2016

REGISTRATION DOCUMENT

CONFIDENCE
MUST BE EARNED

Amundi

CONTENTS

Amundi

2016 Registration Document

Listed since November 2015, Amundi is the leading European asset manager[(1)], with €1,083 billion assets under management as of 31 December 2016[(2)]. With seven investment hubs in the world's key financial centres, Amundi has earned its clients' confidence though its in-depth research and market experience.

Amundi is a global player, with a presence in 30 countries mainly in Europe and Asia.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Registration Document was filed with the French Financial Market Authority (Autorité des marchés financiers, AMF) on 13 March 2017 under number R. 17-006, 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 at 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).

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 has a dedicated sales organisation for its two client segments: Retail and Institutional.

Amundi is the trusted partner of 100 million retail clients via its partner networks and third-party distributors and 1,000 institutional clients and 1,000 distributors in more than 30 countries. It designs innovative products and services generating high returns for these clients, adapted to their requirements and specific risk profiles.

Today, Amundi's expertise includes a comprehensive range of products covering all asset classes: active management (equities, bonds and multi-assets), passive management (ETFs, index funds and Smart Beta), real and alternative asset management (real estate, private debt, infrastructures and private equity), but also cash management and structured products.

Amundi's diversified business model (by client type, geographical area and asset class) has resulted in sustained growth of its business activities (assets under management grew at an annual average of 7.1% between the end of 2009 and the end of 2016[(3)], while maintaining high, recurrent profitability based on its virtuous industrial model that enables economies of scale. Thanks to this profitability, Amundi's financial situation is solid, and this is evidenced by the absence of net debt and by the high amount of free capital at the end of 2016[(4)]. In December 2016, the Fitch rating agency confirmed Amundi's long-term A+ credit rating.

On 12 November 2015, Amundi was listed on the Euronext Paris regulated market and is a member of the SBF 120 and SRI[(5)] FTSE4Good indexes.

(1) Amundi scope of consolidation – 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 2016 and based on AuM as of 31 December 2015.

(2) Data Amundi scope at 31 December 2016. 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) and NH-CA Asset Management Co. Ltd (South Korea), and not the assets corresponding to the equity interest held by Amundi in each of the Joint Ventures, along with 34% of the assets under management at Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest in Wafa Gestion, as Amundi has no dedicated employees in Wafa, unlike the others. Since 2014, AuM include the non-managed distributed assets and assets under advisory.

(3) Annual Growth Rate.

(4) See the definition of free capital in Section 4.6 of this Registration Document.

(5) Socially responsible investment.

"In 2016, Amundi successfully implemented its development strategy."

Xavier Musca

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

In its first year as a listed company, Amundi, Europe's leading asset manager (1), achieved all of the commercial and financial goals it had set. In 2016, Amundi continued to develop; its business activity remained robust, and it achieved a steep increase in revenues and net income.

These performances reflect well on Amundi's strategy and business model, under which it has continued to grow in a still-uncertain global environment. Its earnings growth combined with a solid financial structure also allows it to offer its shareholders an attractive dividend payout. The dividend submitted this year for shareholder approval at the Annual General Meeting will be up by more than 7% from the previous year and equivalent to 65% of consolidated net profit.

In December 2016, Amundi announced the acquisition of Pioneer Investments, the asset management arm of the Italian group UniCredit. This deal, which is expected to close late in the first half of 2017, aims to consolidate Amundi's leadership and make it one of the industry's top global players. It comes with a strategic long-term partnership with UniCredit for distributing savings solutions to its customers.

This acquisition is part of Amundi's selective external growth strategy announced upon its November 2015 IPO. It will make Amundi one of the world's top 10 asset managers, with total AuM of 1,300 billion euros. Its considerable synergies will also create significant value for Amundi shareholders.

Amundi's internal and external growth strategy is an integral part of Crédit Agricole S.A.'s plan for development. The Crédit Agricole group has made savings management one of its priorities by developing an enhanced approach to customer advisory, which is one of the hallmarks of its full-service local banking strategy.

(1) No.1 European asset manager based on global assets under management (AUM) and the main headquarters being based in Continental Europe – Source IPE "Top 400 asset managers" published in June 2016 and based on AUM as at December 2015.

"The 2016 results show that Amundi has continued to grow profitably since it was created."

Yves Perrier

Chief Executive Officer of Amundi

In 2016, Amundi reinforced its European leadership in asset management [(1)]. Our Group achieved strong growth in its revenues and earnings.

Net inflows came to 62 billion euros, driven by all asset classes and customer segments, with especially strong development coming internationally, with 75% of net inflows. Total assets under management came to almost 1,100 billion euros at the end of 2016. Our results are consistent with the objectives that we had set and with the commitments we made to our shareholders when Amundi was first floated in November 2015. Net earnings per share rose by 7.3%. Amundi thus confirmed the validity of its strategy and the solidity and profitability of its business model.

Meanwhile, Amundi has pursued its investment strategy to feed its future growth. This is why it set up its Real and Alternative Assets (PARA) division, which encompasses its real-estate, private equity, private debt, infrastructure and alternative asset businesses. This division aims to offer our clients attractive investment solutions in the current environment of very low interest rates. Amundi has also expanded its capabilities in international equities with the acquisition of KBI Global Investors, whose performances are well-regarded in this area.

In late 2016 Amundi announced the acquisition of Pioneer Investments, which will be a milestone in its development. This transaction [(2)], which is expected to close by the end of the first half of 2017, will consolidate Amundi's European leadership by reinforcing its distribution capacities in Europe, particularly in Italy, Austria and Germany, and by supplementing its capabilities.

This acquisition is an integral part of Amundi's industrial model, an open-ended platform able to effectively serve both a clientele of banking networks in Europe and internationally and institutional investors worldwide. Moreover, it is consistent with the financial criteria Amundi announced for acquisitions upon its IPO. Its important potential synergies should lead to significant growth in earnings per share.

Amundi's strategy constantly aims to enhance the quality of savings and investment solutions and related services, so that we can continue to earn our customers' trust every day. This will remain our strategy in 2017.

(2) This acquisition remains subject to the agreement of the national regulators and the European Commission.

A global player with European roots, *a diversified business model*

Headquartered in Paris, France, Amundi has seven investment hubs located in the world's key financial centres, and offers a combination of research depth and market experience that has earned the confidence of its clients.

INTERNATIONAL INVESTMENT HUBS

OFFICES DEDICATED TO NETWORK PARTNERS

OFFICES DEDICATED TO INSTITUTIONAL CLIENTS AND THIRD-PARTY DISTRIBUTORS

Amundi figures as of 31 December 2016 including joint ventures. No.1 European asset manager based on global assets under management (AUM) and the main headquarters being based in Continental Europe – Source IPE "Top 400 asset managers" published in June 2016 and based on AUM as at December 2015.

* Including joint ventures and non consolidated entities.

4,100
employees*

100M
clients

36
entities

Publicly traded since November 2015, Amundi is the largest European Asset Manager in terms of AUM(*), with over 1,000 billion euros worldwide. Amundi is the trusted partner of 100 million retail clients, 1,000 institutional clients and 1,000 distributors in more than 30 countries, and designs innovative, high-performing products and services for these types of clients tailored specifically to their needs and risk profile.

Amundi in figures

Amundi is the largest European Asset Manager in terms of AUM (1), with 1,083 billion euros worldwide (2).

No.1 IN EUROPE (1)

€1,083 bn	€62 bn	€168 bn
in assets under management (2)	in net inflows (2)	in assets under SRI management

(1) Amundi's scope of consolidation – No.1 European asset manager based on global assets under management (AUM) and the main headquarters being based in Continental Europe – Source IPE "Top 400 asset managers" published in June 2016 and based on AUM as at December 2015.

(2) Data as of 31 December 2016, Amundi's scope of consolidation – Assets under management include 100% of the assets under management in Asian Joint Ventures: State Bank of India Fund Management (India), ABC CA (China) and NH CA Asset Management Co Ltd (South Korea), and not the amounts of assets under management that correspond to the equity interest held by Amundi in each of the joint ventures, along with 34% of assets under management at Wafa Gestion (Morocco), i.e., pro rata to Amundi's equity interest in Wafa Gestion, as Amundi has no dedicated employees in Wafa, unlike in other JVs.

(3) Net tangible Equity: shareholders' Group share, after deduction of intangible assets and goodwill.

FINANCIAL FIGURES 2016

€1,677 M
Net banking income

€828 M
Gross operating income

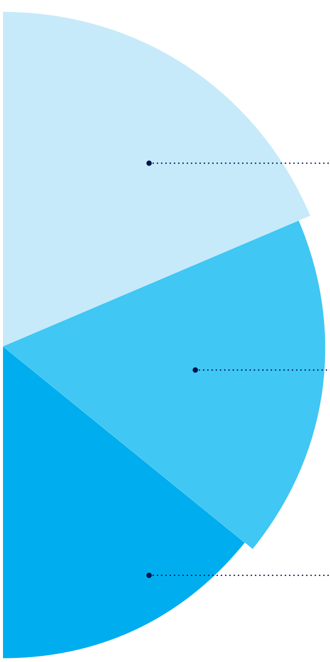
€568 M
Net income (Group share)

€3.4 bn
Net tangible equity Group share (3)

52.3 %
Cost-income ratio

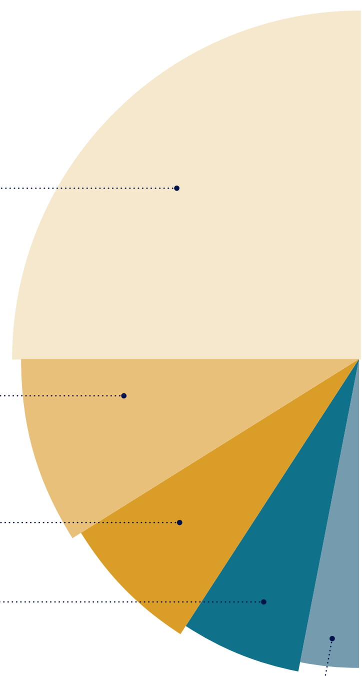
BREAKDOWN OF ASSETS

BY CLIENT TYPE AT 31 DECEMBER 2016 (2)
(IN %)



BREAKDOWN OF ASSETS

BY ASSET CLASS AT 31 DECEMBER 2016 (2)
(IN %)



2016 Highlights

Inclusion in SBF 120 following the listing

The Scientific Board of Euronext Paris indices, an institution independent from Euronext, has decided to include Amundi in the SBF 120, one of the main indices of the Paris Stock Exchange (Euronext Paris). It provides a diversified view of the French equity market through a wider selection of companies than the CAC 40. In addition, Amundi was distinguished by the *Club des Trente* (a group of French CEOs and CFOs holding, or having held, senior positions in finance) for its IPO.

Amundi Services: Amundi's third business line

Front office position-keeping and repository management, verification of compliance with investment rules and calculation of portfolio risk indicators, order execution, processing and production of reports – all these services are now part of Amundi's offering to its clients, independently of the financial management of their portfolios.

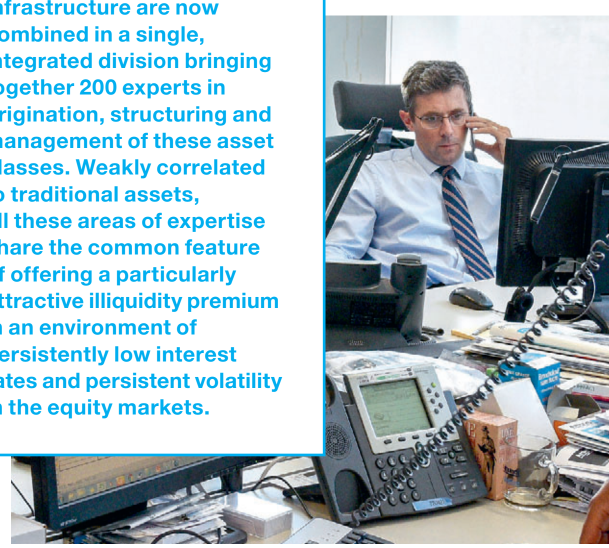
Strengthening the equity offering with the acquisition of Kleinwort Benson Investors

In August, Amundi acquired Kleinwort BensonInvestors, a fast-growing asset management company. Based in Dublin, with offices in the United States, its highly experienced management teams manage primarily global equity strategies. This acquisition fits into the Group's strategy, aiming to offer the best investment solutions to retail and institutional clients.

KBIGI

CREATION OF A PLATFORM DEDICATED TO REAL AND ALTERNATIVE ASSETS

Real Estate, Private Debt, Private Equity and Infrastructure are now combined in a single, integrated division bringing together 200 experts in origination, structuring and management of these asset classes. Weakly correlated to traditional assets, all these areas of expertise share the common feature of offering a particularly attractive illiquidity premium in an environment of persistently low interest rates and persistent volatility in the equity markets.



Amundi strengthens its states as a leading player in Europe with the acquisition of Pioneer Investments

Amundi announced the signing of an agreement for the acquisition of Pioneer Investments from UniCredit. Amundi will create a strategic long-term partnership with UniCredit for the distribution of asset management products.

This transforming acquisition will significantly strengthen Amundi's industrial project, buttressing its status as a European leader in asset management [(1)].

This deal, which is expected to close in the first half of 2017, will allow the Group to consolidate its leadership in key European markets (France, Italy, Austria and Germany), give it access to a first-rate American platform, strengthen its leadership as a service provider for Retail networks, develop its base of institutional clients, and diversify its product range at the international level.

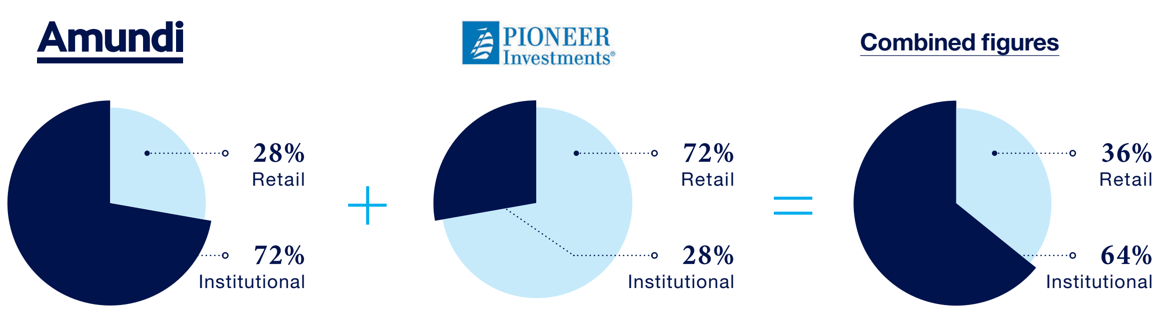
This deal, which will be significantly value-creating for Amundi's shareholders thanks to major potential for synergies, is in line with the policy outlined by Amundi at its IPO to deploy excess capital.

(1) No.1 European asset manager based on global assets under management (AUM) and the main headquarters being based in Continental Europe – Source IPE "Top 400 asset managers" published in June 2016 and based on AUM as at December 2015.

PIONEER INVESTMENTS IN BRIEF

As an asset manager on a global scale, Pioneer Investments has a profile complementing that of Amundi in terms of investment expertise and geographical presence. With almost €224 billion [(1)] in assets under management, mainly on behalf of Retail clients, Pioneer Investments is a recognised player benefiting from global, proven expertise (European and US equities, emerging debt, multi-asset management and US bonds). Pioneer has close to 1,900 employees in 27 countries [(1)].

A MORE BALANCED CUSTOMER MIX [(2)]



(2) Amundi Data pro forma as of 31 December 2016.

01

Overview of Amundi

1.1 KEY FIGURES

	2016	2015*	2014*
AuM *(in € billions)* (1)	1,083	985	878
Net inflows *(in € billion)* (1)	+ 62.2	+ 79.9	+ 32.5
of which retail	*+ 34.7*	*+ 41.5*	*+ 15.9*
of which institutional	*+ 27.5*	*+ 38.3*	*+ 16.6*
of which medium-long term	*+ 45.5*	*+ 44.7*	*+ 33.4*
of which treasury	*+ 16.8*	*+ 35.2*	*(0.9)*
of which France	*+ 15.9*	*+ 20.0*	*+ 9.3*
of which international	*+ 46.4*	*+ 59.9*	*+ 23.2*
Net revenues *(in € millions)*	1,677	1,657	1,538
Margin on average assets excluding JV	16,0 bp	16,1 bp	16,4 bp
Cost-income ratio *(in %)*	52.3%	52.4%	52.4%
Pre-tax income *(in € millions)*	828	821	745
Net income, Group share *(in € millions)*	568	528	490
Net tangible equity *(€ m)* (3)	3 375	3 297	3 113
Number of shares *(in millions)*	167.92	167.25	166.79
Earnings per share *(in €)*	3.40	3.16	2.94
Net dividend per share *(in €)*	2.20**	2.05	1.46
Workforce (1)	3,068	3,030	2,952
Of which international (2)	*966*	*932*	*856*

* *2014 and 2015 are presented after the restatement for IFRIC 21 applicable from 1 January 2015, and retroactively for the 2014 financial statements only. The 2015 results have been adjusted for IPO expenses, which amounted to €15 million before tax and €9 million after tax.*

** *Proposed to the general shareholders' meeting of 18 May 2017.*

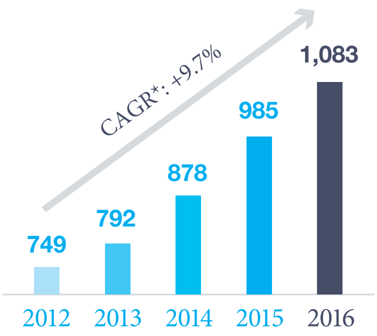
(1) Since 2013, assets under management include 100% of the assets under management of the following Asian Joint Ventures: State Bank of India Fund Management (India), ABC-CA (China) and NH-CA Asset Management Co. Ltd (South Korea), and not the assets corresponding to the equity interest held by Amundi in each of the Joint Ventures, along with 34% of the assets under management at Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest in Wafa Gestion, as Amundi has no dedicated employees in Wafa, unlike the others. Since 2014, AuM include the non-managed distributed assets and assets under advisory. The breakdown of assets by client type and asset class appears on page 13.

