or more directors for a different term of no more than 4 years, in order to allow a staggered renewal of directors' terms of office. The duties of any director thus appointed for a term of no more than 4 years will end with the ordinary general meeting of shareholders deliberating on the accounts for the previous financial year and held in the year in which the said director's term of office comes to an end.

The number of directors who are natural persons and over 70 years of age may not exceed one-third of the total number of directors at the end of the financial year. If this proportion is exceeded, the oldest Board member is deemed to have automatically resigned.

Article 11 – Director representing the staff

The Board of Directors includes one director representing the staff and elected by the staff of the Company or by the staff of its direct or indirect subsidiaries whose registered offices are located in France, except in the event of absence of candidacy. The status and procedures for the election of the director elected by the staff are set forth in Articles L. 225-27 *et seq*. of the French Commercial Code.

The term of office of the director representing the staff is of three years. However its office shall expire at the end of the ordinary general meeting called to rule on the financial statements of the past financial year and held in the year during which its term of office expires.

He may not be elected to more than four consecutive terms.

In the event that the seat of the director representing the staff falls vacant as a result of his or her death, resignation, removal, termination of the employment contract or any other reasons, his or her successor shall take office immediately. If there is no successor able to carry out the director's duties, a new election shall be held within three months.

The election of the director representing the staff involves a majority vote in two rounds, in accordance with the following procedures pursuant to Article L. 225-28 of the French Commercial Code and to this article.

The list of voters, indicating their respective surnames, given names, dates and places of birth and domiciles, are prepared by the Chief Executive Officer, displayed and circulated by any other means as determined by the Chief Executive Officer at least five weeks prior to the date of the first round of the election. Within fifteen days after the lists are displayed, any voter may submit a request to the Chief Executive Officer either that another voter who was omitted be registered, or that another voter who was erroneously registered be removed from the list. Within the same time period, any person whose name was omitted may also submit a request for registration.

Applications must be submitted no later than three weeks and one day before the planned date for the first round of the election.

Each application must specify not only the name of the candidate, but also the name of any successor. The candidate and its successor must be of different sex.

The Chief Executive Officer closes, displays and circulates the list of candidates by any other means he determines at least three weeks prior to the planned date for the first round of the election.

Each voting office or offices shall consist of a minimum of three members designated by the representative labour organizations, or, failing that, the two oldest voters and the youngest voter.

Any voter may vote either at the voting offices made available for this purpose, or by correspondence, or by any other means determined by the Chief Executive Officer.

Results are recorded in minutes which shall be displayed no later than three days after the close of the election. The Company shall keep a copy of the minutes in its records.

In the event that a second round is necessary, it shall be organized within one week and no later than one month after the first round.

The organisation of elections and their requirements are determined by the Chief Executive Officer and shall be displayed at least five weeks prior to the date of the first round of the election.

The first round of the election for the renewal of the term of the director representing the staff must take place at the latest two weeks prior to the end of its term of office.

In the event that elections are also organised in the Company's direct or indirect subsidiaries, whose registered office are located in France, the Chief Executive Officer shall contact such subsidiaries' legal representatives for this purpose.

The director representing the staff shall not be taken into account to determine the maximum number of directors as set forth in Article L. 225-17 of the French Commercial Code.

Article 12 – Powers of the Board of Directors

The Board of Directors determines the Company's strategy and ensures its implementation. Subject to powers expressly reserved to shareholder meetings, and within the limits of the corporate objects, the Board of Directors may deal with any issue concerning the smooth operation of the Company and will take decisions on matters concerning the Company.

The Board of Directors conducts all checks and inspections it deems necessary. Each director will receive all information necessary for the completion of his/her duties and may obtain any and all documents he/she considers to be of use. Any such request will be sent to the Chairman of the Board of Directors.

Article 13 – Organisation of the Board of Directors

The Board elects a natural person as Chairman from among its members.

The Chairman of the Board of Directors organises and directs the work of the Board and reports on this to the general meeting. The Chairman ensures the proper functioning of the Company's management bodies and more particularly ensures that directors are able to complete their duties.

The Board may also appoint one or more natural persons as Deputy Chairmen. The duties of the Chairman or Deputy Chairmen may be withdrawn at any time by the Board. The Chairman's duties automatically end with the general meeting deliberating on the accounts for the year in which the Chairman reaches 70 years of age.

The Board also appoints a person to the position of secretary, who need not be a Board member.

The Board may decide to set up committees responsible for investigating issues referred to them by either the Board or the Chairman. The Board decides on the make-up and powers of committees, which carry out their work under its responsibility.

Directors receive attendance fees as set by the general meeting. The amount is maintained until a new decision is made.

The Board shares the attendance fees among its members as it sees fit. More particularly it may decide to allocate more to director members of the committees described above than to other directors.

Article 14 – Meetings of the Board of Directors

The Board will meet as often as required in the interests of the Company. The meeting is convened by any means even orally, and at short notice in the case of urgency, by the Chairman, a Deputy Chairman or by one-third of its members, and is held either at the registered office or at any other place named in the notice of meeting.

In order for decisions to be valid, at least one half of Board members must be present, either in person or, where allowed by the law, by video-conference or other telecommunications method set down by decree.

Decisions are passed by a majority vote of members present or represented. In the case of a split vote, the Chairman will have the casting vote.

Article 15 – General Management

The general management of the Company is carried out, under his/her responsibility, by either the Chairman or the Board of Directors, or by any other natural person appointed by the Board of Directors with the title Chief Executive Officer (*Directeur Général*).

The Board choses between the two methods of general management described above subject to the quorum and majority conditions set down by Article 13 of these Articles of Association. Shareholders and third parties are informed of this choice in accordance with the conditions set down in the regulations.

The chosen method will continue to apply until a contrary decision is made under the same conditions.

Any change made to the general management of the Company will not lead to an amendment of these Articles of Association.

A Board meeting is held in order to deliberate on any change to be made to the general management of the Company at the initiative of either the Chairman, the Chief Executive Officer or by one-third of Board members.

Where the Chairman is responsible for the general management of the Company, the provisions of the law, regulations or these Articles of Association applicable to the Chief Executive Officer will also apply to the Chairman, who will take the title of Chairman and Chief Executive Officer.

If the Board decides to separate the duties of Chairman of the Board of Directors and the Company's general management, the Board will appoint a Chief Executive Officer, set the length of the term of office and the extent of his/her powers. Board decisions limiting the powers of the Chief Executive Officer are not enforceable against third parties.

The Chief Executive Officer's duties will automatically end with the general meeting deliberating on the accounts for the financial year in which he/she reaches seventy years of age. The Chief Executive Officer may be re-elected, subject to the age limit set out above.

The Chief Executive Officer may be removed from office at any time by the Board of Directors.

The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company. He/she exercises these powers within the limits of the Company's objects and subject to those powers expressly reserved by law to general meetings of shareholders and to the Board of Directors. He/she represents the Company in its dealings with third parties.

The Chief Executive Officer may ask the Chairman to convene a Board meeting for a specific agenda.

If the Chief Executive Officer is not a director, he/she may attend Board meetings in an advisory capacity.

On the proposal of the Chief Executive Officer, the Board may appoint from one to a maximum of five natural persons who will assist the Chief Executive Officer and have the title of Deputy Chief Executive Officer. The Board will determine the extent and period over which their powers may be exercised, it being however understood that, with regard to third parties, the Deputy Chief Executive Officer(s) will have the same powers as the Chief Executive Officer.

The Deputy Chief Executive Officer(s) may be removed from office at any time by the Board of Directors acting on the proposal of the Chief Executive Officer.

In the event that the Chief Executive Officer's duties are terminated or he/she is unable to fulfil his/her duties, the Deputy Chief Executive Officer(s) will remain in office and retain their powers until the appointment of a new Chief Executive Officer, unless otherwise decided by the Board of Directors. The duties of the Deputy Chief Executive Officer(s) will automatically end with the general meeting deliberating on the accounts for the financial year in which they reach 70 years of age.

The Chief Executive Officer and, as need be, the Deputy Chief Executive Officer(s), may be authorised to delegate their powers within the limit of applicable laws or regulations.

Fixed or variable remuneration, or fixed and variable remuneration, may be allocated by the Board of Directors to the Chairman, the Chief Executive Officer, to any Deputy Chief Executive Officer and, more generally, to any person charged with duties or vested with any delegations or mandates. This remuneration will be reported as operating costs.

Article 16 – Attendance register and minutes of Board meetings

An attendance register is held at the registered office which is signed by directors attending Board meetings and records those attending by way of video-conference or other telecommunication methods.

Deliberations of the Board are recorded in minutes signed by the Chairman of the meeting and a director, held in a special numbered and initialled register kept at the registered office, in accordance with the regulations.

Article 17 – Advisors

On the Chairman's proposal, the Board of Directors may appoint one or more advisors.

Advisors are invited to attend Board meetings in a consultative capacity.

They are appointed for a given period by the Board of Directors and may be removed at any time by the Board.

They may receive remuneration set by the Board of Directors as consideration for services rendered.

SECTION IV – AUDITING OF THE COMPANY

Article 18 – Statutory auditors

The ordinary general meeting appoints one or more incumbent statutory auditors and one or more substitute statutory auditors meeting the conditions set down by the law and regulations. They carry out their duties in accordance with the law.

Statutory auditors are appointed for six financial years to end with the general meeting convened to deliberate on the accounts for the sixth financial year.

SECTION V – GENERAL MEETINGS

Article 19 – Meetings – Composition

General meetings are convened and deliberate in accordance with conditions set down by law.