The breakdown by client type and asset class is detailed page 7.

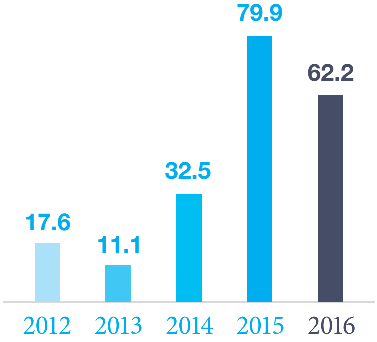
(2) Full Time Equivalent (FTE), in the consolidation scope, which differs from the scope of chapter 3 (CSR) for which all the managed headcount, including those in the non-consolidated entities, are taken into account.

(3) Net tangible equity: shareholders' equity Group share after deduction of intangible assets and goodwill.

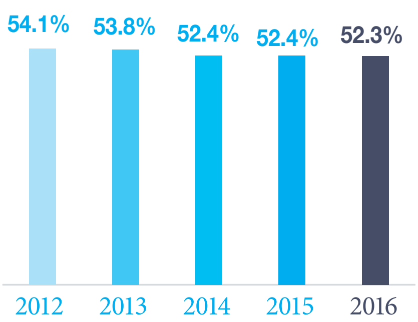
AuM (in € billion)(1)



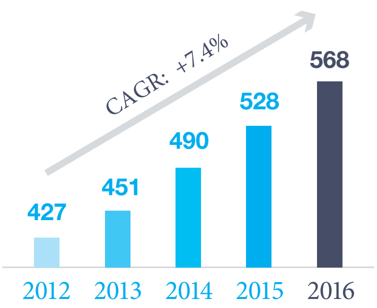
Net inflows (in € billion)(1)



Cost-to-income ratio (in %)*



Net income Group share (in € million)*



* *Ratio of operating expenses to net revenue. 2014 and 2015 are presented after the restatement for IFRIC 21 applicable from 1 January 2015, and retroactively for the 2014 financial statements only. The 2015 results have been adjusted for IPO expenses, which amounted to €15 million before tax and €9 million after tax. The 2012 results are restated for the capital gain on the disposal of HLA.*

(1) 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) and NH-CA Asset Management Co. Ltd (South Korea), and not the assets corresponding to the equity interest held by Amundi in each of the Joint Ventures, along with 34% of the assets under management at Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest in Wafa Gestion, as Amundi has no dedicated employees in Wafa, unlike the others. Since 2014, AuM include the non-managed distributed assets and assets under advisory.

1.2 SHAREHOLDER INFORMATION

1.2.1 General information

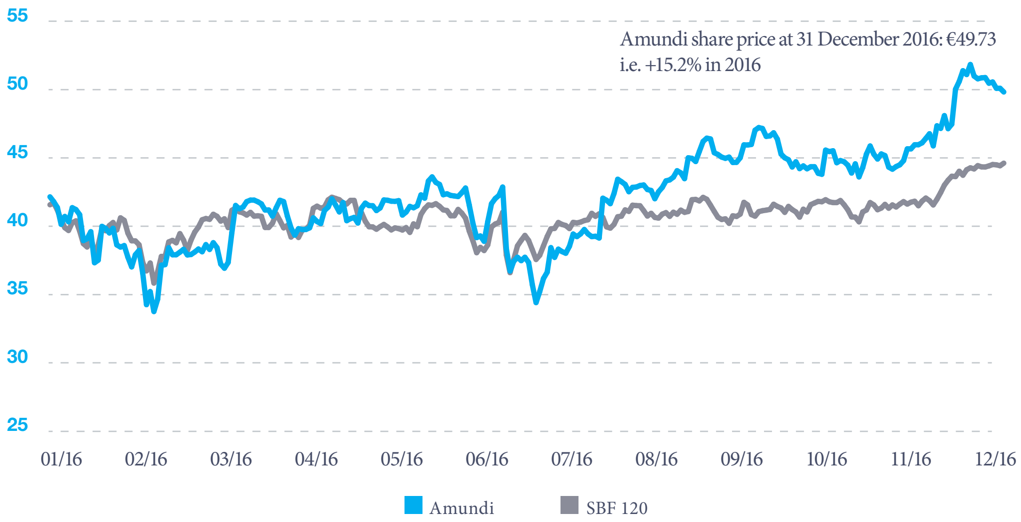
ISIN code	FR0004125920
Ticker (Reuters, Bloomberg):	AMUN.PA, AMUN.FP
Flotation price on 11 November 2015	€45
Share price on 31/12/2016	€49.73
Price – high (at closing)	€51.73
Price – low (at closing)	€33.40
Average daily volumes (in number of shares)	48,785
Market capitalisation as of 31 December 2016	€8,351 million
Fitch rating	A+, outlook stable*

* *Attibuted in April 2015, confirmed in December 2016 after the announcement of the Pioneer acquisition project.*

1.2.2 Share price information

CHANGE IN THE SHARE PRICE BETWEEN 31 DECEMBER 2015 AND 31 DECEMBER 2016

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



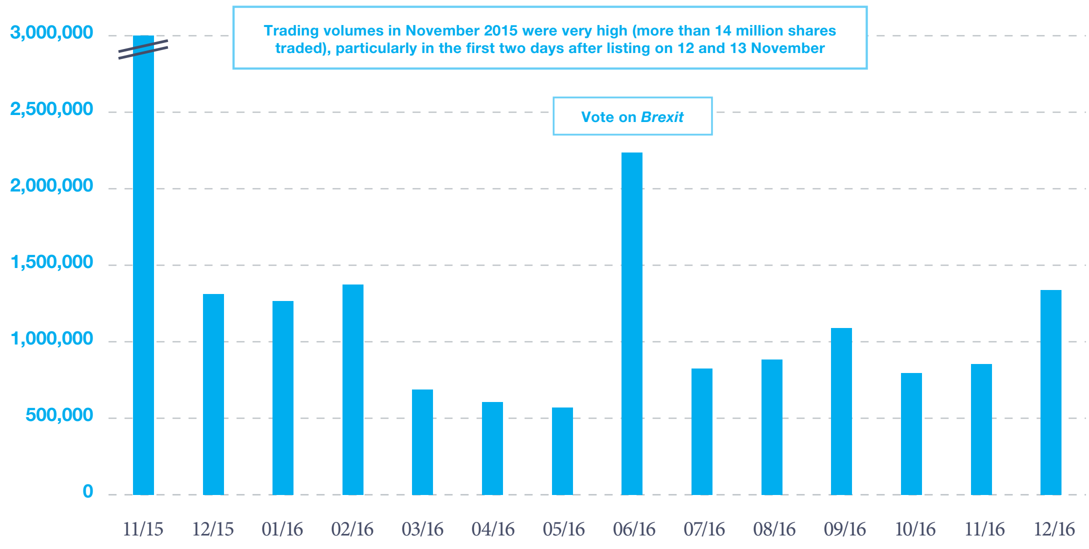
Source: Thomson Reuters.

The initial listing price was set on 11 November at €45 per share. As at 31 December 2016, the Amundi share closing price was €49.73, which represented a 15.2% gain in 2016, and 10.5% gain since initial listing; an ordinary dividend of €2.05 was paid in May 2016.

Amundi therefore outperformed the primary indexes of the Paris Stock Exchange – the CAC 40 (+4.9%) and the SBF 120 (+4.7%) – but also its sector benchmark index, the Stoxx 600 Financial Services, which lost -7.4% .

2016 was a mixed year for stock markets, characterised in particular by macroeconomic concerns during the first half of the year and by high volatility in June in the wake of the Brexit *vote*. Against this backdrop, Amundi shares benefited from the Group's sound operational performance and the announcement on 12 December 2016 of the Pioneer acquisition project, which pushed the Amundi share up to a historic high of €51.80.

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



Source: Bloomberg/Euronext

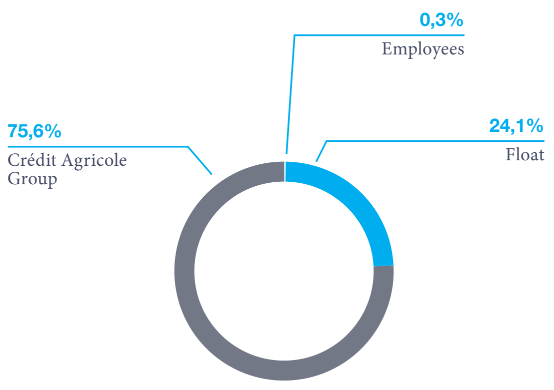
STOCK MARKET INDICES

The share entered the French SBF 120 index at market close on 18 March in view of its free float. Its weight in this index placed it in 87th position at 31 December 2016.

1.2.3 Information about the share capital and shareholders

At 31 December 2016, the Crédit Agricole Group held 75.6%[1] of the share capital, employees 0.3% and the free float represented 24.1%. The Agricultural Bank of China's (ABC) historical shareholding of 2.0% in Amundi was reclassified in the free float, since the holding period on its stake ended on 11 May 2016. In addition, 61,045 shares were held in treasury at end of the period as part of a liquidity contract.

No shareholder has voting rights that differ from its shares in the capital.



(1) *Crédit Agricole S.A. holds 124,026,070 shares and voting rights, representing 73.9% of Amundi's share capital and voting rights; SACAM Développement holds 2,294,927 shares and voting rights, representing 1.37% of Amundi's share capital and voting rights; and the funds SIGMA Investissement 39, SIGMA Investissement 40, SIGMA 41 and SIGMA 42 each 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:

	31/12/2016		31/12/2015	31/12/2014
Shareholders	**Number of shares**	**% of share capital**	**% of share capital**	**% of share capital**
Crédit Agricole Group	127,001,233	75.6%	75.5%	80.0%
Société Générale Group	-	-	-	20.0%
Employees	413,753	0.3%	0.3%	-
Free float*	40,510,483	24.1%	24.2%	-
TOTAL	**167,925,469**	**100.0%**	**100.0%**	**100.0%**

* *Of which 61,045 treasury shares.*

At 31 December 2016, Amundi's share capital consisted of 167,925,469 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.

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

Amundi's share capital since 31 December 2016 has thus amounted to €419,813,672.50, divided into 167,925,469 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).

In addition, if its financial condition so permited, Amundi intended to return to its shareholders at the end of 2018 the free capital (as defined in Section 4.6, "Free Capital" of this Registration Document) that had not been used in external growth transactions before this date. The Pioneer acquisition project announced on 12 December 2016 will be the opportunity to use this capital available for a transaction that creates value for shareholders.

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

	ForFY 2016[(1)]	ForFY 2015	ForFY 2014	ForFY 2013	ForFY 2012
Net dividend per share *(in €)*	2.20	2.05	1.46	1.35	1.60
Total dividend *(in € millions)*	369	343	244	225	267
Dividend payout ratio[(2)] *(in %)*	65.0%	65.0%	49.7%	50.0%	54.9%

(1) Draft resolution submitted to the general shareholders' meeting on 18 May 2017. The dividend payable for 2016 was calculated on the number of shares existing at 31/12/2016.

(2) Total dividend payable, compared to Net income Group share. For 2015, the dividend payout ratio was calculated on the net income Group share adjusted for IPO expenses (€528 million).

At the Board of Directors' meeting on 9 February 2017, it was decided that the general shareholders' meeting on 18 May 2017 would be asked to approve the payment of a cash dividend of €2.20 per share for 2016, corresponding to a dividend payout ratio of 65% of the net income attributable to shareholders.

The dividend will be distributed as follows:

Friday 26 May 2017	The opening price on the ex-dividend date is reduced by the amount of the dividend
Monday 29 May 2017	Date on which share accounts will determine holders of shares with dividend rights
Tuesday 30 May 2017	Payment of dividend

1.2.7 2017 financial communications calendar

28 April 2017	Publication of 2017 first quarter results
18 May 2017	General shareholders' meeting
28 July 2017	Publication of 2017 first half results
27 October 2017	Publication of 2016 nine-months results

1.2.8 Contacts

Investor Relations:
Anthony Mellor; Annabelle Wiriath

Press Relations:
Natacha Sharp

1.2.9 Table summarising authorisations relating to capital operations

Table summarising the current delegation of powers granted to the Board of Directors by the general shareholders' meeting, and use of those powers during 2015 (information required by Order No. 2004-604 of 24 June 2004 amending the rules on negotiable securities).

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2016
Purchases of shares	Purchase or authorise purchase of shares in the Company	**GSM of 12/05/2016** **10th Resolution** For a period of: 18 months **Entry into force:** 12/05/2016 **Expiry date:** 12/11/2017	**Upper limit of purchases/ buybacks:** 10% of the shares comprising the Company's share capital **Maximum purchase price:** €67.50 **Overall upper limit on buyback programme:** €1 billion	**see note below (1.2.10)**
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 30/09/2015** **7th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** €83 million(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 public offering	**GSM of 30/09/2015** **8th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** €42 million(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 30/09/2015** **9th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** €42 million(1)(2) **Nominal upper limit for the issuance of debt securities:** €1.5 billion	**None**

(1) The maximum total nominal value of capital increases that may be carried out pursuant to this delegation is deducted from the overall maximum set at €83 million by the general shareholders' meeting of 30 September 2015. As of 30 January 2017, the maximum overall nominal value of capital increases that may be carried out pursuant to this delegation is deducted from the overall maximum set at €210 million by the extraordinary general shareholders' meeting of 30 January 2017 (1st Resolution presented in the table below).

(2) The maximum overall nominal value of capital increases that may be carried out pursuant to this delegation is deducted from the maximum nominal value of capital increases through issuance in a public offering of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, authorised by the general shareholders' meeting of 30 September 2015.

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2016
Capital increase (continued)	Issuance of shares 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 30/09/2015** **10th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** €42 million(1)(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	**Used by the Board of Directors at its meeting of 27 October 2016 when it was decided to increase the Company's share capital by a total nominal value of €1,700,580, through the issuance of 680,232 new shares, to €419,813,672.50**
	Determining the issue price, in connection with a share capital increase by issuance of equity securities without preferential subscription rights	**GSM of 30/09/2015** **11th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** 10% of the share capital per period of 12 months(1)	**None**
	Increase share capital by incorporation of premiums, reserves, profits or other items	**GSM of 30/09/2015** **12th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Nominal upper limit for capital increases:** €83 million(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 30/09/2015** **13th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Upper limit on increase of issue price:** 15% of the initial issue chargeable against the upper limit stipulated in the resolution setting the amount of the initial issue(1)	**None**
Operations in favour of employees/ personnel	Carry out capital increases reserved for participants in Company savings plans without preferential subscription rights for shareholders	**GSM of 30/09/2015** **14th Resolution** For a period of: 26 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2017	**Total nominal upper limit for capital increases:** 1% of the share capital on the date of the Board of Directors' decision(1)	**Grant by the Board of Directors at its meeting of 11 February 2016 of 228,080 performance shares to certain employees (i.e. less than 1% of the shares comprising the Company's share capital on the day of the Board's decision, which was 1,672,452) at a fair value of €27.28 on the grant date and a nominal value of €570,200 which counts toward the overall ceiling on capital increases, set at €83 million at the time of this grant**

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2016
	Grant performance shares (existing or to be issued) to some or all of the Group's employees	**GSM of 30/09/2015** **15th Resolution** For a period of: 38 months **Entry into force:** 30/09/2015 **Expiry date:** 30/11/2018	**Total upper limit on the number of performance shares, existing or to be issued, granted:** 1% of the share capital on the date of the Board of Directors' decision(1)	**None**
Cancellation of shares	Decrease the share capital by cancellation of treasury shares	**GSM of 30/09/2015** **16th Resolution** For a period of: 24 months **Entry into force:** 30/09/2015 **Expiry date:** 30/09/2017	**Upper limit on total number of shares to be cancelled:** 10% of the share capital per period of 24 months	**None**

At the Extraordinary general shareholders' meeting on 30 January 2017, the following two financial authorisations were amended as part of the capital increase with preferential subscription rights of approximately €1.4 billion (including share premiums) envisaged by the Company to finance part of the Pioneer Investments acquisition (see Sections 4.9 and 6.5 of this Registration Document).

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits
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 30/01/2017** **1st Resolution** For a period of: 26 months **Entry into force:** 30/01/2017 **Expiry date:** 30/03/2019	**Nominal upper limit for capital increases:** €210 million(1)(2) **Nominal upper limit for the issuance of debt securities:** €3 billion
Operations in favour of employees/ personnel	Carry out capital increases reserved for participants in company savings plans without preferential subscription rights for shareholders	**GSM of 30/01/2017** **2nd Resolution** For a period of: 26 months **Entry into force:** 30/01/2017 **Expiry date:** 30/03/2019	**Total nominal upper limit for capital increases:** 1% of the share capital on the date of the Board of Directors' decision(1)(3)

(1) As of 30 January 2017, the maximum overall nominal value of capital increases that may be carried out pursuant to this delegation and the delegations granted under the eighth, ninth, tenth, eleventh, twelfth, thirteenth and fifteenth resolutions of the general shareholders' meeting of 30 September 2015 is set at €210 million.