Meetings are held either at the registered office or at any other place specified in the notice of meeting.

Any shareholder, regardless of the number of shares held, may attend general meetings in accordance with the conditions set down by the law and these Articles of Association, on presentation of proof of identity and of the registration of shares in its name or the name of an intermediary registered on its behalf by midnight Paris time on the day falling two business days before the general meeting:

- for holders of registered shares, in the registered share account held by the Company;
- for holders of bearer shares, in the bearer share account held by the authorised intermediary, the registration or posting of the shares being proved by a participation certificate issued by the latter, if need be by electronic means.

A shareholder not attending a general meeting either personally or through a representative, may choose between the two following possibilities:

- remote voting; or
- sending a blank proxy form to the Company without specifying a proxy's name, in accordance with the conditions set down by applicable law and regulations.

If the shareholder has requested an admission card or a shareholding certificate or, as appropriate, decided on remote voting or sent a proxy, the shareholder no longer has the right to choose to participate in the general meeting in any other manner. The shareholder may however transfer all or some of his/her shares at any time.

If the transfer of ownership takes place before midnight Paris time on the day falling two business days before the general meeting, the Company will invalidate or modify, as appropriate, the remote vote, the proxy, the admission card or shareholding certificate. For this purpose, the authorised intermediary account holder notifies the Company or its representative of the transfer of ownership and provides the necessary information.

Any transfer made after midnight Paris time of the second business day preceding the general meeting is neither notified by the authorised intermediary nor taken into account by the Company.

Shareholders not having their tax domicile in France may be registered and be represented at general meetings by any intermediary registered on their behalf holding a general securities management mandate, provided that the intermediary has declared its status as an intermediary holding securities on behalf of a third party to the Company or to the financial intermediary holding the account at the time of opening the account, in accordance with the law and regulations.

In accordance with a Board of Directors' decision set out in the notice of meeting, shareholders may participate in general meetings by video-conference or any other electronic means of communication, including the Internet, in accordance with applicable law and regulations. The Board of Directors determines the rules for participation and postal votes, by ensuring that the procedures and technologies used have the technical characteristics allowing for the continuous and simultaneous retransmission of debates and votes cast.

Shareholders who use the form posted on-line by the meeting convenor, for this purpose and within the required time limits, are treated as present or represented shareholders. The on-line form may be completed and signed on the site by any method determined by the Board of Directors which satisfies the conditions set down in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code (*Code civil*), which may *inter alia* include a user identification and a password.

Any proxy or vote cast before the meeting by electronic means, together with the acknowledgement of receipt, shall be deemed non-revocable and enforceable on all; in the case of a transfer of ownership occurring before midnight Paris time on the day falling two business days before the meeting, the Company will, as appropriate, invalidate or modify the proxy or vote cast before this date and time.

General meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the Deputy Chairman or by a director especially delegated for this purpose by the Board. Failing this, the General meeting will elect its own Chairman.

Minutes are prepared of general meetings and copies are certified and issued in accordance with the law.

SECTION VI – ACCOUNTS

Article 20 – Financial year

The financial year starts on 1 January and ends on 31 December of each year.

Article 21 – Appropriation and distribution of profits

Net revenue for the financial year, after deductions for overheads and social charges, the amortisation of company assets and provisions for commercial and industrial risks, constitute net profits.

The following sums are deducted in decreasing order of importance from these profits, which may be reduced by previous losses:

1) 5% to the legal reserve until this reserve reaches one-tenth of share capital;

2) the sum set by the general meeting to constitute reserves which it controls;

3) sums that the general meeting decides to appropriate to retained earnings.

The remainder is paid to shareholders as dividends.

The Board of Directors may decide to pay interim dividends.

For all or part of dividends to be distributed or interim dividends, the general meeting may grant shareholders a choice between payment in cash or payment in shares in accordance with the conditions set down by applicable regulations. For all or part of the dividends or interim dividends, reserves or premiums to be distributed, or in the case of a share capital decrease, the general meeting may also decide that the distribution of such dividends, reserves, premiums or share capital decrease will be made in kind by delivery of Company assets.

SECTION VII – WINDING UP – LIQUIDATION

Article 22

For the purpose of winding up the Company, one or more liquidators are appointed by a general meeting, subject to the quorum and majority conditions set down for ordinary general meetings.

The liquidator represents the Company. The liquidator has the broadest powers to dispose of Company assets, even by amicable arrangement. The liquidator is authorised to pay creditors and distribute the remaining balance.

The general meeting may authorise the liquidator to continue on-going business or start new business for the purpose of the liquidation.

Net assets remaining after reimbursement of the shares' nominal value are shared among shareholders pro rata to their shareholdings.

SECTION VIII – DISPUTES

Article 23

Any disputes arising during the Company's term or its liquidation either between shareholders and the Company, or among the shareholders themselves, concerning the Company's business, will be referred to the courts with jurisdiction in accordance with general law.