(2) This delegation cancels as of 30 January 2017, any unused portion of the delegation granted by the seventh resolution adopted by the general shareholders' meeting of 30 September 2015.

(3) This delegation cancels as of 30 January 2017, any unused portion of the delegation granted by the fourteenth resolution adopted by the general shareholders' meeting of 30 September 2015.

1.2.10 Purchase by the Company of its own shares in 2016

The tenth resolution approved at the Amundi ordinary and extraordinary general shareholders' meeting on 12 May 2016 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 12 November 2017;
- the Company may not, under any circumstances, hold over 10% of the share capital;
- the purchase cannot take place at a price higher than €67.50 per share;
- in any case, the maximum amount that the Company can dedicate to the purchase of its own ordinary shares is €1 billion.

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 general shareholders' meeting of the following activities undertaken in accordance with the buyback programme for the period 1 January 2016 to 31 December 2016.

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 31/12/2015	**-**
Number of shares purchased in 2016	650,594
Volume of shares used as part of the liquidity agreement (purchases + sales)(1)	1,240,503
Average purchase price of shares acquired in 2016	€40.92
Value of shares acquired in 2016 (valued at purchase price)	€26,620,523
Trading costs	-
Number of shares sold in 2016	589,549
Average price of shares sold in 2016	€42.16
Number of shares registered in the Company's name at 31/12/2016	**61,045**
Carrying amount per share(2)	€49.73
Total carrying amount of shares	€3,035,463
Par value	€2.5
Percentage of share capital held by the Company at 31/12/2016	0.04%

(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 2016 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 2016, 61,045 shares were held in treasury.

There is no share buyback programme apart from this liquidity agreement.

1.3 ORGANISATIONAL STRUCTURE OF THE GROUP AT 31 DECEMBER 2016

Amundi

Amundi Asset Management

French management companies

- Société Générale Gestion (S2G)
- Étoile Gestion
- CPR AM
- BFT Investment Managers
- Amundi Immobilier
- Amundi Private Equity Funds*

Credit Institutions and Investment Companies
(Amundi share/Amundi AM share)

- Amundi Finance 23.87% / 76.13%
- Amundi Tenue de compte** 100%
- Amundi Intermediation***

International management subsidiaries

- Amundi SGR SpA (Italy)
- IKS KB (Czech Republic)
- Amundi Austria GmbH (Austria)
- Amundi Polska (Poland)
- Amundi Iberia SA (Spain)
- Amundi Smith Breeden (United States)
- Amundi Japan Ltd.
- Amundi Singapore Ltd.
- Amundi Malaisie Sdn BhD
- Amundi Luxembourg SA
- KBI GI Ltd (Ireland)****
- Amundi UK Ltd

Joint-Ventures
(Country/Amundi AM share)

- SBI FM (India/37%)
- NHCA AM Co Ltd (South Korea 30% of capital held, 40% of direct voting rights)
- ABC CA Fund Management Co Ltd (China/33.3%)
- Wafa Gestion (Morocco/34%)
- Tobam (France 20% of capital, held, 4.1% of direct voting rights)
- Fund Channel SA (held 50.04%) by Amundi Luxembourg SA)

All Companies are 100% held unless otherwise specified.

* Company held 59.93% by Amundi and 40.07% by Amundi AM.

** Company held 100% by Amundi Finance.

*** Company held 42% by Amundi AM, 38.53% by Amundi Finance and 19.47% by S2G.

**** Company held 87.5% by Amundi AM.

The Company is the holding company for the Amundi Group. The majority of the Company's shares are held by the Crédit Agricole Group (75.6%).

The Company's **principal direct and indirect** subsidiaries are described below:

Amundi Asset Management is a *société anonyme* (public limited company) under French law. It is wholly-owned by the Company. Amundi Asset Management is approved as a management company by the *Autorité des marchés financiers* (the French Financial Market Authority, AMF). Its primary purpose is to provide all types of asset management and asset management advisory services for third parties. This includes, among other things, collective management of all types of collective investment vehicles, portfolio management under individual mandates of all types and management of all types of employee savings and retirement products.

Amundi Finance is a *société anonyme* (public limited company) under French law. It is held by the Company (23.87%) and by Amundi Asset Management (76.13%). Amundi Finance is licenced with the *Autorité de contrôle prudentiel et de résolution* (French Prudential Supervisory Authority, ACPR) as a specialised credit institution and as an investment services provider. Its primary purpose is to carry out all types of credit transactions, issue all types of financial instruments and negotiable money-market securities, and issue guarantees.

Amundi Intermédiation is a *société anonyme* (public limited company) under French law, held by Amundi Asset Management (42%), Amundi Finance (38.53%) and *Société Générale Gestion*[1] (19.47%). Licensed by the ACPR as an investment company, Amundi Intermédiation provides investment order reception/transmission services on behalf of third parties (the Amundi team as well as external clients) in several areas of expertise, including equities and fixed income management, money markets and securities financing transactions covering all regions of the world.

Amundi Luxembourg is a *société anonyme* (public limited company) under Luxembourg law. It is wholly owned by Amundi Asset Management. It is licenced as a management company by the Luxembourg *Commission de Surveillance du Secteur Financier*. Its primary purpose is to create, promote and manage collective investment funds including Undertakings for Collective Investments in Transferable Securities (UCITS) and alternative investment funds (AIF).

Some officers of these subsidiaries hold positions in the Company. Please see Section 2.4 "Additional information on Company Officers" of this Registration Document for more information about these positions.

For a description of the agreements between the various Amundi entities, please see note 5.10 of the consolidated financial statements and the Statutory Auditors' Special Report on the related party agreements and commitments presented in section 8.3 of this Registration Document.

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

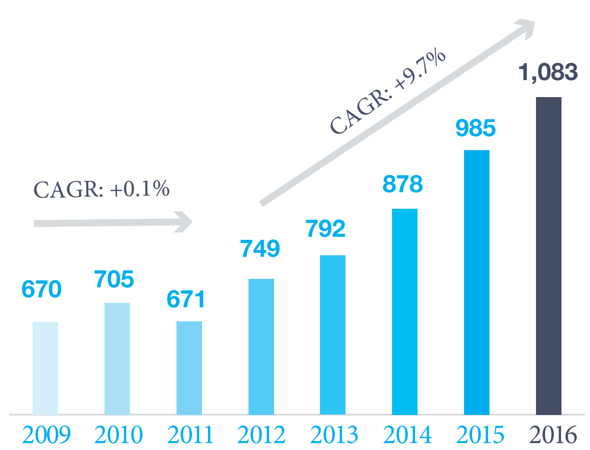
1.4 THE AMUNDI BUSINESS MODEL

Since its creation early 2010, Amundi has developed around its unique structure: a centralised management platform for product management with multiple distribution channels in more than 30 countries. As a result, Amundi's assets under management have increased by 62% (up +€413 billion) between the end of 2009 and the end of 2016 (annual average rate of +7.1%), reconciling performance with profitability. These assets under management are the main source of Amundi's revenues and their amount usually serves as the basis for calculating net management fees.

Amundi's success is the result of a four-pillar development strategy:

- a positioning as a leading European asset manager;
- a unique organisation built around two major client segments: Retail and Institutional;
- a recognised and high-performing product offer;
- risk management that ensures control of its activities and reliability of operations.

Change in Amundi's AuM, 2009-2016 (in € billions)

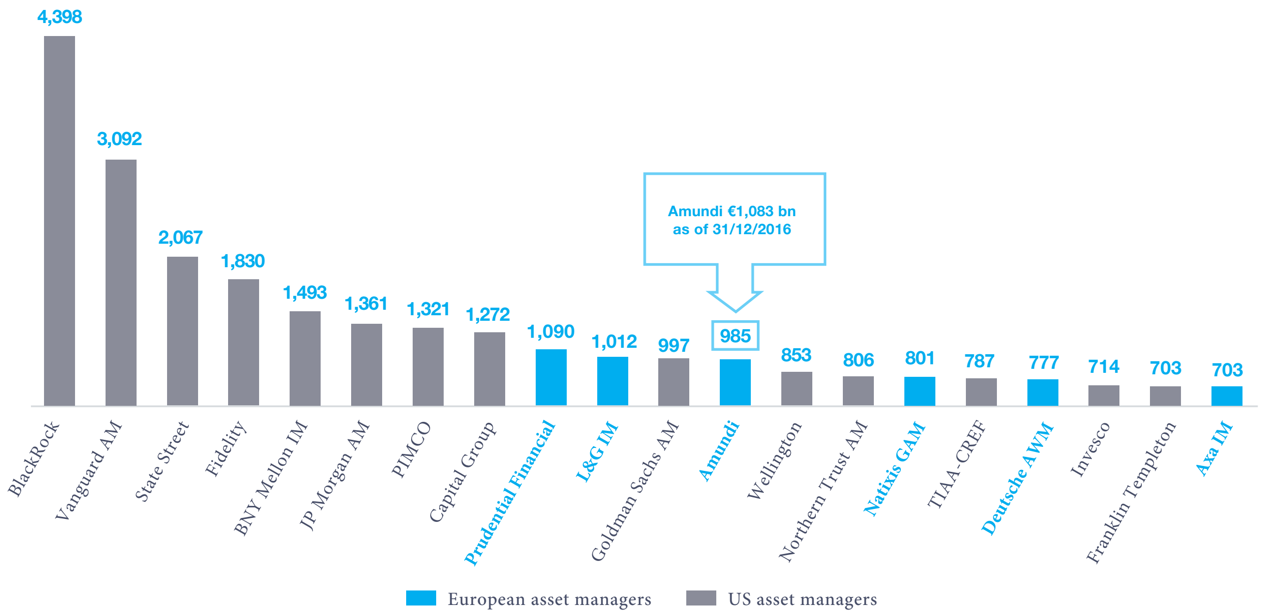


CAGR: Compound Annual Growth Rate

(1) Itself wholly owned by the Company.

1.4.1 The leading European asset manager

With €1,083 billion in assets under management as of 31 December 2016, Amundi is the leading European asset manager (by AuM) and is one of the top asset managers worldwide[1].



A global player with firmly-rooted international presence thanks to dynamic organic growth, targeted acquisitions and long established partnerships, Amundi operates in more than **30 countries**, providing savings solutions to **more than 100 million Retail clients,** plus clients of its Joint Ventures, and investment solutions to approximately **1,000 Institutional and Corporate clients**.

Amundi has also become **an established name**, known for its expertise in most asset classes, particularly in **traditional active management**: interest rate products (euro and global) and credit activities, equities (European, global, emerging) and multi-asset funds. 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 also developed **innovative expertise in passive management** (index funds, Smart Beta); it is ranked among the leading ETF managers. Amundi is rapidly developing in new asset classes such as **real assets** (real estate, private debt, infrastructures, private equity, etc.) and alternative assets.

Lastly, Amundi also has a **large international presence** in more than 30 countries, particularly in Europe (France, Italy, Austria) and Asia, notably in Japan (the fourth-largest foreign asset manager in open-ended funds[2]), Hong Kong and Singapore, as well as via its Joint Ventures in China, South Korea and India.

(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 2016 and based on AuM as of 31 December 2015.

(2) Source JITA, Dec. 2016.

1.4.2 A unique industrial model built around two major client segments

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

- **Retail** brings its 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 in particular for cash flow management, employee savings and retirement schemes; 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 **Services business line**(1) in order to provide management companies and institutional investors with services relating to fund management and administration, market access and fund domiciliation. Amundi has very high-performing infrastructures, which it wishes to promote to third parties.

1.4.3 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.

PARTNER DISTRIBUTION NETWORKS IN FRANCE

In France, Amundi is the leader in the Retail segment. The four main partner networks of the Crédit Agricole Group (the 39 Regional Banks and LCL) and the Société Générale Group (its agencies are under its own brand, together with those of the eight Regional Banks in the Crédit du Nord network) number more than 35 million individual clients and 300,000 businesses. This represents around one-third of the inflows of deposits in France(2) 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.

Groupe Crédit Agricole. Amundi provides saving solutions for more than 25 million clients all over France via two distribution networks:

- *Regional Banks.* 39 Regional Banks across France, each with strong local roots, serving 21 million individual clients, farmers, small and medium-sized enterprises (SMEs) and local government authorities via more than 7,000 banking service branches;
- *LCL*. With more than 1,900 branches located mainly in urban environments, LCL provides banking services to six million individual clients and more than 330,000 small enterprises in France.

Groupe Société Générale Amundi provides saving solutions for more than 10 million clients all over France via two distribution networks:

- *Société Générale*: Société Générale provides universal bank services for eight million individual clients and 475,000 professional clients all over France via almost 2,250 branches;
- *Crédit du Nord*: The Crédit du Nord network consists of eight regional banks made up of more than 900 branches in key regions across France and it prioritises SMEs and professional clients.

(1) Execution, reports, calculation of risk indicators, asset allocation, etc.

(2) Source: "Banque de France, États Surfi, Établissements", Crédit Agricole S.A.

INTERNATIONAL DISTRIBUTION NETWORKS

Outside France, Amundi has developed a network thanks to partnerships with some of the major banks in **Europe and Asia**. This network includes subsidiaries of the Crédit Agricole and Société Générale groups in Italy (Cariparma and Friuladria, grouped under Crédit Agricole Italie), the Czech Republic (Komerční Banka) and Poland (Eurobank and CA Polska), as well as Resona in Japan and BAWAG P.S.K. in Austria.

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 up of partnerships with more than 30 "preferred distributors", and a wide range of Private Banking Networks and open architecture distributors.

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[5]) and the Moroccan banking group, Wafa. Formed to develop tailored, high-quality 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.

1.4.4 A solid, diversified and growing base of institutional clients

This segment contains three categories:

- **institutional clients (large pension funds and insurers) and sovereigns**: Amundi is the leader in France and one of the top operators in Europe, offering 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 3.6 million employee accounts in more than 85,000 small, medium and large enterprises, representing more than 42%[4] of market share 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** groups 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 34 Global Relationship Managers **(GRM)**, supported by a sales force and marketing teams present in more than 30 countries in which Amundi operates. The GRM, whose objective is to target clients' requirements, work in close collaboration with 79 Senior Investment Managers **(SIM)**, who are responsible for designing investment solutions to suit the needs of each client. These teams are supported by a research team of more than 130 analysts, and a sales force that numbers some 165 people around the world.

With Amundi, the client is at the centre of the process: our offers are designed specifically and adapted to meet the clients' needs.

(1) Source: Indian Banks' association, March 2016.

(2) Source: Amundi based on annual reports.

(3) Source: Financial Supervisory Service.

(4) Source: AFG, 30 June 2016.

(5) Note: in addition to these mandates, Amundi manages the underlying assets of unit-linked policies on behalf of CAA and Sogecap, and thus has a vast range of investment options. The assets managed under these insurance policies are included in Amundi's Retail segment assets under management.

1.4.5 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 diversified expertise that includes a large number of management products from 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 can benefit from its leading global standing, it has a diversified 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 in the European and Asian equities markets, covering both large and small-caps, and also has strong expertise in global and emerging market equities; the acquisition of KBI GI (Dublin-based asset manager) in August 2016 has enabled it to add to the global equities and theme/environment-based expertise 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.

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

In **structured products**, Amundi is the European leader[(1)] in the guaranteed funds segment, thanks to a product offer that assures complete or partial protection of capital and 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 Section 5.4 in 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").

Amundi also has a strong position in the management of alternative funds, through mandates and open-ended funds of funds. Moreover, it is one of the leaders in the managed accounts segment* thanks to its dedicated platform.

In **passively managed products**, Amundi has more than 100 ETFs *(Exchange-Traded Funds)* as well as a wide variety of indexing solution covering equity, fixed income and other asset classes. Amundi is ranked fifth in ETFs in Europe[(1)] in terms of AuM.

Amundi has also developed Smart Beta solutions, thanks to its own expertise, and also by offering the solutions of Tobam, a company in which it has an equity stake.

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 2016, SRI assets represented 15.5% of the Group's total AuM.

(1) Source: Broadridge Financial Solutions – FundFile, open-ended funds domiciled in Europe, December 2016.

(2) Source: IEIF, June 2016, Mass Market in France.

* *Source: HFMWeek Managed Account survey 2015.*

HIGH-QUALITY MANAGEMENT PERFORMANCE

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

In 2016, 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 76% at 1 year, 79% at 3 years, and 82% at 5 years[(1)];
- **more than 56% of rate assets and more than 59% of equities assets received a GIPS performance** measurement, and external[(2)] auditors found they had **outperformed their benchmark** over a three-year period up to 31 December 2016;
- of the 55 **strategies** that were recommended by the global consultants[(3)], 78% were rated Buy, the remainder (22%) Hold, and none Sell.

The success stories of the year include:

- **Smart Beta**: Amundi was awarded the European **Smart Beta Manager of the Year prize** (Global Investor ISF 2016);
- **CPR AM** received the prize for the best performance over five years in diversified management (*Corbeilles Mieux Vivre Votre Argent*), and the prize for best management company in the high-yield bonds category (Citywire France Awards 2016);
- **real estate** in general, which collected €3 billion in 2016;
- the commercial success at the end of the year of **Inflation products**.

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 Steering and Control 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.

Compliance

Our Compliance teams play a key preventive role. They ensure compliance with the regulations, codes of best practice and professional standards. They work to maintain clients' interests, the integrity of the market and the independence of Amundi's activities.

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) Source: Morningstar Direct, open-ended funds and ETF, global scope, excluding feeder funds, December 2016; the scope covers 25% to 27% of Amundi total assets under management for the reference period, i.e. between 530 and 674 funds.

(2) Gross performance over three years as at 31 December 2016 of funds benchmarked on the GIPS scope subject to external audit (€88 billion for equities and €74 billion for bonds, i.e. a total of 15% of overall assets).

(3) Global consultants: AlbourneAonHewitt, Cambridge, Mercer, Russell, Towers Watson, ratings at 12 January 2017.

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 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 sold 5% of its stake in Amundi to Crédit Agricole S.A.; Acquisition of BAWAG P.S.K. Invest, the asset management arm 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 on 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. Amundi also announces the Pioneer Investments acquisition project in December, a transforming operation that will strengthen its leadership position in Europe.

02

Corporate governance

2.1 REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS ON THE CONDITIONS UNDER WHICH THE BOARD'S WORK WAS PREPARED AND ORGANISED AND ON THE COMPANY'S INTERNAL CONTROL PROCEDURES IN RESPECT OF THE FRENCH FINANCIAL SECURITY ACT AS AMENDED

2016

Dear shareholders,

In accordance with Article L. 225-37 of the French Commercial Code, this report describes the conditions under which the work of the Board of Directors was prepared and organised, as well as the internal control and risk management procedures put in place by Amundi, with particular regard to accounting and financial information.

The matters to be included in this report are dealt with in Chapters 2, 3 and 8 of the Registration Document for the year ended 31 December 2016, as listed below:

- composition of the Board of Directors and compliance with the principle of equal representation of women and men, limits on the powers of the CEO and conditions for the preparation and organisation of the work of the Board and committees in section 2.1.1 of the "Report by the Chairman of the Board of Directors";
- report by the Chairman of the Board of Directors on internal control and risk management procedures, in section 2.1.2 of the "Report by the Chairman of the Board of Directors";
- financial risks linked to climate change and measures taken by the Company to mitigate these risks are detailed in chapter 3 on the CSR report;
- compensation of Senior Executives and Company Officers in section 2.5 "Compensation policy";
- the attendance of the shareholders at general shareholders' meetings, and information that may be relevant in the case of a public offering as mentioned in Article L. 225-100-3 of the French Commercial Code, section 8.1.

Amundi's internal control framework meets the provisions of the order of 3 November 2014 concerning the internal control of companies in the banking, payment and investment services industry. 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.

ENERGY TRANSITION

As climate change poses major medium- and long-term risks, Amundi is increasing its initiatives to support the energy transition and is proposing an innovative process to protect its assets against potential loss of value.

In addition to its longstanding practice of taking into account non-financial risks, Amundi has developed genuine financial innovations to support its investor customers in confronting climate change. Amundi is offering investment solutions in the form of either open-ended funds or bespoke investment solutions run as investment mandates or dedicated funds. These solutions are part of the range of financial innovations (low-carbon index solutions, green bond funds, common investment management company with EDF, etc.) and part of a series of actions (such as the co-founding of the Portfolio Decarbonisation Coalition) aimed at mobilising investors behind the transition to a low carbon economy. A partnership with data-supplier Trucost has allowed Amundi to develop tools to measure the carbon footprint of its funds.

Assessment of the potential impact of climate change risks for its clients' investments are also a clear part of its fiduciary responsibility and is explained in chapter 3 "Economic, social and environmental information".

This report was finalised under my authority, in collaboration with the Heads of the General Office of the Board of Directors, Periodic Control, Compliance, Risks and Finance Departments. This report was initially presented to the Amundi Risk Management Committee and was subsequently approved by the Board of Directors on 9 February 2017, in accordance with Article L. 225-37 of the French Commercial Code.

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.medef.com/ or http://www.afep.com/.

2.1.1 Preparation and organisation of the work of the Board and its committees

2.1.1.1 OVERVIEW OF THE BOARD OF DIRECTORS

2.1.1.1.1 Composition of the Board of Directors

The composition of the Board of Directors of Amundi changed in 2016. The Board of Directors at 31 December 2016 comprised 13 Directors and 2 Non-voting Members, of whom 10 sat on special committees.

List of Directors and Non-voting Members at 31/12/2016

Name	Age	Gender	Audit Committee	Risk Management Committee	Strategic Committee	Compensation Committee	Nominations Committee	Date first appointed	End of current appointment	Years on Board
Non-executive Company Officer										
Xavier Musca Chairman of the Board of Directors since 28/04/2016 replacing Jean-Paul Chifflet after his resignation.	56	M			X	X	X	2012	2019 GSM	4
Executive Company Officer										
Yves Perrier CEO and Director	62	M			X			2007	2019 GSM	9
Directors										
Rémi Garuz	64	M						2014	2018 GSM	2
Laurent Goutard	55	M						2015	2018 GSM	1
Michel Mathieu since 28/04/2016	51	M						2016	2018 GSM	-
Christian Rouchon	56	M	(Chair)	(Chair)				2009	2017 GSM	7
Andrée Samat	66	F						2015	2017 GSM	1
Renée Talamona	59	F		X				2015	2018 GSM	1
Independent directors										
Virginie Cayatte	46	F	X	X				2015	2019 GSM	1
Laurence Danon-Arnaud	60	F			(Chair)	X		2015	2017 GSM	1
Robert Leblanc	59	M	X			(Chair)	X	2015	2019 GSM	1
Hélène Molinari	53	F					(Chair)	2015	2017 GSM	1
Director representing employees										
Eric Tazé-Bernard since 12/10/2016	60	M						2016	Oct. 2018	-
Non-voting Members										
Jean-Michel Forest	59	M	X	X				2015	2018	1
François Veverka	64	M	X	X				2011	2018	7

2.1.1.1.1.1 Directors

You are reminded that in order to enable the staggered renewal recommended by the AFEP-MEDEF Code, the members of the Board of Directors were divided into three groups, drawn by lots at the Board meeting of 15 September 2015: (i) the first group comprises Laurence Danon-Arnaud, Hélène Molinari, Christian Rouchon and Andrée Samat, whose appointments will expire at the end of the next GSM called to approve the 2016 financial statements, (ii) the second group comprises Michel Mathieu, Rémi Garuz, Laurent Goutard and Renée Talamona, whose appointments will expire at the end of the GSM called to approve the 2017 financial statements, and (iii) the third group comprises Virginie Cayatte, Robert Leblanc, Xavier Musca and Yves Perrier, whose appointments will expire at the end of the GSM called to approve the 2018 financial statements.

The composition of the Board reflects the diversity of the stakeholders within the Group (partners and shareholders). The profiles of each Director (which can be found in the section "Additional information about Company Officers" in chapter 2 of the Registration Document) also reflect the diversity of the Board both in terms of their professional experience, some of which is international, and in terms of their background, training and gender.

DIRECTORS APPOINTED ON PROPOSAL OF CRÉDIT AGRICOLE

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

DIRECTOR APPOINTED ON PROPOSAL OF SOCIÉTÉ GÉNÉRALE

Under the partnership agreement between the Company, Société Générale and Crédit Agricole dated 17 June 2015, Crédit Agricole has agreed with Société Générale that, for so long as the distribution agreements with Société Générale, Crédit du Nord and Komerční Banka and the management mandate with Sogécap remain in effect, one Director of the Company will be appointed by Société Générale. Laurent Goutard was thus elected as a member of the Board by the general shareholders' meeting on 30 September 2015 with effect from the stock market listing date.

INDEPENDENT DIRECTORS

The process of evaluating **the independence** of Directors is the responsibility of the Nominations Committee. At the meeting on 11 February 2016 the Board of Directors, having heard the recommendations of the Nominations Committee, considered that Virginie Cayatte, Laurence Danon-Arnaud, Robert Leblanc and Hélène Molinari were independent members, for the purposes of the AFEP-MEDEF Code referred to below:

Excerpt from the AFEP-MEDEF Code:

1. Employee or Company Officer in the last five years: *not be and have not been (i) an employee or executive Officer of the corporation, (ii) an employee, Executive Company Officer of a company or a director of a company consolidated within the corporation, (iii) an employee, Officer or a director of the company's Parent company or a company consolidated within this parent.*

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, supplier, commercial banker or investment banker that is material to the corporation or its group, or for a significant part of whose business the corporation 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 corporation within the previous five years.*

6. Twelve years since last appointment: *not to have been a director of the corporation for more than twelve years. Loss of the status of independent director occurs on the date at which this period of twelve years is reached.*

The situation of Virginie Cayatte and Robert Leblanc was the subject of particular scrutiny with regard to the third criterion, as the companies or groups in which they exercise or have exercised responsibilities in 2016 (Virginie Cayatte in the Solocal Group, Robert Leblanc in the Aon Group) have business relations with the Amundi Group. For these two companies, the type of services provided, their non-exclusive nature (qualitative criteria) and the amounts involved, being less than 0.01% of revenue at the three companies involved (quantitative criterion) led the Board, on proposal of the Nominations Committee, to decide that the commitments on either side were not significant enough to be classified as a situation of dependence or conflict 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 above six criteria.

Director/Independence criteria(1)	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6
Xavier Musca	✖	✔	✖	✔	✔	✔
Yves Perrier	✖	✔	✔	✔	✔	✔
Virginie Cayatte	✔	✔	✔	✔	✔	✔
Laurence Danon	✔	✔	✔	✔	✔	✔
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.

REPRESENTATION OF WOMEN ON THE BOARD

The composition of the Board of Directors also ensures a **balanced distribution of men and women**, in proportions that meet the applicable legal requirements and comply with the recommendations of the AFEP-MEDEF Code, as it includes five women. The Board also nominated two women to chair committees (Laurence Danon-Arnaud chairs the Strategic Committee and Hélène Molinari chairs the Nominations Committee).

DIRECTOR REPRESENTING 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.

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 representing employees can be elected by the Company's staff, and accordingly proposed to the general shareholders' meeting that the Articles of Association be amended to provide for this. This proposal was approved at the general shareholders' meeting of 12 May 2016.

Mr Éric Tazé-Bernard was thus elected as Director representing employees 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.

In addition, two representatives of the Works Council always attend Board meetings in an advisory capacity.

2.1.1.1.1.2 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 Committee meetings in a consultative capacity. They have been appointed by the Board of Directors for a term ending at the Board meeting held in 2018 to approve the financial statements for the year ending 31 December 2017. They may be removed at any time by the Board.

Jean-Michel Forest and François Veverka have been appointed for their expertise and knowledge of the Crédit Agricole Group. Jean-Michel Forest is also Chairman of one of Crédit Agricole's Regional Banks and a representative of its National Federation, the advisory body of the Regional Banks, which are indirectly Amundi's majority shareholders. François Veverka is director and Chairman/ Member of the Audit Committees or Risk Management Committees of other companies belonging to the Crédit Agricole Group.

They act as advisers to the Board. Through their various roles in the Crédit Agricole Group they help to clarify the Board's decision-making through their knowledge of the other companies in the Group and their Group-wide views of various matters.

2.1.1.1.2 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.

(i) Meeting

Extracts from 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.

(ii) Convocation

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.

(iii) Prior information to 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.

(iv) 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 Directors;*
  - *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, of 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 remuneration 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 euros and any other investment or divestiture of any kind whatsoever of over 100 million euros;*
- *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.*

(v) Assessment of the Board

In 2016 the Board carried out the first formal self-assessment of its own performance, at the initiative of the Nominations Committee as recommended by the AFEP-MEDEF Code, to assess its capacity to respond to the needs of shareholders.

The assessment gave Board members the chance to measure anonymously on the efficiency of its composition, organisation and functioning via an online questionnaire, with a series of questions grouped into various themes, thereby maintaining their freedom of expression.

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. An investigation was also held on the role and commitment of each Director.

The collated results of this first assessment were generally satisfactory (45% very satisfied and 54% satisfied), giving rise to a debate in the Nominations Committee and subsequently in the Board of Directors.

Directors particularly appreciated 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 approved.

Some improvements were suggested by Board members. The Board chose to prioritise implementation of the following proposals: Strengthen the international skills of the Board by including a director from outside France, improve the cohesion of the Board by holding an annual seminar and expanding the powers of the Strategic Committee to allow it to monitor CSR policy in the Company.

2.1.1.1.3 Activities of the Board of Directors in 2016

In 2016, the Board of Directors was very active (seven meetings including one exceptional meeting to discuss the Pioneer acquisition). The directors' commitment, in terms of the meetings of the Board or of other committees of which they may be members, is shown in the following table:

Name of director who held office during 2016	Number of Board or Committee meetings attended by the director	Number of meetings that should have been attended by the director
Jean-Paul Chifflet	2	2
Xavier Musca	13	14
Yves Perrier	11	11
Virginie Cayatte	13	15
Laurence Danon	11	12
Rémi Garuz	7	7
Laurent Goutard	5	7
Robert Leblanc	14	14
Michel Mathieu	3	5
Hélène Molinari	9	9
Christian Rouchon	15	15
Andrée Samat	7	7
Renée Talamona	10	11
Eric Tazé-Bernard	1	2
Jean-Michel Forest (Non-voting Member)	15	15
François Veverka (Non-voting Member)	12	15

Specifically, the Board discussed and resolved the following points in 2016, 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 Group's management companies and the various activities undertaken or expanded in the Amundi Group as well as their contributions to the Company's results. It also systematically analysed movements in the share price and its coverage by analysts.

In addition, it issued specific decisions during 2016 on the following strategic projects:

- the merger of the real estate management business of Crédit Agricole Immobilier and Amundi;
- the acquisition of KBI, an Irish asset management company, from the Oddo group;
- the firm agreement to acquire Pioneer Investments, an Italian asset management company, from UniCredit.

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 2016. On each of these occasions it heard from the statutory auditors, who presented their findings.

The Board also studied the 2017 budget at the end of 2016.

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 Steering and Control and the report of the Risk Management Committee.

It also approves the terms of the annual internal control reports which, as required by the banking regulations, are submitted to the ACPR, and the Chairman's report describing the internal control procedures.

Corporate governance, CSR and compensation

At its meeting on 28 April 2016, the Board of Directors made a number of governance decisions, following the resignation of Jean-Paul Chifflet as Chairman of the Board and director of the Company. Xavier Musca, Company director, was appointed as the new Chairman as from the end of the meeting.

On proposal of the majority shareholder, Michel Mathieu, CEO of LCL, was coopted to fill the director's seat left vacant by Jean-Paul Chifflet's departure.

On 12 October 2016, Eric Tazé-Bernard was elected in the first round of voting as the director representing employees by employees of the Amundi SEU in accordance with Article 11 of the Articles of Association following the decision of the combined general shareholder's meeting held 12 May 2016.

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

- preparation and convening of the combined general shareholders' meeting of 12 May 2016;
- the CSR report in chapter 3 of the Company's 2016 Registration Document and the report in chapter 3 of this Registration Document;
- the report on professional and pay equality for 2015, based on Article L. 225-37-1 of the French Commercial Code;
- compensation principles and policy for 2015, 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 employees identified by Article L. 511-71 of the same Code;
- allocation of performance shares to certain managers and executives;
- compensation of Executive Company Officers;
- allocation of director's fees for the year;
- preparation and convening of the extraordinary general shareholders' meeting of 30 January 2017.

Regulated agreements

In 2016, 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.

The Board of Directors also noted that two related party agreements falling under Article L. 225-38 of the French Commercial Code that were made and authorised in 2015 remained in force with continued effect in 2016. 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).

2.1.1.2 OVERVIEW OF 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, 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 the committee's powers. The Board of Directors may also make a specific request to the 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 the committee must receive information sufficiently 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 that the committee delivers to the Board of Directors are adopted by a majority of members present or represented.

The committee's Chairman 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 any member of the committee who so requests.

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

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

- Audit Committee;
- Risk Management Committee;
- Strategic Committee;
- Compensation Committee;
- Nominations Committee.

The composition of the committees changed little in 2016 and complies with the recommendations of the AFEP-MEDEF Code.

2.1.1.2.1 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.

The composition of the committee at **31 December 2016** was unchanged from the previous year-end: Christian Rouchon (Chairman), Robert Leblanc and Virginie Cayatte.

Christian Rouchon was re-elected as Chairman of the Audit Committee by the Board of Directors because of his expertise and background in accounting matters, and for his historic knowledge of the Company's accounts.

Virginie Cayatte, as the former Financial Director of AXA IM and the current Financial Director of Solocal Group, has the necessary financial expertise, as does Robert Leblanc thanks to his career in the area of stock markets and insurance.

In addition, the two Non-voting Members, François Veverka and Jean-Michel Forest, were invited by the Chairman to attend meetings without taking part in the vote. They advise the committee in their areas of expertise. François Veverka, as Chairman of the Audit Committees of Crédit Agricole S.A. and LCL, and member of the CA-CIB Audit Committee, contributes his experience of other Audit Committees in the Crédit Agricole S.A. Group and provides opinions in an advisory capacity. Jean-Michel Forest, Chairman of a Regional Bank, contributes his vision as a Senior Executive of a credit institution.

At the request of the committee, the Head of Steering and Internal Control (PCO), the Chief Finance Officer (CFO) and the statutory auditors systematically attend these meetings.

(ii) Missions

Article 4.2 of the Board's Internal Regulations

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.*

(iii) Activities and matters examined in 2016

During 2016, the Audit Committee met four times at scheduled meetings, with the average attendance rate being 92% (one member missed one 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.