8.2 INFORMATION REGARDING THE PARENT COMPANY

INVESTMENTS MADE BY AMUNDI DURING THE PAST THREE YEARS

Main investments

Date	Investment	Financing
10/02/2015	Acquisition of Bawag PSK invest (later renamed Amundi Austria). Bawag PSK Invest became a subsidiary of Amundi.	The acquisition was financed by its own funds generated and retained during the year.
31/08/2016	Acquisition of Kleinwort Benson Investors (renamed KBI Global Investors the same day). KBI Global Investors became a subsidiary of Amundi.	The acquisition was financed by its own funds generated and retained during the year.
03/07/2017	Acquisition of Pioneer Investments from UniCredit for a total cash amount of €3,545 billion. Pioneer Investments became a fully-owned subsidiary of Amundi.	The acquisition was financed in the amount of €1.5 billion with excess capital, in the amount o€1.4 billion by a capital increase, and in the amount of €0.6 billion, from the issuance of senior and subordinated debt with Crédit Agricole S.A.

NEW PRODUCTS AND SERVICES

New products and services are regularly offered to customers by the Group's entities. Information is available on the Group's websites, particularly in the form of the press releases available on the www.amundi.com website.

MATERIAL CONTRACTS

Concomitantly with the acquisition of Pioneer Investments on 3 July, a distribution agreement was signed with UniCredit for the sale of Amundi products within UniCredit's banking networks in Italy, Germany, Austria and Eastern Europe.

No other contracts containing a significant obligation or commitment for Amundi had been signed by any of its entities as of the filing date of this Registration Document.

SIGNIFICANT CHANGES

The 2017 financial statements were approved by the Board of Directors of 8 February 2018. No significant change has occurred in the financial or business condition of the Company and the Amundi Group since this date.

PUBLICLY AVAILABLE DOCUMENTS

This document is available on the Group website le-groupe.amundi.com/actionnaires/informations-financières and on the website of the *Autorité des marchés financiers* www.amf-france.org.

All regulatory information as defined by the AMF (under Title II of Book II of the AMF General Regulation) is available on the Company's website. Amundi's Articles of Association are included in full in this document.

AGM OF 15 MAY 2018

The agenda as well as the draft resolutions presented to the ordinary AGM of 15 May 2018 are available online at: shareholders.amundi.com.

8.3 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

(General Meeting for the approval of the financial statements for the year ended 31 December 2017

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

To the Shareholders,

Amundi

91-93 boulevard Pasteur

75015 Paris

In our capacity as Statutory Auditors of Amundi, we hereby report to you on related-party agreements and commitments.

It is our responsibility to inform you, based on the information provided to us, of the essential characteristics and terms, and the reasons justifying the interest for the Company of the agreements and commitments of which we have been notified or that we may have identified as part of our engagement, without commenting on their usefulness or merit or ascertaining the existence of any other such agreements or commitments. It is your responsibility, pursuant to the provisions of Article R.225-31 of the French Commercial Code (Code de commerce), to assess the benefits resulting from these agreements and commitments prior to their approval.

Furthermore, it is also our responsibility to provide you with the information required by Article R.225-31 of the French Commercial Code relating to the performance during the year of agreements and commitments already approved by the General Meeting.

We performed the work that we deemed necessary in accordance with the professional standards applicable in France to such engagements. Our work consisted in verifying that the information provided to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

Agreements and commitments authorised during the year

Pursuant to Article L.225-40 of the French Commercial Code, we were informed of the following agreements and commitments authorised by the Board of Directors.

1. With Crédit Agricole S.A.

PERSONS CONCERNED

- Xavier Musca, a director of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.
- Renée Talamona, a director of Amundi and of Crédit Agricole S.A.

NATURE AND PURPOSE

At its meeting of 9 February 2017, the Board of Directors approved implementation of a performance guarantee granted by Crédit Agricole S.A. in connection with Amundi's capital increase, which was carried out for the purpose of financing the acquisition of the Pioneer group.

The programme to finance the acquisition of Pioneer for €3.5 billion comprised:

- The use of Amundi's €1.5 billion capital surplus;
- A capital increase of €1.4 billion;
- The issue of €600 million of redeemable subordinated securities, which will be subscribed for by Crédit Agricole S.A.

The agreement served to secure the transaction with the seller, UniCrédit.

TERMS AND CONDITIONS

The agreement represented a cost of €9.96 million.

REASONS JUSTIFYING THE INTEREST OF THE AGREEMENT FOR THE COMPANY:

Amundi's acquisition of Pioneer represented an exceptional opportunity, not only in terms of geographic, marketing and expert-resource complementarities but also prospects for synergies. As a result of the transaction, Amundi now has €1,400 billion assets under management, making it the leading asset manager in Europe and the eighth largest worldwide.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETING

Agreements and commitments approved in previous years

Pursuant to Article R.225-30 of the French Commercial Code, we were informed that the following agreements and commitments, approved by the General Meeting in previous years, remained in force during the year ended 31 December 2017.

2. With Crédit Agricole S.A.

PERSON CONCERNED

- Xavier Musca, a director of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.

NATURE AND PURPOSE

At its meeting of 17 June 2015, the Board of Directors approved the partnership agreement between Amundi, Société Générale and Crédit Agricole S.A. which renewed all of the industrial agreements with the Société Générale and Crédit Agricole S.A. groups and the amendments to the subsequent agreements. This agreement was entered into for a term of five years.

TERMS AND CONDITIONS

These transactions generated an overall net amount of €285 million paid by the Amundi Group to the Crédit Agricole Group.

3. With Crédit Agricole S.A.

PERSONS CONCERNED

- Xavier Musca, a director of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.
- Yves Perrier, Chief Executive Officer of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.

NATURE AND PURPOSE

At it meeting of 15 September 2015, the Board of Directors authorised a charge-back agreement signed by Amundi and Crédit Agricole S.A., setting at 80% the charge-backs made to the Amundi Group for the fixed and variable compensation and related expenses of Yves Perrier.

It is specified that the amounts due pursuant to the supplementary pension plans will not be charged back, even in the event of the termination of Yves Perrier's employment contract.

TERMS AND CONDITIONS

As such, during the year ended 31 December 2017, the expenses relating to this charge-back amounted to €3.28 million.

Neuilly-sur-Seine and Paris-La Défense, 7 March 2018

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres	
Emmanuel Benoist	Claire Rochas	Olivier Durand

8.4 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Mr Yves Perrier.

8.4.1 Responsibility statement

I declare, after taking all reasonable measures for this purpose and to the best of my knowledge that the information contained in this Registration Document is in accordance with the facts and that it contains no omission likely to affect its import.

I declare that, to my knowledge, the financial statements were prepared in accordance with the applicable accounting standards and provide a true and fair view of the financial position and results of the Company and of all entities included in the consolidated group, and that the attached management report provides a true and fair view of the business trends, results and financial position of the Company and of all entities included in the consolidated group, together with a description of the main risks and uncertainties that they face.

I have obtained a letter from the statutory auditors, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres, upon completion of their work, in which they state that they have verified the information relating to the financial position and financial statements provided in this document and read the document in its entirety.

10 April 2018

Yves Perrier

Chief Executive Officer of the Company

8.4.2 Statutory Auditors

Statutory auditors

ERNST & YOUNG et Autres

Represented by Claire Rochas and Olivier Durand

1/2 place des Saisons, 92400 Courbevoie – Paris la Défense 1

ERNST & YOUNG et Autres is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

ERNST & YOUNG et Autres was renewed as Statutory Auditor by decision of the general shareholder's meeting of the Company of 28 April 2015 for a term of six years to end at the close of the AGM to be convened to approve the financial statements for the year ending 31 December 2020.

PricewaterhouseCoopers Audit

Represented by Emmanuel Benoist

63, rue Villiers, 92200 Neuilly-sur-Seine

PRICEWATERHOUSECOOPERS Audit is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

PRICEWATERHOUSECOOPERS Audit was renewed as Statutory Auditor by decision of the general shareholder's meeting of the Company of 25 April 2013 for a term of six years to end at the close of the AGM to be convened to approve the financial statements for the year ending 31 December 2018.

Alternate Auditors

PICARLE et Associés

Alternate member to ERNST & YOUNG et Autres

1/2 place des Saisons, 92400 Courbevoie – Paris la Défense 1

PICARLE et Associés is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

PICARLE et Associés was renewed as Alternate Statutory Auditor by decision of the general shareholder's meeting of the Company of 28 April 2015 for a term of six years to end at the close of the AGM to be convened to approve the financial statements for the year ending 31 December 2020.

Étienne BORIS

Alternate member to PricewaterhouseCoopers Audit

63, rue Villiers, 92200 Neuilly-sur-Seine Cedex

Étienne Boris is a member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* (the Regional Association of Auditors of Versailles).

Étienne Boris was renewed as Alternate Statutory Auditor by decision of the general shareholder's meeting of the Company of 25 April 2013 for a term of six years to end at the close of the AGM to be convened to approve the financial statements for the year ending 31 December 2018.

8.5 GLOSSARY

ACCOUNT ADMINISTRATION

Account administration or account keeping consists of entering financial instruments into an account in the name of their holder, *i.e.* recognising the holder's rights over those financial instruments, and keeping the corresponding assets, according to the particular arrangements for each financial instrument.