The Audit Committee also met once during the year with the statutory auditors, without any representative from Amundi.

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

In 2016, the Audit Committee addressed the following specific points:

AUDIT AND RISK MANAGEMENT COMMITTEE MEETING OF FEBRUARY 2016

- Updates on goodwill.
- Information update on the Group's main contractual relationships.

AUDIT COMMITTEE MEETING OF APRIL 2016

- Detailed study of balance sheet: Company equity and its investment policy.

AUDIT COMMITTEE MEETING OF JULY 2016

- Analysis and consequences of Audit reforms for the Audit Committee. The committee decided among other matters to propose to the Board the implementation of a system of pre-authorisation from the Audit Committee to the CFO, renewable annually, for all missions explicitly authorised and budgeted.
- Report *on* Amundi Joint Ventures in Asia.

AUDIT COMMITTEE MEETING OF OCTOBER 2016

- Analysis of the general work programme of the statutory auditors for the 2016 audit.
- Presentation of Amundi subsidiary BFT IM.

2.1.1.2.2 Risk Management Committee

(i) Composition

The composition of the Risk Management Committee was unchanged in 2016. It consists of three members, including one independent director, and includes no Executive Company Officer.

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.

The composition of the committee at **31 December 2016** was as follows: Christian Rouchon, Chairman, Renée Talamona and Virginie Cayatte, Members.

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 an in-depth knowledge of the asset management sector. This expertise means that she can actively participate in the discussions within the committee's remit, by contributing her knowledge of this field.

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 2.1.1.1.1.2 "Overview of the composition of the Board/Non-voting members") at any time to review and if appropriate challenge the Company's internal control management.

At the request of the Committee, these meetings are also attended by the Head of Steering and Internal Control (PCO), the Secretary General of PCO, and the Heads of Risk Management, Compliance and Audit, as well as the statutory auditors.

(ii) Missions

Article 4.3 of the Board's Internal Regulations

The Risk 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 remuneration 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;*
- *examining whether the incentives provided for by the remuneration policy and practices are compatible with the institution's situation in light of the risks to which it is exposed, its capital, its liquidity and its probability, and the staggering of benefits over time.*

(iii) Activities and matters examined in 2016

During 2016, the Risk Management Committee met four times at scheduled meetings, with the average attendance rate being 100%.

At each meeting of the Risk Management Committee, an update on the situation regarding internal control, and the changes to its structure during the quarter ended is given by each Head of the Company's internal controls system: Risk Management, Compliance and Audit.

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

It also analyses the appropriate part of the draft Chairman's report describing the internal control procedures.

Regarding Audits, it carries out regular follow-ups of audits by Amundi Internal Audit, Crédit Agricole S.A.'s General Audit Department and supervisory bodies and ensures recommendations are implemented. It reviews the annual audit plan and passes on 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 reviews the quarterly monitoring of the exercise of risk in light of the risk appetite level approved by the Board. It also advises the Board on the Risk Management Strategy to be adopted.

Regarding Compliance, it oversees among other matters the proper conduct of the various projects run by Compliance. In 2016 this notably included application of the MAR Directive.

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

On the same subject, in 2016 the Risk Management Committee addressed, particularly during three of its meetings, the following specific issues:

RISK MANAGEMENT COMMITTEE MEETING, FEBRUARY 2016

- Scrutiny of the draft Brief risk declaration, a new obligation under Article 435(1)(f) of EU Regulation 575/2013.
- Update on Amundi's application of the Volcker Law.
- A study of the protections in place to prevent embezzlement, fraud and intrusion.

RISK MANAGEMENT COMMITTEE MEETING OF APRIL 2016

- Compatibility of compensation policies and practices with the economic and prudential situation.
- The draft multi-issuer note programme in which Amundi is taking part.

RISK MANAGEMENT COMMITTEE MEETING OF JULY 2016

- Update on entry into force of MAD II/MAR regulations.

RISK MANAGEMENT COMMITTEE MEETING OF OCTOBER 2016

- Study of the risks strategy and appetite indicators of Amundi.
- Study of the annual report on the effectiveness of the Volcker compliance programme.
- Follow-up of audits rated "inadequate or downgraded" and their action plans.

2.1.1.2.3 Strategic Committee

(i) Composition

The composition of the Strategic Committee changed slightly in 2016 with the appointment of an independent director as Chairwoman. The Strategic Committee is composed of three members, one of whom is an independent director.

The composition of the committee at **31 December 2016** was as follows: Laurence Danon-Arnaud, Chairwoman, Yves Perrier and Xavier Musca, Members.

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. In 2016, the Board decided to appoint Laurence Danon-Arnaud as Chairwoman of the Strategic Committee to strengthen the independence of its decisions and presentation to the Board.

(ii) Missions

Article 4.6 of the Board's Internal Regulations

The remit of the Strategic Committee is to deepen the strategic thinking of the Group across its various business lines, both in France and abroad. To this end, the Strategic Committee shall review planned transactions that require the approval of the Board, pursuant to Article 2.2 of the Internal Regulations (concerning any "establishment, acquisition or disposal of any subsidiaries and investments in France or abroad where the overall investment is over 100 million euros and any other investment or divestiture of any kind whatsoever of over 100 million euros").

(iii) Activities and matters examined in 2016

In 2016, the Strategic Committee met four times to consider the proposals to acquire Irish asset manager KBI from Oddo Group and Italian asset manager Pioneer Investments from UniCredit.

Among other points, the Strategic Committee checked that the analyses had been properly carried out and that the offers (non-binding and binding) were consistent with the Company's capacity and development strategy. The opinions given to the Board on both subjects were positive.

2.1.1.2.4 Compensation Committee

(i) Composition

The composition of the Compensation Committee complies with the AFEP-MEDEF Code. It has three members, including two independent members, is chaired by an independent director and includes no Executive Company Officers.

Its composition is the following: Robert Leblanc, Chairman, Laurence Danon-Arnaud and Xavier Musca.

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 remuneration 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.

(ii) Missions

Article 4.4 of the Board's Internal Regulations.

The Remuneration 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 remuneration 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 remuneration of the Company's Deputy Chief Executive Officer(s);*
- *the principles of the remuneration 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 remuneration policy, and in particular the variable remuneration 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 General Meeting of Shareholders, 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 General Meeting of Shareholders, the distribution of this envelope among the members of the Board of Directors and the remuneration of the non-voting members.*

In addition, it shall be responsible for:

- *monitoring the implementation of the remuneration 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 remuneration of the Head of the Risk Management and, where necessary, the Head of Compliance.*

(iii) Activities and matters examined in 2016

During 2016 the committee met once, with an attendance rate of 100%.

In the year, the committee examined the compensation policy of the Company in 2015, including how it had changed in light of the new rules imposed by CRD 4 and AIFM. It also verified consistency with the principles of the AFEP-MEDEF Code.

The committee accordingly specifically analysed the total variable compensation package payable in respect of 2015, including the allocation of performance shares. It also studied the proposed compensation of Executive Company Officers, including the performance criteria that would determine their variable compensation.

Finally, as each year, the committee examined the allocation of directors' fees, according to the rules authorised by the Board of Directors. In 2016, the committee verified, among other matters, compliance with the allocation rules and the changes made to the rules following the Company's stock market listing in 2015.

2.1.1.2.5 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.

The composition of the committee, unchanged in 2016, is the following: Hélène Molinari, Chairwoman, Robert Leblanc and Xavier Musca.

Hélène Molinari and Robert Leblanc were selected from among the independent directors, by virtue of their professional backgrounds and notably their knowledge of 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 chosen for his experience and expertise in the area of organisation and team management. Xavier Musca, Deputy CEO of Crédit Agricole S.A. was chosen in his capacity as representative of the majority shareholder, closely associated with 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 2016

During 2016 the committee met twice, with the average attendance rate being 100%.

The February 2016 meeting considered whether the directors classed as independent still met the independence criteria. It also considered issues related to the composition and balance of the Board, its collegial powers and its equality rules. It decided to hold the first self-assessment of the Board at the end of 2016 and reviewed the results in early 2017. It also noted the need to establish a succession plan, which was definitively adopted in January 2017.

In April 2016, the committee approved the majority shareholder's proposal to recommend that the Board appoint Michel Mathieu, CEO of LCL, as director following Jean-Paul Chifflet's departure.

2.1.1.3 OVERVIEW OF THE CONSTRAINTS THAT THE BOARD OF DIRECTORS PLACE ON THE POWERS OF THE CEO

Extract from the Articles of Association (Article 15) and internal rules 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."

2.1.1.4 DIRECTORS' COMPENSATION

During the Board meeting of 15 September 2015 and the general shareholders' meeting of 30 September 2015, the total amount of directors' fees and the regulations regarding distribution were changed as a result of the changes in the Company. The total amount of directors' fees has been changed to €700,000 until further decision of the general shareholders' meeting.

Since the Company's stock market listing, the new procedures for allocation are as follows:

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

Directors' fees received by directors and Non-voting Members in 2016 are detailed in the table in section 2.5 of the Registration Document and mentioned in note 6.6 to the consolidated financial statements.

2.1.1.5 SUMMARY OF POINTS ON WHICH AMUNDI DOES NOT COMPLY WITH THE RECOMMENDATIONS OF THE AFEP-MEDEF CODE AS REVISED IN NOVEMBER 2016

As from the first listing of the Company's shares on Euronext Paris, the Company refers to the AFEP-MEDEF Code and complies with all its guidelines, in particular in connection with preparation of the report of the Chairman of the Board of Directors, as provided for by Article L. 225-37 of the French Commercial Code, on the composition of the Board of Directors and the application of the principle of gender balance in the Board's composition, the terms for preparation and organisation of the Board's work, and the internal control and risk management procedures implemented by the Company, except as follows:

Recommendations of the AFEP-MEDEF Code that have been waived	*Company's comments*
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. His employment contract is accordingly with Crédit Agricole S.A. Mr Perrier will continue to benefit from the above contract, by virtue of the above functions.
22 OBLIGATION OF SENIOR EXECUTIVE 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. 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 at the sole charge of Crédit Agricole S.A. and would not be subject to any reinvoicing to Amundi. This compensation would correspond to two years of compensation (fixed + variable).

2.1.1.6 INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The full version of the internal regulations of the Board of Directors is available on the Company's website: www.amundi.com.

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 committees.

The important points of these sections are contained in the above paragraphs.

Two Charters (for directors and for Stock Market Ethics) are attached to the Internal Regulations. All directors and Non-voting Members were required to accept these regulations individually when taking office.

Aspects regarding the management of conflicts of interest are contained in the Company directors' Charter (Annex 1 to the Internal Regulations). Article 9 of Annex 1 to the Internal Regulations is reproduced below.

Annex I to the Internal Regulations – Article 9 Conflicts of interest and privileged 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, under 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.

2.1.2 Internal control and Risk Management procedures

The Amundi Group's internal control organisation complies with the legal and regulatory requirements and the Basle Committee recommendations.

Within the Amundi Group, the internal control structure and procedures, and all the elements aimed at controlling activities and risks of all natures and enabling transactions to be carried out properly, securely and efficiently, in accordance with laws, internal and external regulations, are defined in accordance with the references mentioned in paragraph 2.1.2.1 below.

The risks covered by the above measures are dealt with in Chapter 5 of the Registration Document for the year ended 31 December 2016.

The internal control framework and procedures have the following objectives:

- to apply the instructions and guidelines set by Senior Management (the Effective Directors, within the meaning of the regulations);
- to achieve financial performance, through the effective, adequate use of the Group's assets and resources, and protection against the risk of losses;
- to get comprehensive, accurate and regular knowledge of the information needed for decisions making and the management of risks;
- to comply with the provisions of laws and regulations, professional codes of practice and internal regulations;
- to prevent or detect fraud and error;
- to obtain accurate, comprehensive accounting records, and the reporting of reliable financial information within the required deadline.

However, these procedures are subject to the inherent limitations of any internal control measure, such as technical or human failures.

In accordance with the principles in force within the Group, the internal control framework applies globally to all the Group entities (excluding the joint ventures, in which Amundi is a minority shareholder) and they cover the framework and governance of activities, and the measurement and monitoring of risks. The framework put in place by Amundi is based on the standards and principles listed below. It is adapted to suit the various departments and subsidiaries depending on their specialist areas, with particular 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.

2.1.2.1 REFERENCES CONCERNING THE INTERNAL CONTROL SYSTEM

The Group's frame of reference with regard to internal control is based on the provisions of the French Monetary and Financial Code (Article L. 511-41), the Order of 3 November 2014 on internal controls of banking, payment services and investment services companies regulated by the *Autorité de contrôle prudentiel et de résolution*, the General Regulation of the AMF, and texts on corporate governance issued in particular by the European Banking Authority and the Basle Committee.

This external frame of reference is supplemented by Amundi's own charters, standards and internal procedures in the area of risk control, including IT and accounting, compliance checks and internal audits.

2.1.2.2 PRINCIPLES OF THE ORGANISATION OF THE INTERNAL CONTROL SYSTEM

2.1.2.2.1 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 the 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 assessment, 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.

2.1.2.2.2 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, and level 2 permanent controls carried out by the Risk Management and Compliance functions, and periodic controls 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 Group's internal control system. It is implemented by the 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 mainly carried out by two functions independent of the operational entities: Risk Management and Compliance.

The Risk Management function and the Compliance function carry out Level 2 controls and support the overall system of permanent controls. All of these control functions report to Amundi's Head of Steering and Control.

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;
- it 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

The Internal Audit function ensures the lawfulness, security and effectiveness of all operations and risk management activities across Amundi's entities. It intervenes via audit plans approved by the Board Risk Management Committee. Each audit results in a report and recommendations, to which the audited entities respond. The General Audit Department of Crédit Agricole S.A. may also carry out audit missions on the Amundi Group.

2.1.2.2.3 Governance

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 2.1.1.2;
- three Senior Management Committees to which Senior Management actively contributes, and which are described below.

Internal Control Committee

The Internal Control Committee is jointly chaired by Amundi's Head of Steering and Control and the Head of Control and Audit at Crédit Agricole Group, Amundi's majority shareholder. Its role is to ensure that the internal control system is coherent, effective and complete and to coordinate Periodic Control, Permanent Control, Risk Control and Compliance Control activities. It meets twice a year.

Risk Management Committee

Amundi's Risk Management Committee, chaired by the Head of Steering and Control, defines Amundi's risk policy, determines the risk framework for each product or activity, sets overall limits and monitors Amundi's risks. It meets 11 times a year.

In addition, within each subsidiary in France or abroad, a Risk Management Committee chaired by the local CEO meets at least once every quarter. It is responsible for implementing the risk policies defined at Group level.

Compliance Committee

Amundi's Compliance Committee, chaired by the Head of Steering and Control, defines the compliance policy and validates and monitors the compliance action plan. It meets 11 times a year.

Senior Management is also updated monthly on the risk situation for the Group, and on any sensitive matters. It ensures that the internal control system is the subject of permanent monitoring to ensure it is adequate and effective. Senior Management is informed of the main malfunctions and any corrective measures taken.

The Board of Directors:

- at the proposal of the Senior Management, validates the risk appetite in line with the strategy set for the Group;
- is informed by Management presentations at least twice a year on the Group's consolidated risks and results, the state of the risk and internal control monitoring system, and the results of activity and results achieved by internal control.

The Board is also updated on any significant events that exceed certain thresholds, which are revised each year by the Board's Risk Management Committee. Finally, once a year it examines the annual report on internal control.

2.1.2.2.4 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 December 2016, the workforce in the Control business lines was as follows:

- Risk Management: 165 FTE;
- Compliance: 65 FTE;
- Internal Audit: 26 FTE.

2.1.2.3 RISK MANAGEMENT AND CONTROL WITHIN AMUNDI AND SPECIFIC MEASURES

2.1.2.3.1 Risk measurement and control

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 procedure;
- the pooling of resources adapted to suit the various entities;
- a high level of employee expertise, by means of dedicated centres of competence.

The Risk Management business line follows a matrix structure, with regular interaction between:

- **cross-sector operational management risk management monitoring teams**, grouped into three Risk Management Departments, which determine the overall framework for each type of operation and ensure that they are monitored. The teams are tasked with integrating all the risk and performance factors and indicators for each management line, and for ensuring that these indicators are consistent and reflect the management guidelines. They are deployed within each entity in France and abroad;

- **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 mission of the department is to define the rules and methods for measuring risk and performance applicable to the Amundi Group, to produce the associated indicators and to contribute its expertise to applying these measures on the specific portfolios. It also helps to oversee the implementation of the methods and indicators in the tools used by the Risk Management Departments and *by* Investment Management teams. A specialised credit analysis team provides support to the Risk Management teams.

Periodic reports are given to Senior Management and to the Board of Directors on the controls carried out by the Risk Management function. In 2016, 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 changes; and
- a summary of risks, changes in risks, the level of the main risk limits and usage of those limits.

Work on improving and adapting the risk monitoring system continued in 2016, based on four main areas:

- adaptation of system organisation to support changes in Group scope, including:
  - the acquisition of Kleinwort Benson Investors Global Investors (KBI GI) and the start of work on its integration,
  - the acquisition and integration into Amundi Immobilier of CA Immobilier Investors (CAII), a subsidiary of Crédit Agricole Immobilier,
  - the absorption of Amundi Alternatives Investments by Amundi Asset Management;
- the reinforcement of the security of investment management activities, which took the form of:
  - strengthening liquidity risk management tools with the roll-out of:
    - a policy that set different stress levels and prescribed specific ratios of liquid assets to be held for each,
    - a client communication and reporting tool,
    - an order centralisation and prioritisation system to be used when circumstances require,
  - swing pricing for an initial group of funds to help shield open fund unit-holders from the costs of readjusting portfolios after large subscriptions or redemptions,
  - tighter control of proprietary trading with the introduction of alert thresholds and limits on several stress scenarios specific to these types of activities.