ALTERNATIVE ASSET MANAGEMENT

Investment strategies intended to achieve returns showing low correlation with market indexes. Strategies cover various investment processes, risks and returns targets, and can be used to meet a wide range of objectives. Investors access these strategies either indirectly (via "funds of hedge funds") or directly (via "hedge funds").

ALTERNATIVE INVESTMENT FUNDS (AIF)

Alternative investment funds or AIFs are investment funds that are distinct from mutual funds. They raise capital from a certain number of investors to invest, in the interests of those investors, in accordance with an investment policy defined by the AIFs or their management companies.

ASSET MANAGEMENT FOR THIRD PARTIES

Process by which an investor (individual or institutional) delegates the financial management of its capital/savings to a financial intermediary, of which the management company is the most common institutional form. Asset management for third parties comprises (i) portfolio management or customised mandate-based management for individuals, companies or institutional investors, and (ii) collective management through collective investment undertakings (mutual funds).

ASSET CLASS

An asset class consists of financial assets that share similar characteristics. Amundi has identified the following asset classes for the monitoring of its activities: Treasury, fixed income, multi-asset, equity, real, specialised and structured.

ASSETS UNDER MANAGEMENT

Operational business indicator not reflected in the Group's consolidated financial statements, corresponding to assets in portfolios marketed by the Group, whether the Group manages them, advises on them or delegates their management to an external manager. For each fund, assets under management are measured by multiplying the net asset value per unit (calculated by an external valuation agent in accordance with regulations in force) by the number of units/shares in issue.

BASIS POINTS (BP)

A basis point is equal to 0.01% or 1/10,000.

CA AND SG INSURERS

Entities belonging to the insurance companies of the Crédit Agricole and Société Générale groups that have formed an agreement with Amundi for the management of their general assets.

COLLECTIVE INVESTMENT FUND

Investment funds are undertakings that collectively own financial assets. In France, these funds take various legal forms that are often very specific. Most collective investments are regulated by the AMF (mutual funds, AIFs, "other AIFs" and "other collective investments").

CONSTANT PROPORTION PORTFOLIO INSURANCE (CPPI) FUNDS

Type of investment fund managed using the constant proportion portfolio insurance method, which gives the fund exposure to upside in the financial markets while also providing capital protection or a capital guarantee. It is based on differentiation between two types of assets in a single portfolio: dynamic assets intended to produce the returns sought, and assets providing the guarantee or protection. The breakdown of assets between these two types is reviewed regularly in order to achieve the management objective.

DEPOSITARY

Service provider ensuring the safekeeping of securities and checking the lawfulness of management decisions taken on behalf of the mutual funds. The depositary may contractually outsource part of its functions to another establishment authorised to provide account-keeping and custody services; in particular, it may outsource the custody of assets to a "custodian". However, it may not outsource checks on the lawfulness of decisions taken by the management company of the mutual funds.

DERIVATIVE

Financial instrument whose value varies as a function of the price of an underlying, which may be of a different nature (equity, index, currency, interest rate etc.). The derivative gives its holder exposure to fluctuations in the underlying without the holder having to buy or sell it itself. Derivative contracts may take various forms (swaps, forwards, futures, options, CFDs, warrants etc.).

DISCRETIONARY MANAGEMENT

Investment service consisting of managing, on a discretionary and customised basis, portfolios that include one or more financial instruments as part of a mandate given by a third party.

ETF (EXCHANGE TRADED FUND)

ETFs (exchange traded funds) or "trackers" are stock market-listed index funds that aim to replicate as closely as possible the performance in their benchmark index, on both the upside and downside. An ETF security trades like a normal share and can therefore be purchased or sold during market trading hours.

FORMULA FUNDS

Type of mutual funds whose aim is to achieve, after a defined period, a value determined by the strict application of a predefined calculation formula, based on financial market indicators or financial instruments, and as the case may be to distribute income, which is determined in the same manner.

FUND OF FUNDS

A fund of funds is an undertaking for collective investment in transferable securities (mutual funds) that mainly invests in equities or units of other mutual funds.

By convention, assets held by Amundi funds invested in other funds are counted in the AuM of "Institutional excluding CA and SG Insurers".

GUARANTEED PRODUCT/FUND

Debt security or mutual fund where the achievement of the target capital repayment/return is guaranteed by a credit institution.

HIGH QUALITY LIQUID ASSETS (HQLA)

Assets qualify as high-quality liquid assets (HQLA) within the meaning of CRD IV banking regulations if they can easily and immediately be transformed into cash while losing very little or no value, and in general if they can be tendered to the central bank to obtain financing. The main characteristics of a high-quality liquid asset are: 1) low risk and volatility; 2) ease and certainty of valuation; 3) low correlation with risky assets; and 4) listing on a developed, recognised market of a substantial size. Total high-quality liquid assets that are not already being used as collateral represent the numerator of the short-term liquidity ratio (LCR or liquidity coverage ratio, which measures 1-month liquidity in a stress situation) under the same regulations.