The Basel Committee's document BCBS239 on Banking Supervision sets out 11 principles for IT systems designed to strengthen risk management. In 2016, the Risk Management and Finance Departments presented to Amundi's Risk Management and Internal Control Committees the first diagnostic of how far Amundi's IT System complied with these 11 principles in respect of 2015.

Since 2015, Amundi has provided a service that enables investment management companies to outsource the execution of orders for their funds on the Amundi platform. Continuing this work conducted in 2015, since June 2016 Amundi has been offering account position-keeping services; a set of indicators is now monitored daily by the risk control teams. Other indicators will be put in place in 2017. IT and organisational improvements are continuously being made to support the development of the Amundi service offering.

2.1.2.3.2 Control and prevention of compliance risks

The mission of the Compliance Department is to identify and warn the Company of regulatory compliance risks and to maintain a framework for these risks.

The main compliance risks relate to the following four areas:

- **market ethics**, aimed at compliance with all the regulations governing the functioning of regulated markets on which the entities of the Amundi group operate, particularly the principle of acting in an honest, loyal and professional manner;
- **financial security** and international sanctions, to put in place systems for:
  - anti-money laundering and anti-terrorist financing,
  - control and implementation of international sanctions;
- **protection of the interests of stakeholders and clients**, aimed at delivering clear, transparent information that does not mislead, and ensuring equality of treatment for all stakeholders, and putting clients' interests first;
- **professional ethics**, the circulation of information particularly as regards the Ethics Code and control of insider information.

A fifth topic concerns the regulation of Compliance (watch systems, regulations, conflicts of interest, fraud and corruption prevention, etc.).

Each of these five topics is monitored by a dedicated department of the same name. The last two topics (professional ethics/fraud, etc. and Compliance regulation) are grouped under Amundi AM's Compliance General Secretariat.

Accordingly, the Compliance Department warns staff about the risks of penalties and helps protect the Company's image and reputation, and that of its Senior 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 according to a plan approved by Senior Management within the Compliance Committee, chaired by the Head of Sterring and Control;
- ensure that any irregularities are corrected;
- report any compliance incidents occurring during the period to the Compliance Committee.

In 2016, Senior Management was updated on Compliance matters as follows:

- monthly, by the Compliance Committee meetings, in which the results of controls performed by Compliance were presented;
- annually, via the annual report on the management of compliance risks.

In addition, the Group is continuing to bring its systems into compliance with the European Market Abuse Regulation (MAR).

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.

An anti-corruption system was implemented Group-wide and certified BS 10500: 2011 (British standard) in July 2016.

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.

2.1.2.3.3 Periodic control

The Amundi Internal Audit Department reports hierarchically to Crédit Agricole S.A. Group's General Audit Department and operationally to Amundi's General Management. The Periodic Control system includes a central Internal Audit team covering Amundi's scope and decentralised Internal Audit teams in several of its subsidiaries, which report hierarchically to local management and functionally 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 auditable risks. It also factors in specific requests from Amundi General Management, the business line and the Board Risk Management Committee. The objective of the multi-year program is to cover the audit scope (which is based on the internal control scope) over a maximum of five years, and with an average frequency of three years.

Internal Audit conducts twice-yearly checks to monitor the implementation of the full recommendations, plus quarterly follow-ups of level 1 recommendations and checks of level 2 recommendations for a targeted scope. All work done by Amundi Internal Audit, Crédit Agricole S.A. Group General Audit Department and supervisory authorities are subject to this formal monitoring system, which ensures remedial actions are implemented within deadlines agreed with the management of the entity at the conclusion of the audit. The system also allows the Head of Internal Audit to issue alerts to the Board when necessary, as required by Article 26 of the Order of 3 November 2014.

The 2016 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.

2.1.2.3.4 Specific internal control system concerning information systems security and business continuity

Internal controls on information systems security

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.

Business Continuity Plan (BCP)

The business continuity plan sets out the rescue measures, and the means of implementing such measures in the event of an operational crisis. It is validated by a Senior Management Committee: Amundi's Security Committee.

This operating plan has four key aspects:

- a crisis management plan;
- a Users' Backup Plan (UBP); for the Paris entities, the site is located 25km outside the city and has 300 dedicated workstations, which can be extended to 700 if necessary;
- an IT contingency plan;
- an audit of service providers' BCPs.

This emergency and business continuity plan is regularly updated and consists of:

- rescue solutions designed for multiple operational crises, and the related documentation;
- an operational crisis management system designed to ensure that alerts are notified, analysed and dealt with, and can be responded to on call, 24 hours a day, seven days a week.

The potential incidents include:

- 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 transit strike, epidemic, flood, etc. The applications that would cover this scenario must allow Amundi to maintain continuity of its operations once 30% of its workforce is available;
- physical destruction of the data centre 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 malice, error or accident (virus attack, hacking, accidental destruction of a database or a computer bug altering databases);
- large-scale unavailability of work stations caused, for example, by a massive virus infecting the work stations.

During the 2016 financial year tests were run on Amundi's BCP:

- an IT rescue plan was tested in June 2016;
- a UBP was tested in November 2016.

In addition, crisis management and user backup systems were successfully activated over four days in June 2016 in response to the unexpected public transport strikes and the flooding of the Seine.

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.

2.1.2.3.5 Specific internal controls on accounting and financial information

Roles 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 Credit Agricole Group;
- prepares the financial statements of each entity in accordance with the 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;
- the 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;
- the security of the data preparation and processing procedures, limiting the operational risks with regard to Amundi's commitment to the information published;
- the 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.

Amundi's Board of Directors, of which I am the Chairman, the Audit Committee, the Risk Management Committee and the CEO, on account of his own responsibilities, are given detailed up-to-date reports on the internal controls and the level of exposure to risks, areas of progress in this field, and progress on the corrective measures taken. The internal control system and procedures are regularly adapted in order to respond to changes in the regulations, activities and the risks faced by the Group.

All of this information is included in the annual report on internal controls and on the measurement and monitoring of risks, of the management report but also in the regular reports on activities and controls.

Chairman of the Board of Directors of Amundi
Xavier Musca

2.2 STATUTORY AUDITORS' REPORT
DRAWN UP IN APPLICATION OF ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT OF THE CHAIRMAN OF THE BOARD OF AMUNDI

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

Financial year ended 31 December 2016

To the Shareholders,

In our capacity as the statutory auditors of the Amundi company, and in implementation of the provisions of Article L. 225-235 of the French Commercial Code, we present to you the report drawn up by the Chairman of your Company, pursuant to the provisions of Article L. 225-37 of the French Commercial Code with respect to the financial year ended 31 December 2016.

It is the Chairman's responsibility to establish and submit for approval to the Board of Directors a report describing the internal control and risk management procedures implemented within the Company, and providing other information as required by Article L. 225-37 of the French Commercial Code, pertaining in particular to corporate governance systems.

It is our responsibility to:

- inform you of any comments we may have on the information provided in the Chairman's report on internal control and risk management procedures for the preparation and processing of accounting and financial information; and
- attest that this report contains all the additional information required by Article L. 225-37 of the French Commercial Code. It should be noted that we are not required to verify the accuracy of this additional information.

We have carried out our work pursuant to the professional standards applicable in France.

Information concerning procedures of internal control and of risk management pertaining to the development and treatment of accounting and financial information

The professional standards require the implementation of due diligence, intended to assess the accuracy of the information concerning procedures of internal control and of risk management pertaining to the development and treatment of the accounting and financial information contained in the Chairman's report. Such due diligence consists in particular of the following:

- becoming familiar with the procedures of internal control and of risk management pertaining to the development and treatment of the accounting and financial information which underpins the information presented in the Chairman's report, as well as with the existing documentation;
- becoming familiar with the work which made it possible to develop such information, and the existing documentation;
- determining whether information on the major shortcomings of the internal control pertaining to the development and treatment of the accounting and financial information which we may have found within the framework of our mission is appropriately presented in the Chairman's report.

On the basis of this work, we have no comment to make on the information concerning procedures of internal control and of risk management pertaining to the development and treatment of accounting and financial information. contained in the report of the Chairman of the Board of Directors, drawn up pursuant to the provisions of Article L. 225-37 of the French Commercial Code.

Other information

We certify that the report of the Chairman of the Board of Directors contains the other information required by Article L. 225-37 of the French Commercial Code.

Neuilly-sur-Seine and Paris-La Défense, 9 March 2017

The statutory auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Emmanuel Benoist	Olivier Drion

2.3 PRESENTATION OF SENIOR 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.

Since 28 April 2016, Mr Xavier Musca has chaired the Board of Directors replacing Mr Jean-Paul Chifflet, who retired. Mr Yves Perrier continues as CEO.

2.3.1 Profile of the CEO

Yves Perrier was appointed as CEO of the Company on 18 September 2007, and was reconfirmed when Amundi was formed on 23 December 2009[1]. Since then, he has been re-elected on each expiry of his mandate. He was reconfirmed in this position by decision of the Board of Directors on 15 September 2015, which decided to renew his mandate for an indeterminate period.

Biographical information about Yves Perrier, who is also a member of the Board of Directors, is included in Section 2.4, "Additional information about Company Officers."

(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.

2.3.2 Overview of the Executive Committee

The role **of the Executive Committee** is to develop and implement Group strategy, notably through budgets and action plans. It sets the guiding principles selecting business lines and commercial policy and oversees results, risks and matters of compliance.

The list of members as of 31 December 2016 is given below.

Name	Main function within the Group	Date joined the Executive Committee
Yves Perrier	CEO of the Company, Deputy CEO in charge of Savings, Insurance and Real Estate at Crédit Agricole S.A.	2010
Pascal Blanqué	Global Head of Institutional Division and Chief Investment Officer, Head of Investment Management	2010
Bernard Carayon	Head of Steering and Control	2010
Bernard de Wit(1)	Director of Support and Business Development	2010
Fathi Jerfel	Head of Retail Division	2010
Guillaume Lesage	Deputy Director of Support and Business Development	2016
Pedro Antonio Arias	Global Head of Real and Alternative Assets	2013
Jean-Jacques Barberis	Global Head of Central Banks and Sovereign Wealth Funds	2016
Valérie Baudson	Global Head of ETF, Indexing Funds and Smart Beta, CEO of CPR AM	2013
Alain Berry	Head of Communication	2010
Laurent Bertiau	Global Head of Institutional Clients	2010
Romain Boscher	Head of Equity Investment Management	2011
Eric Brard	Head of Fixed Income and Debt Investment Management	2011
Nicolas Calcoen	Head of Finance and Strategy	2011
Dominique Carrel-Billiard	Deputy Director to Amundi's General Management – in charge of the Amundi-Pioneer merger	2016
Xavier Collot	Head of Employee Savings Plans and Retirement	2016
Christophe Lemarié	Head of Retail Marketing	2013
Vincent Mortier	Deputy CIO, Deputy Head of Investment Management	2015
André Pasquié	Head of French Retail Networks	2010
Christian Pellis	Global Head of External Distribution	2016
Frédéric Samama	Deputy Global Head of Institutional Clients	2016
Pierre Schereck	Head of Relations with Social Security Bodies at Institutional Clients	2010
Isabelle Senéterre	Head of Human Resources	2011
Eric Vandamme	Head of Risk Management	2013

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

Country and Regional Heads are also included as members of the Executive Committee:

Julien Fontaine, Japan Country Head, Laurent Guillet UK Country Head, Patrick Pagni and Patrice Blanc, North America Regional Heads, Alessandro Varaldo, Italy Country Head, Jenny Sofian, South-East Asia Regional Head and Xiaofeng Zhong, Northern Asia Regional Head.

Laurence Laplane is Secretary to the Executive Committee.

2.4 ADDITIONAL INFORMATION ON COMPANY OFFICERS

2.4.1 Profiles of Company Officers

Xavier MUSCA

Chairman of the Board of Directors, Member of Strategic, Compensation and Nominations Committees

BORN IN
1960

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

BUSINESS ADDRESS
Crédit Agricole S.A.
12, place des États-Unis
92120 Montrouge

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 was also appointed Chairman of Amundi's Board of Directors in 2016.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:

> Deputy CEO, Member of Management Committee, Member of Executive Committee, Crédit Agricole S.A. since 2012
> Director, CA Assurances, since 2012
> Director, Crédit Agricole Creditor Insurance, since 2012
> Vice-Chairman of the Board of Directors, Predica, since 2012
> Director and Member of the Compensation Committee, Cariparma, since 2012
> Permanent Representative of Crédit Agricole S.A., director of Pacifica since 2012
> Chairman of the Board of Directors, CA Consumer Finance, since 2015

In other listed companies:

> Director, Cap Gemini, since 2014 and Chairman of Audit Committee

In unlisted companies:

> None

In other entities:

> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:

> Director, Amundi, 2012-2016
> Director, Banco Espirito Santo, 2012-2014
> Director, Bespar, 2012-2014
> Vice-Chairman of the Board of Directors, CA Egypt, 2012-2015
> Vice-Chairman of the Board of Directors, UBAF, 2012-2015
> Vice-Chairman of the Supervisory Board, Crédit du Maroc, 2012-2015
> Chairman of the Nominations and Compensation Committees, Amundi, 2012-2015
> Director, CACEIS, 2014-2015

In other listed companies:

> None

In unlisted companies:

> None

In other entities:

> Secretary General to the French President, 2011-2012

Yves PERRIER

Director and CEO, member of the Strategic Committee

BORN IN
1954

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

BUSINESS ADDRESS
Amundi
91-93, boulevard Pasteur
75015 Paris

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 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). In September 2007, Yves Perrier took charge of the Asset Management and Services to Institutional Clients Division of Crédit Agricole S.A. as Chairman and CEO of Crédit Agricole Asset Management and Chairman of the Board of directors of CACEIS. In 2009, he helped to found Amundi, of which he was appointed CEO.
Since September 2015, Yves Perrier has been Deputy CEO, Savings, Insurance and Real Estate at Crédit Agricole S.A. In this respect, he is also CEO, director, Member of the Strategic Committee and Chairman of the Executive Committee at Amundi.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> Chairman and CEO of Amundi Asset Management, since 2007*
> Deputy CEO, director in charge of the Savings, Insurance and Real Estate Division of Crédit Agricole S.A. since 2015
> Director, Pacifica since 2015
> Director, Crédit Agricole Assurances, since 2015
> Permanent Representative of Crédit Agricole S.A., director of Prédica since 2015
> Permanent Representative of Crédit Agricole S.A., director of Crédit Agricole Immobilier since 2015

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> Director and Member of Collège des Institutionnels, Paris Europlace, since 2007
> Chairman of AFG since 2015

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Director, CA Cheuvreux, 2004-2012
> Director in charge of Asset Management and Services to Institutional Clients, Crédit Agricole S.A. 2007-2015,
> Chairman of the Board of Directors of CACEIS 2007-2015
> Member of the Supervisory Board of CA TITRES, 2007-2015
> Director of Euro Securities Partners, 2013-2015
> Chairman of the Board of Directors of Société Générale Gestion, 2009-2015*
> Director, LCH Clearnet SA, 2014(2016)
> Director, LCH Clearnet Group LTD, 2014-2016

In other listed companies:
> None

In unlisted companies:
> Member of Supervisory Board, Maike Automobile SAS 2013-2016

In other entities:
> None

* *Amundi Group Company.*

Virginie CAYATTE

Director (independent), member of Audit and Risk Management Committees

BORN IN
1970

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

BUSINESS ADDRESS
Solocal Group
204 Rond-Point du Pont de Sèvres
92649 Boulogne-Billancourt

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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.

Virginie Cayatte is currently Chief Financial Officer in charge of Finance, Real Estate and Purchases within the Solocal Group. She is also a director of Pages Jaunes SA.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> None

In other listed companies:
> CFO, member of Executive Committee, Solocal Group, since 2015

In unlisted companies:
> Director, Pages Jaunes SA, since 2015

In other entities:
> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> None

In other listed companies:
> None

In unlisted companies:
> Director, AXA IM IF, 2013-2014
> Director, Corporate Finance et Stratégie Axa IM, 2007-2014

In other entities:
> None

Laurence DANON-ARNAUD

Director (independent), Chairwoman of Strategic Committee and member of Compensation Committee

BORN IN
1956

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
31/12/2016

NUMBER OF SHARES HELD
400

BUSINESS ADDRESS
Cordial Investment & Consulting
30, boulevard Victor-Hugo
92200 Neuilly-sur-Seine

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 its family *office business,* Cordial Investment & Consulting.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> None

In other listed companies:
> Director and Chairwoman of Audit Committee, TF1, since 2010

In unlisted companies:
> Director, Cordial Investments & Consulting Ltd, since 2015

In other entities:
> Member of the Académie des Technologies, since 2015

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> None

In other listed companies:
> Director, Diageo plc, 2006-2015
> Member of Supervisory Board and Chairwoman of the Appointments and Compensation Committee, BPCE, 2009-2013

In unlisted companies:
> Member, then Chairwoman, of the Management Board of Edmond De Rothschild Corporate Finance, 2007-2012
> Chairwoman of the Board of Directors of Leonardo & Co. 2013-2014
> Senior advisor of Natixis Partners, 2015-2016

In other entities:
> Chairwoman of Committees, MEDEF, 2005-2013

Rémi GARUZ

Director

BORN IN
1952

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

BUSINESS ADDRESS
CRCAM Aquitaine
304, boulevard
du Président-Wilson
33000 Bordeaux

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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).