INSTITUTIONAL INVESTOR

Institutional investors are organisations that collect savings on a large scale and invest on their own behalf or on behalf of third parties. Institutional clients include sovereign funds, pension funds, insurers, other financial institutions and non-profit organisations. Amundi's "Institutional" business also covers Corporates, Employee Savings and Retirement schemes, and the CA and SG Insurers.

INSTITUTIONAL INVESTOR FCP MUTUAL FUND

Type of mutual funds that issues units and has no legal personality. The investor, by buying units, becomes a joint owner of securities, but has no voting rights. The investor is not a shareholder in the fund. A FCP mutual fund is represented and managed in administrative, financial and accounting terms by a single management company, which may outsource those tasks.

MANAGED ACCOUNT

Managed accounts are covered by AIFM D, and are investment funds that give investors access to alternative management in a regulated environment, while limiting the main operational risks. Fees paid comprise commissions paid to distributors in accordance with contractual provisions, depositary and valuation fees where paid by the management company, and to a lesser extent, certain related administrative costs. That manager has the task of replicating some or all of the investment strategy used in its reference fund. This operational arrangement is intended to limit exposure to the third-party manager to its performance drivers only. The aim of a managed account is to give investors greater operational security, independent risk management through greater transparency, and in general improved liquidity.

MANAGEMENT MANDATE

Investment service consisting of managing, on a discretionary and customised basis, portfolios that include one or more financial instruments as part of a mandate given by a third party.

MULTI-ASSET FUNDS

Multi-asset funds invest in a wide variety of securities and in various asset classes (equities, bonds, money market etc.). Risks and returns associated with a diversified fund may vary greatly depending on its management objectives and the composition of its assets.

NET INFLOWS/(OUTFLOWS)

Process by which an investor (individual or institutional) delegates the financial management of its capital/savings to a financial intermediary, of which the management company is the most common institutional form. Positive net inflows mean that the total amount of inflows (from client investments) is higher than the amount of outflows (from client withdrawals). Conversely, negative net inflows mean that the total amount of outflows is higher than the amount of inflows.

NET FEE MARGIN

Net fee margin corresponds to net fee income for the period divided by average assets under management (excluding joint ventures) during the same period, expressed in basis points.

NET MANAGEMENT FEES

Net management fees equal management fees received net of fees paid. Management fees received correspond to management fees paid by the portfolio to remunerate the management company, recognised as and when the service is rendered and generally calculated as a percentage of assets under management, along with fees paid by the funds to Amundi Finance in relation to the guarantees provided by Amundi Finance for guaranteed funds or EMTNs, turnover fees paid by the fund, and other fees of smaller amounts, such as front-end charges and securities lending and borrowing fees. Fees paid comprise commissions paid to distributors in accordance with contractual provisions, depositary and valuation fees where paid by the management company, and to a lesser extent, certain related administrative costs.

OPEN-ENDED FUNDS

Collective investment undertakings that may take the form of a UCITS, AIF or other, that are open to both non-professional and professional investors.

PASSIVE OR INDEX-BASED MANAGEMENT

Investment strategy intended to replicate as accurately as possible the performance of a benchmark index.

PERFORMANCE FEES

Performance fees are paid to the asset management company as provided by contract. They are computed on the basis of a percentage on the positive difference between the actual performance and the reference index as provided by contract.

PORTFOLIO MANAGEMENT COMPANY

Investment service provider whose main activity is managing assets for third parties (individually through a management mandate or collectively through a mutual fund) and which is subject to AMF authorisation.

PRIVILEGED

Notion qualifying Amundi's commercial relationship with certain distributors that provide specific services and implement particular efforts to promote its products. The agreements formalising these relationships do not, however, provide for any exclusivity.

REAL AND ALTERNATIVE ASSETS

Asset portfolios managed by Amundi Asset Management platforms in charge of real estate, unlisted equities, infrastructure and private debt.

REAL-ESTATE MUTUAL FUNDS – OPCI

A real-estate mutual fund – OPCI takes the form of either a variable-capital real-estate-focused investment company or a real-estate investment fund, and its purpose is to invest in properties intended for rental or properties that it has built exclusively in order to rent them out, which it owns directly or indirectly, including buildings not yet completed, as well as to carry out all operations involved in using or reselling such properties, all types of works on these properties including operations relating to their construction, renovation and upgrading with a view to letting them out, and incidentally to manage financial instruments and deposits.

RETAIL

Client segment including the following distribution channels: French Networks, International Networks, Third-party Distributors and Joint-Ventures.

SMART BETA

Investment strategy involving management processes based on indexes other than those that weight stocks by market capitalisation, e.g. "anti-benchmark®" management by TOBAM.

SEED MONEY INVESTMENTS

Amundi capital invested in order to launch funds before they are marketed. The intention is for this capital to be gradually replaced by capital invested by clients.

SOVEREIGN FUND

International investment funds owned by a state or a state's central bank.

SPREAD

In general, a spread is a differential between two rates. The term's precise definition varies according to the type of market in relation to which it is used.

STRUCTURED BONDS OR EMTNS

Debt securities issued by financial institutions that have similar economic characteristics to those of a formula fund (as opposed to a standard bond), since redemption and interest payments depend on a mathematical formula that may include one or more underlyings that may be very diverse in nature (equities, indexes, funds, funds of funds etc.).

STRUCTURED FUNDS

Type of investment fund that generally features guarantees or protection on some or all of the amounts invested, mainly comprising two large families: formula funds and constant proportion portfolio insurance (CPPI) funds.

THIRD-PARTY DISTRIBUTORS

A distributor is a service provider in charge of marketing investment services and financial instruments to its client base (retail customers or institutional investors). Amundi has contracts with more than 1,000 distributors worldwide for the marketing of its products and services. Amundi's third-party distributors include all distributors except for partner distribution networks in France (Crédit Agricole, LCL, Société Générale, Crédit du Nord), partner distribution networks outside France (Resona, BAWAG P.S.K., Cariparma, Friuladria, Komerční Banka, CA Polska, Eurobank) and joint ventures with State Bank of India, Agricultural Bank of China, South Korean banking group NongHyup and Moroccan banking group Wafa.

TRACKING ERROR

Tracking error is an asset-management risk measurement used in portfolios that track indexes or are compared with a benchmark index. It is the annualised standard deviation of the differences between portfolio returns and benchmark index returns.

UCITS (COLLECTIVE INVESTMENT FUNDS – UCITS TYPE – OPCVM)

Portfolio of securities (shares, bonds, etc.) managed by professionals (management companies) and owned collectively by individual or institutional investors. There are two types of UCITS type funds: SICAVs (variable-capital investment companies) and FCPs (mutual funds).

UPFRONT FEES

Fees paid by the client that correspond to commissions paid to distributors, in accordance with contractual provisions. They are generally defined as a percentage of management fees. Upfront *fees* paid to distributors are capitalised and amortised over the life of the contracts.

VALUE AT RISK (VAR)

Value at Risk represents an investor's maximum potential loss on a financial asset or portfolio of financial assets, which should only be reached with a given probability over a given timeframe. In other words, it is the worst loss expected over a given timeframe for a certain confidence level. VaR can be regarded as a quantile of the distribution of profits and losses associated with holding an asset or portfolio of assets over a given period.

VOLUNTARY INVESTMENTS

Proprietary investments carried out by Amundi, as opposed to investments for third parties.

8.6 CROSS-REFERENCE TABLES

8.6.1 Cross-reference table with Annex I of the "Prospectus" Directive

This cross-reference table summarises the main topics covered in Annex I (minimum information to be included in a Share Registration Document) of Regulation (CE) No. 809/2004 of the European Commission of 29 April 2004 (the "Regulation") and refers to the sections and chapters of this Registration Document where the information relating to each topic is covered.

(1) In accordance with Article 28 of EC Regulation 809/2004 and Article 212-11 of the AMF's General Regulation, the following are incorporated by reference:
- *the consolidated financial statements for the fiscal years ended 31 December 2012, 2013 and 2014 as included in Annex II of the Prospectus filed with the AMF on 6 October 2015 under number I.15-073, as well as the statutory auditors' report on the related financial statements, as shown on page 81 of the English language translation of this same Annex II;*
- *the annual and consolidated financial statements for the year ended 31 December, 2015 and the related statutory auditors' reports as included in the 2015 Amundi Registration Document filed with the AMF on 20 April 2016 under the No. R.16–025.*
- *The annual and consolidated financial statements for the year ended 31 December 2016 and the related statutory auditors' reports as included in the 2016 Amundi Registration Document filed with the AMF on 13 March 2017 under the no. R.17-006.*

8.6.2 Regulated information within the meaning of the AMF General Regulation contained in this Registration Document

This reference document includes all the items from the annual financial report as listed in Articles L. 451-1-2 of the Monetary and Financial Code and required by Article 222-3 of the AMF's General Regulation.

The table below shows the items included in the annual financial report:

Amundi
A French limited company with share capital of €503,776,405
Credit institution governed by the French Monetary and Financial Code

Registered office: 91-93, boulevard Pasteur 75015 Paris, France
Postal address: 90, boulevard Pasteur, CS21564, 75730 Paris cedex 15, France
Telephone number: +33 (0)1 76 33 30 30
SIREN number: 314 222 902 RCS Paris

Internet site
www.amundi.com

This document is printed in compliance with ISO 14001:2004 for an environment management system.

Photo and illustration credit: Borja Bonaque

Designed & published by LABRADOR +33 (0)1 53 06 30 80

amundi.com