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> Chairman of Caisse Locale de Sauveterre, since 1999
> Chairman of the Board of Directors of CRCAM d'Aquitaine since 2012
> Representative of CRCAM d'Aquitaine, Member of the Supervisory Board, CA Grands Crus, since 2012
> Permanent Representative of CRCAM Aquitaine, director, Grand Sud-Ouest Capital SA since 2012
> Representative of CRCAM Aquitaine, director, SEML Route des Lasers since 2012
> Director of Caisse d'Assurances Mutuelles du Crédit Agricole (CAMCA), since 2014

In other listed companies:
> None

In unlisted companies:
> Manager, EARL Martinez Garuz, since 2013

In other entities:
> Vice-Chairman, Economic, Social and Environmental Committee, Aquitaine Region, since 2012
> Municipal councillor, Mairie de Saint Brice, since 2014

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Member of the Office, then Vice-Chairman of CRCAM d'Aquitaine, 2000-2012

In other listed companies:
> None

In unlisted companies:
> Chairman and CEO, Producta SA, 1997-2012

In other entities:
> None

Laurent GOUTARD

Director

BORN IN
1961

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

BUSINESS ADDRESS
Société Générale
189, rue d'Aubervilliers
75886 Paris Cedex 18

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 the director of Banque de Détail France Société Générale since 2009, and a member of the Executive Committee of Société Générale Group since September 2014.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> None

In other listed companies:
> Head of Retail Banking, Société Générale, since 2009
> Member of Executive Committee, Société Générale, since 2014

In unlisted companies:
> Permanent representative of SG Financial Services Holding, director of Compagnie Générale d'Affacturage, since 2009
> Chairman of the Board of Directors, Franfinance, since 2014
> Member of Supervisory Board, Komerčni Banka, since 2014
> Director, Sogecap, since 2015
> Representative of SG, Chairman of the Supervisory Board, FGDR, since May 2016

In other entities:
> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Director, Société Générale Gestion*, 2009-2015

In unlisted companies:
> Director, Geneval, 2009-2012
> Chairman of the Board of Directors of Genefim, 2009-2013
> Chairman of the Board of Directors, Sophia Bail, 2009-2013
> Director, Sogessur, 2010-2015

In other entities:
> None

* *Amundi Group Company.*

Robert LEBLANC

Director (independent), Member of Audit and Nominations Committees, Chairman of Compensation Committee

BORN IN
1957

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

BUSINESS ADDRESS
AON France
31-35, rue de la Fédération
75015 Paris

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> None

In other listed companies:
> None

In unlisted companies:
> Manager, RL Conseil, since 2007
> Chairman and CEO, AON France SAS, since 2009
> Member of global Executive Committee, AON Risk Solutions, since 2009
> Director, International Space Brokers France – ISB France, since 2009
> Manager, AON Holdings France SNC, since 2009
> Director, AON Tunisia, since 2010

In other entities:
> Honorary Chairman, Chambre Syndicale des Courtiers d'Assurance, since 2008
> Member of the Medici Committee, Amundi, since 2011
> Chairman, Fondation Avenir Patrimoine à Paris, since 2014
> Chairman of Ethics Committee, MEDEF, since 2016

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> None

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> Chairman of Ethics Committee, MEDEF, 2008-2013
> Chairman of the Movement of Christian Businessmen and Managers (Mouvement des Entrepreneurs et Dirigeants Chrétiens), 2010-2014

Michel MATHIEU

Director

BORN IN
1958

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:
current

BUSINESS ADDRESS
LCL
Immeuble Rhône
20 avenue de Paris
94811 VILLEJUIF CEDEX

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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.
Michel Matthieu is a director of Eurazeo and several Crédit Agricole Group entities. He is also President of the charity supporting the Manège de Chaillot theatre.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> Director, Cariparma, since 2010
> Director, Crédit Agricole Egypt, since 2012
> Deputy CEO, subsidiaries and retail banking, Crédit Agricole S.A., since 2015
> Vice-Chairman of Supervisory Board, Crédit du Maroc, since 2015
> CEO, LCL, since 2016
> Permanent representative of LCL, Pacifica, since 2016
> Permanent representative of LCL, Prédica, since 2016
> Chairman of the Board of Directors, CACI, since 2016

In other listed companies:
> Member of Supervisory Board, Eurazeo, since 2012

In unlisted companies:
> None

In other entities:
> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Director, Amundi, 2011-2012
> Director, CACEIS, 2011-2013
> Director, Prédica, 2011-2016
> Director, CA-CIB, 2012-2016
> Director, LESICA, 2013-2016
> Director, CA PAYMENT SERVICES, 2015-2016

In unlisted companies:
> None

In other entities:
> None

Hélène MOLINARI

Director (independent), Chairwoman of Nominations Committee

BORN IN
1963

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
31/12/2016

NUMBER OF SHARES HELD
200

BUSINESS ADDRESS
19 bis, rue des Poissonniers
92200 Neuilly-sur-Seine

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> None

In other listed companies:
> Member of the Supervisory Board and member of the Nominations, Compensation and Governance Committee Lagardère SCA, since 2012

In unlisted companies:
> Member of Strategic Committee, BE BOUND, since 2013
> Manager, AHM Conseil, since 2014

In other entities:
> Member of the Steering Committee of Everyone sings against cancer (Tout le monde chante contre le cancer), since 2010
> Member of the Steering Committee of the Women of Influence Award (Prix de la femme d'influence) since 2013
> Director of the Boyden Foundation, since 2013

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> None

In other listed companies:
> Director, AXA IM SA, 2005-2013

In unlisted companies:
> Director, AXA IM Ltd, 2005-2013

In other entities:
> Director, Nos Quartiers ont du Talent, 2005-2013
> Director, Les Journées de l'entrepreneur, 2006-2013
> Director, Entreprendre pour apprendre, 2010-2013
> Deputy CEO and Member of Executive Board, MEDEF, 2011-2013

Christian ROUCHON

Director, Chairman of Audit and Risk Management Committees

BORN IN
1960

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
31/12/2016

NUMBER OF SHARES HELD
200

BUSINESS ADDRESS
CRCAM Sud Rhône-Alpes
15-17, rue Paul-Claudel
38000 Grenoble

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
- CEO, Caisse Régionale du Crédit Agricole Sud Rhône-Alpes, since 2007
- Director, Square Habitat Sud Rhône-Alpes, since 2007
- Non-partner Manager, SEP Sud Rhône-Alpes, since 2008
- Chairman of the Board of Directors, BforBank, since 2010
- Chairman of the Board of Directors, Crédit Agricole Home Loan SFH, since 2013
- 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, FNCA, since 2013

In other listed companies:
- None

In unlisted companies:
- None

In other entities:
- Vice-Chairman of the ANCD, since 2011

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
- Director and Chairman of Audit Committee, CAAGIS, 2009-2013
- Director, Foncaris, 2009-2013
- Representative of the CRCAM Sud Rhône-Alpes, Chairman of Square Achat SAS, 2009-2013
- Director, Crédit Agricole Fonds d'Investissement et de Recherche – Fireca, 2010-2014
- Director, Fireca, 2010-2014
- Representative of CRCAM Sud Rhône-Alpes, director, C3A, 2008-2014
- Chairman, SAS Capida, 2009-2015
- Chairman, GIE CA Technologies et Services, 2010-2014
- Director, FIA-NET Europe, 2011-2012

In other listed companies:
- None

In unlisted companies:
- None

In other entities:
- None

Andrée SAMAT

Director

BORN IN
1950

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
31/12/2016

NUMBER OF SHARES HELD
200

BUSINESS ADDRESS
CRCAM Provence Cote D'azur
111, avenue Émile-Dechame BP 250
06708 Saint-Laurent-du-Var Cedex

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 Councilor, Deputy Mayor of St Cyr sur Mer and Deputy Mayor and Deputy Chairwoman of the Var Department Council (83).

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:

- Chairwoman, Caisse Locale du Beausset, since 2000
- Chairwoman of the Board of Directors, Caisse Régionale de Provence Côte d'Azur, since 2009
- Chairwoman, Enterprise Foundation, Crédit Agricole Provence Côte d'Azur, since 2009
- Director Sofipaca SA, since 2010, director, Sofipaca Gestion, since 2010
- Director, Crédit Agricole Indosuez Wealth (formerly Crédit Foncier de Monaco), since 2010
- Director, Carispezia, since 2011
- Director, Disability and Employment at Crédit Agricole, since 2011
- Representative of the CRCAM Provence Côte d'Azur, Chairwoman, CREAZUR, since 2012
- Member of Training Programmes Committee, IFCAM, since 2012
- Member of Healthy Ageing Committee FNCA, since 2013
- Member of Client Releations Committee, FNCA, since 2013

In other listed companies:

- None

In unlisted companies:

- None

In other entities:

- Deputy Maire of Saint-Cyr sur Mer, since 2008
- Vice-Chairwoman of the Conseil départemental du Var, since 2015

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:

- Director, Caisse Locale à Vocation Départementale du Var, 2003-2014
- Vice-Chairwoman, Caisse Locale à Vocation Départementale du Var, 2008-2014
- Member of Finance and Risk Committee, FNCA, 2011-2013
- Chairwoman, Regional Federation of Crédit Agricole Provence Côte d'Azur, 2013-2015

In other listed companies:

- None

In unlisted companies:

- None

In other entities:

- None

Renée TALAMONA

Director, Member of Risk Management Committee

BORN IN
1957

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

BUSINESS ADDRESS
CRCAM de Lorraine
CS 71700
54017 Nancy Cedex

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

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 CRCAM Sud Méditerranée and then, in 1996, Marketing Director at the CRCAM Pyrénées Gascogne. From 2000 to 2002, she was Deputy CEO of CRCAM Champagne Bourgogne. In August 2002, she was named Deputy CEO of CRCAM 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 CRCAM de Lorraine.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> Director, Member of Strategic Committee, Crédit Agricole S.A., since 2016
> CEO, CRCAM Lorraine, since 2013
> Member of the Economy and Territories Commission, FNCA, since 2013
> Director, CALF, since 2013
> Director, BFT IM*, since 2014
> Member of Crédit Agricole Mutual Life and Identity Commission, FNCA, since 2014
> Member of Audit and Risk Management Committees, CALF, since 2015

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Director, BFT, 2011(2012)
> Director of French Regions Management of Crédit Agricole CIB, 2011-2013

In other listed companies:
> Director, GIE COOPERNIC, 2014-June 2016
> Permanent representative of SACAM Développement, director of LCL, 2015-March 2016

In unlisted companies:
> None

In other entities:
> None

* *Amundi Group Company.*

Eric TAZÉ-BERNARD

Director representing employees

BORN IN
1956

DATE OF FIRST APPOINTMENT
12/10/2016

TERM OF OFFICE ENDS:
elected for 3 years

NUMBER OF SHARES HELD
0*

BUSINESS ADDRESS
Amundi Asset Management
90 boulevard Pasteur
75015 PARIS

COMPLIANCE WITH REGULATIONS ON PLURALITY OF OFFICES AFEP-MEDEF CODE
yes

FRENCH MONETARY AND FINANCIAL CODE
yes

BIOGRAPHY

Eric 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.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies:
> Chief Allocation Advisor, Amundi, since 2013
> Director, Amundi ACBA, since 2015

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> Member of Finance Committee, Fondation de France, since 2009

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Head of Specialist Products and Head of Engineering, Multi-asset Management Institutional Clients, Amundi, 2010-2013.

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> None

* *The director representing employees is not required to hold shares in the Company.*

Jean-Michel FOREST

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

BORN IN
1957

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

BUSINESS ADDRESS
CRCAM Loire Haute-Loire
94, rue Bergson – BP 524
42000 Saint-Etienne

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 his current position as director of the Caisse Régionale in 2004.
Chairman of the Caisse Locale de St Germain Laval, this sports enthusiast is also director of Mutualité Sociale Agricole of the Loire Department Council.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies
> Chairman, Caisse Locale de Saint Germain Laval, since 1995
> Director, Caisse Locale de Développement Loire Haute-Loire, since 2005
> Member of the Board of Directors, Espace Solidarité Passerelle, since 2005
> Chairman of the Board of Directors, CRCAM Loire Haute-Loire, since 2011
> Director, SA COFAM (subsidiary of CRCAM LHL), since 2011
> Director, SAS LOCAM (subsidiary of CRCAM LHL), since 2011
> Director, SAS SIRCAM (subsidiary of CRCAM LHL), since 2011
> Vice-Chairman of the Board of Directors, FRACA, since 2011
> Director, SAS Square Habitat Crédit Agricole Loire Haute-Loire, since 2011
> Member of FNCA, since 2011
> Member of Executive Committee, SAS SACAM Pleinchamp, since 2012
> Director, SAS Pleinchamp, since 2012
> Director, BforBank, since 2013
> Chairman of the Board of Directors, Confédération Régionale de la Mutualité, de la Coopération et du Crédit Agricole, since 2013
> Member of Executive Committee, SAS SACAM Avenir, since 2013
> Director, LCL – Le Crédit Lyonnais, since 29/04/2014

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> Representative of CRMCCA Rhône-Alpes, Member of the Regional Agriculture Council, since 2013
> Representative of CRMCCA Rhône-Alpes, Member of the CESER Rhône-Alpes, since 2013

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> Director, Amundi*, April-November 2015

In other listed companies:
> None

In unlisted companies:
> None

In other entities:
> None

* *Amundi Group Company.*

François VEVERKA

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

BORN IN
1952

DATE OF FIRST APPOINTMENT
21/04/2011

TERM OF OFFICE ENDS:
Board of Directors' meeting called to approve the financial statements for the year ending
31/12/2017

BUSINESS ADDRESS
84, avenue des Pages
78110 Le Vésinet

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 then went on to take up executive positions in Standard & Poor's (1990-2006) where his role involved working with the French regulatory and supervisory authorities on all matters relating to 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.

OTHER POSITIONS AND OFFICES HELD AS OF 31/12/2016

In Crédit Agricole Group companies
> Director, Chairman of Audit and Risk Management Committees, LCL, since 2008
> Director, Chairman of Audit Committee, Chairman of Risk Management Committee, Chairman of US Risk Management Committee, Member of Strategic and CSR Committee, Member of Compensation Committee, Crédit Agricole S.A., since 2008
> Director, Member of Audit Committee, Chairman of Risk Management Committee, Crédit Agricole Corporate and Investment Bank, CA-CIB, since 2009
> Non-voting Member, Chairman of Audit and Risk Management Committee, Amundi UK LTD*, since 2011

In other listed companies:
> None

In unlisted companies:
> Chairman of Supervisory Board, Octo Finances

In other entities:
> None

OTHER POSITIONS AND OFFICES HELD IN PAST YEARS (2012-2016) THAT ARE NO LONGER HELD

In Crédit Agricole Group companies:
> None

In other listed companies:
> None

In unlisted companies:
> Consultant on Banking and Financial Business, Banque Finance Associés (2015)

In other entities:
> Teacher ESCP-EAP, École Polytechnique Fédérale de Lausanne (2012)

* *Amundi Group Company.*

2.4.2 Declarations concerning Company officers

2.4.2.1 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.

2.4.2.2 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.

2.4.2.3 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 S.A., 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 as directors in their own name at the proposal of Crédit Agricole, the majority shareholder, subject to conditions precedent and with effect from the stock market listing date. These were Xavier Musca, Yves Perrier, Rémi Garuz, Michel Mathieu, Christian Rouchon, Andrée Samat and Renée Talamona.

At the filing date of this Registration Document, none of the members of the Board of Directors or Senior Management of the Company was bound by any restriction on the transfer of their shareholdings in the Company except (i) as imposed by anti-insider trading rules and (ii) for the recommendations of the AFEP-MEDEF Code requiring directors (except for the director representing employees) to hold 200 shares (Article 10 of the Company's Articles of Association) and comply with the permitted windows for trading in Company shares.

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.

2.4.2.4 TRADING IN THE COMPANY'S SHARES

Summary of trading in the Company's shares by executives of Amundi and other persons covered by Article L. 621-18-2 of the French Monetary and Financial Code during 2016:

To the Company's knowledge, there was no trading in the Company's shares by executives of Amundi and other persons covered by Article L. 621-18-2 of the French Monetary and Financial Code during 2016.

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.

2.5 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.

To build the loyalty of certain key executives, the Board of Directors' meeting of 15 September 2015 adopted the principle of implementing a long-term performance share allocation plan for certain Senior Executives of the Group in France and abroad. Performance shares thus awarded will be subject to a vesting period of at least three years and will all be subject to performance conditions defined by the Board of Directors. The detailed terms and conditions of the plan are subject to the decision of the Board of Directors.

Nor has Amundi put in place any stock option plans for all of its employees.

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 twice a year and gathers together the managers of business lines, the Human Resources Department and the control functions checks compliance with risk limits and compliance procedures implemented for management and sales positions.

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

Amundi's Compensation Committee prepares an opinion on the compensation policy, thus enabling the Board of directors to make an informed decision. It monitors the implementation of this compensation policy for the "identified employees" referred to below.

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)

In 2016, as a result of its main business, asset management, Amundi's policy is aligned with the regulatory framework specific to its business sector. Accordingly, for management companies, the compensation policy applicable to all of Amundi's "identified employees" is determined in accordance with the AIFM Directive applicable to them. This policy is also compliant with the new UCITS V obligations.

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 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 particularly involve:

- 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 Amundi's risk profile for the year 2016 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 persons"

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 personnel"

Amundi "identified employees" in the meaning of CRD IV are identified based on both consolidated group scope (Crédit Agricole S.A.) and 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 CEO of Amundi;
- the Head of Steering and Control;
- the CEO of Amundi Intermédiation;
- the Deputy CEO of Amundi Intermédiation;
- the CEO of Amundi Finance;
- the Deputy CEO of Amundi Finance.

2.5.3.2 COMPENSATION POLICY FOR AMUNDI'S "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. The following applies to "identified employees":

- 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 tranche over three years, as soon as it attains a materiality threshold agreed upon with the regulator;

- 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:

- conditions for the acquisition of rights associated with the allocation of performance shares.

As of financial year 2016, performance shares are allocated to certain key Group executives and are subject to conditions for the acquisition of rights that are similar to those for deferred bonuses (condition of continued employment over 3 years, performance conditions, absence of risky professional behaviour and presence on the vesting date) in compliance with the authorisations granted by the Amundi general shareholders' meeting;

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;

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.

No other form of compensation or benefits other than the director's fees was paid to Mr. Jean-Paul Chifflet, as Chairman of the Board of Directors in the year to 28 April 2016, nor to Mr. Xavier Musca after that date. Payment of Directors' fees is explained in section 2.5.7.2.

Mr Xavier Musca waived his right to receive directors' fees for all Board meetings after 20 May 2015.

Information on compensation paid by Crédit Agricole S.A. to Mr Xavier Musca as Deputy CEO of Crédit Agricole S.A. is published in Crédit Agricole S.A.'s Registration Document filed with the AMF on 16 March 2016 and will be included in Crédit Agricole S.A.'s 2016 Registration Document in respect of the year ended 31 December 2016. Crédit Agricole S.A. shares are listed on the Euronext Paris regulated market. 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.

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.

This policy and the details of its implementation will, as from 2017, be put to the vote at the general shareholders' meeting 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 Senior Executives and Company Officers.

Employment contract

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 effective insofar as Mr Yves Perrier exercises 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.

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 corresponds to 100% of Mr Perrier's compensation.

2.5.4.3 COMPENSATION AND BENEFITS IN KIND OF THE EXECUTIVE COMPANY OFFICER MR YVES PERRIER, IN RESPECT OF 2016

2.5.4.3.1 Fixed compensation 2016

Mr Yves Perrier received gross fixed annual compensation in respect of 2016 under his employment contract with Crédit Agricole S.A. of €800,000.

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 2016

(i) Terms and conditions for determining variable compensation

Variable compensation is expressed as a percentage of annual fixed compensation. 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.

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. In respect of 2016, the Compensation Committee and the Board found that the objectives had been exceeded, particularly the financial criteria. Nevertheless, in application of CRD IV rules, variable compensation was capped at twice fixed compensation.

As a result, variable compensation awarded in respect of 2016 was €1,600,000 after application of the cap set at twice fixed compensation.

The detailed objectives for 2016 were based on the following criteria:

50% OF VARIABLE COMPENSATION BASED ON FINANCIAL CRITERIA

- Financial criteria in the Amundi scope (35% of the total, 8.75% for each criterion): Net banking income (NBI)[(1)], cost-to-income ratio, net income Group share and total net inflows.
- Financial criteria in the Crédit Agricole S.A. scope (15% of the total, 3.75% for each criterion): NBI, net income Group share, cost-to-income ratio and RoTE [(2)].

50% OF VARIABLE COMPENSATION ON OTHER CRITERIA

- Other criteria in the Amundi scope (30% of the total): continued strengthening of the quality of Amundi teams and extraction of synergies in the Savings business line.
- Other criteria for other entities in the Crédit Agricole S.A. scope (20% of the total): Business and net income indicators for the Insurance and Real Estate business lines.

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

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

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 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 to their degree of accomplishment.

DEFERRED PORTION OF ANNUAL VARIABLE COMPENSATION, 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 2016 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 Crédit Agricole S.A. shares.

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

Of the non-deferred portion of total variable compensation, 30% of the total is paid when allocated in March 2017 and 10% in September 2017. 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 2016.

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	Contract of employment		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 supplement 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 €215,000 at 31 December 2016, or 18% of the reference compensation defined below or 9% of the compensation due in respect of 2016 (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 2016, calculated in accordance with the provisions of Article D. 225-104-1 of the French Commercial Code, is €6,000 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).

(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 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 for each confirmed quarter up a maximum of 120 quarters, equivalent to annual increments of 1.2% maximum.

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 9 February 2017, that this performance condition relating to rights in respect of the 2016 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.

The estimated amount of the annuity at the end of the 2016 financial year, calculated in accordance with the provisions of Article D. 225-104-1 of the French Commercial Code, is €215,000 gross, of which €122,000 is from the capital frozen at 31 December 2009, under the previous scheme closed, and of which €93,000 is from extra entitlements under the new scheme from 1 January 2010.

This represents 18% of the reference compensation[1] or 9% of the compensation due (fixed and variable) in respect of 2016, 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 seven years of seniority at the closing date, which corresponds to 7.9% of the reference compensation at 31 December 2016, a 1.2% increase in uncertain entitlements since 2015.

This increase is in line with Article L. 225-42-1 of the French Commercial Code, which caps annual growth of uncertain 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 at the sole charge of Crédit Agricole S.A. and would not be subject to any reinvoicing 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.

(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.

2.5.4.4 STANDARDISED SUMMARY TABLES CONFORMING TO AMF RECOMMENDATIONS

Compensation and benefits paid to Jean-Paul Chifflet, Chairman of the Board of Directors until 28 April 2016

Mr Jean-Paul Chifflet only received directors' fees for his role as Chairman of the Board of Directors as detailed in section 2.5.7.2. The Company paid him no other form of compensation or benefits. Mr Chifflet resigned from his office on 28 April 2016.

Compensation and benefits paid to Xavier Musca, Chairman of the Board of Directors as from 28 April 2016

Mr Xavier Musca waived his right to claim directors' fees for 2016. 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	2015	2016
Compensation due for the year (detailed in table 2)	2,117,031	2,405,295
Valuation of stock options awarded during the year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	**2,117,031**	**2,405,295**

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 2015 and 2016.

Yves Perrier Chief Executive Officer	Financial Year 2015		2016	
	Amounts due(3)	Amounts paid(4)	Amounts due(3)	Amounts paid(4)
Fixed compensation	700,000	700,000	800,000	800,000
Variable compensation(2)	1,400,000	1,941,682(6)	1,600,000	1,260,536
Non-deferred variable compensation	420,000	420,000	480,000	420,000
Non-deferred variable compensation, indexed	140,000	135,800	160,000	152,530
Deferred variable compensation, indexed and conditional	840,000	1,385,882	960,000	688,006
Exceptional compensation(1)	0	0	0	0
Directors' fees	10,000(4)	16,500	0(5)	10,000
Benefits in kind	7,031	7,031	5,295	5,295
TOTAL	**2,117,032**	**2,665,213**	**2,405,295**	**2,075,831**

(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.
(2) Gross compensation before tax.
(3) Compensation due in respect of position held during relevant year, regardless of payment date.
(4) Compensation paid in respect of position held during year.
(5) Mr Perrier received €10,000 in directors' fees for serving as director of the Company in 2015. He waived his right to receive directors' fees in 2016.
(6) Of the variable compensation paid in 2015, €555,800 corresponded to non-deferred compensation in respect of 2014 (part-indexed to the Crédit Agricole S.A. share) and €1,385,882 to variable compensation in respect of previous years (2011, 2012 and 2013). 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 2A – Summary table of deferred variable compensation paid to each Senior Executive Company Officer

Yves Perrier Chief Executive Officer	2015			2016		
	In shares*	Price*	In cash	In shares*	Price*	In cash
Deferred variable compensation awarded in 2012	3,364	€12.95	€585,000			
Deferred variable compensation awarded in 2013	2,786	€12.95	€393,300			289,800(1)
Deferred variable compensation awarded in 2014	5,864	€12.95	€252,000			219,006(2)
Deferred variable compensation awarded in 2015						179,200(3)

* *Crédit Agricole S.A. shares.*

(1) *Allocation in respect of 2012 of a €250,000 tranche of deferred compensation conditional on and indexed to the Crédit Agricole S.A. share.*

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

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

2.5.5 Items of compensation due or awarded to each Senior Executive Company Officer of Amundi in respect of 2016 and submitted to the shareholders for approval

In accordance with the recommendations of the AFEP-MEDEF Code, which is Amundi's Corporate Governance Code, pursuant to Article L. 225-37 of the French Commercial Code and AFEP-MEDEF Code application guide, the following items of compensation due or awarded to each Senior Executive Company Officer of Amundi for the year just ended must be submitted to the shareholders for approval: the fixed portion; the variable portion; the exceptional compensation; stock options, performance shares and any other long-term compensation; benefits linked to taking up or terminating office; the supplementary pension plan; benefits in kind.

As a result, the general meeting of shareholders is asked to approve the following items of compensation due or awarded in respect of the year just ended to Mr. Jean-Paul Chifflet and Mr Yves Perrier. Items of compensation due or awarded in respect of the year ended 31 December 2016 to Xavier Musca as Deputy CEO of Crédit Agricole S.A. will be put to the vote at the general shareholders' meeting of Crédit Agricole S.A.

Table 1 – Items of compensation due or awarded in respect of the year ended 31 December 2016 to Mr Jean-Paul Chifflet, Chairman of the Board of Directors until 28 April 2016, subject to the approval of shareholders

Items of compensation due or awarded in respect of the year ended	Amounts or accounting valuation to be voted on by shareholders	Overview
Directors' fees	€12,667	Jean-Paul Chifflet only received directors' fees due to him in respect of his office as Chairman of the Board of Directors and detailed in section 2.5.7. No other form of compensation or benefits is paid to him by the Company. Mr Chifflet resigned as Chairman of the Board on 28 April 2016.

Items of compensation due or awarded in respect of the year ended, submitted to the opinion of shareholders and that were voted on by the general shareholders' meeting as part of the procedure governing related party agreements and commitments.

None.

Table 2 – Items of compensation due or awarded in respect of the year ended 31 December 2016 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	Amounts or accounting valuation to be voted on by shareholders	Overview
Fixed compensation*	€800,000	Mr Yves Perrier's fixed compensation was increased from €700,000 to €800,000 in 2016. The increase was granted to Mr Perrier in light of Amundi's stock market listing in November 2015.
Non-deferred variable compensation*	€480,000	At its meeting of 9 February 2017, the Board of Directors, on recommendation of the Compensation Committee, set the variable compensation of Mr Yves Perrier in respect of 2016. Although the objectives had been significantly exceeded (112%), variable compensation was capped at 200% of fixed compensation, i.e. €1,600,000 under CRD IV regulations. 30% of the total variable compensation, i.e. €480,000 was paid in March 2017.
Variable compensation indexed at six months*	€160,000 (amount granted)	10% of the variable compensation is indexed 85% to the Amundi share price and 15% to the Crédit Agricole S.A. share price, and will be paid in September 2017.
Deferred variable compensation, indexed and conditional*	€960,000 (amount granted)	The deferred portion of the variable compensation amounted to €960,000 at the grant date, representing 60% of the total variable compensation awarded in 2017 in respect of 2016. This compensation is deferred in thirds over three years and is conditional upon achievement of performance objectives and continued presence: ■ 85% on aggregates relating to the Amundi Group; ■ 15% on aggregates relating to the Crédit Agricole S.A. Group. Moreover, 85% of this portion of variable compensation will be indexed to Amundi's stock price and 15% to Crédit Agricole S.A.'s stock price (average of the share price on 20 trading days preceding the award, in both cases).
Exceptional compensation	€0	No exceptional compensation
Stock options, performance shares or any other long-term compensation	Options: None	Mr Yves Perrier was not awarded any stock options in respect of 2016.
	Equities: None	Mr Yves Perrier was not awarded any performance shares in respect of 2016.
Severance payment: termination payment	No compensation paid in respect of 2016	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 at the sole charge of Crédit Agricole S.A. and would not be subject to any reinvoicing 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 compensation would be paid in its entirety by Crédit Agricole S.A. and no part would be re-invoiced to Amundi.
Non-compete compensation	N/A	There is no non-compete clause

Items of compensation due or awarded in respect of the year ended	Amounts or accounting valuation to be voted on by shareholders	Overview
Supplementary pension plan	No payment in respect of 2016. Acquisition of conditional rights of 1.2% of the benchmark compensation for 2016	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 for consolidated net income Group share. Amundi's Board of Directors noted during the meeting of 9 February 2017, that this performance condition was achieved. In this respect, Mr Yves Perrier benefits, for 2016, 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 2016.
Valuation of benefits in kind	€5,295	Yves Perrier has a company car provided by Amundi

* *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 Principles and policies relating to compensation for 2017

2.5.6.1 PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND ALLOCATING COMPENSATION ATTRIBUTABLE TO AMUNDI'S CEO IN RESPECT OF 2017

The principles and criteria for determining, distributing and allocating items of compensation to the CEO in respect of 2017 are set out in section 2.7 below and put to the vote at the general shareholders' meeting in accordance with Article L. 225-37-2 of the French Commercial Code.

The Board of Directors' meeting of 9 February 2017 decided to raise the gross fixed annual compensation of Mr Yves Perrier to €860,000 (an increase of 7.5%). The decision was taken based on a favourable recommendation of the Compensation Committee at its 7 February 2017 meeting, which took the view that this level of compensation and increase was amply justified by the significant expansion in the scope of his responsibilities following the integration of Pioneer and market comparisons with other comparable European asset management companies.

2.5.6.2 PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND ALLOCATING COMPENSATION ATTRIBUTABLE TO AMUNDI'S CHAIRMAN OF THE BOARD OF DIRECTORS IN RESPECT OF 2017

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.

Mr Xavier Musca waived his directors' fees and will therefore receive no compensation as Chairman of Amundi's Board of Directors in 2017.

2.5.7 Directors' compensation

2.5.7.1 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 changed to €700,000 at the general shareholders' meeting of 30 September 2015 until further decision of the general shareholders' meeting.

Directors' fees are paid in year N+1 in respect of year N. The directors' fees listed below are therefore those paid in 2016 in respect of 2015.

They were awarded by the Board of Directors on 11 February 2016 on the basis of the opinion of the Compensation Committee, based on various distribution rules, as follows:

For Board meetings held before the Company's stock market listing on 12 November 2015, the previous distribution rules applied, as follows:

- €2,500 per director present at the meeting, within the limit of five meetings per year;
- an additional lump-sum of €20,000 awarded to the Chairman of the Board of Directors;
- an additional lump-sum of €10,000 awarded to the Deputy Chairman of the Board of Directors;
- €2,000 per director present at the meetings, within the limit of four meetings per year.

Moreover, for directors' attending meetings after the Company's listing, the distribution rules applied were as follows:

- €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 a gross 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.

2.5.7.2 DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS IN 2015 AND 2016

The table below summarises the list of beneficiaries and the amount of directors' fees paid to them in 2015, in respect of 2014, and paid in 2016, in respect of 2015.

Table 3 – Summary table of compensation of each member of the Board of Directors

Members of the Board of Directors	Gross amounts paid in 2015 *(in euros)*(1)	Gross amounts paid in 2016 *(in euros)*(1)
Jean-Paul Chifflet		
Directors' fees	32,500	39,500
Other compensation	None	None
Yves Perrier****		
Directors' fees	16,500	10,000
Other compensation	None	None

(1) On a gross basis (before taxes and social charges).
***** 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 and Renée Talamona waived her right to receive directors' fees as from the date of her appointment.*

Members of the Board of Directors	Gross amounts paid in 2015 *(in euros)*(1)	Gross amounts paid in 2016 *(in euros)*(1)
Raphaël Appert **		
Directors' fees	12,500	12,500
Other compensation	None	None
Philippe Aymerich **		
Directors' fees	5,000	12,500
Other compensation	None	None
Séverin Cabannes **		
Directors' fees	17,000	26,000
Other compensation	None	None
Virginie Cayatte		
Directors' fees	-	3,000
Other compensation	-	None
Laurence Danon-Arnaud		
Directors' fees	-	3,000
Other compensation	-	None
Jean-Michel Forest ***		
Directors' fees	-	13,000
Other compensation	-	None
Rémi Garuz		
Directors' fees	7,500	15,500
Other compensation	None	None
Laurent Goutard		
Directors' fees	-	13,000
Other compensation	-	None
Luc Jeanneau **		
Directors' fees	20,500	20,500
Other compensation	None	None
William Kadouch-Chassaing **		
Directors' fees	18,000	20,500
Other compensation	None	None
Jean-François Mazaud **		
Directors' fees	7,500	12,500
Other compensation	None	None
Robert Leblanc		
Directors' fees	-	3,000
Other compensation	-	None

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

*** 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 general shareholders' meeting of 30 September 2015, post-IPO, with effect from the stock market listing date, 12 November 2015. Among the members elected at the general shareholders' meeting on 30 September 2015, Mr Chifflet, Mr Garuz, Mr Goutard, Mr Perrier and Mr Rouchon were re-elected.*

**** Jean-Michel Forest had been a director of Amundi since 28 April 2015. He resigned from his position as director at the same time as the other members of the Board, at the meeting on 15 September 2015, with effect from the stock market listing date, 12 November 2015. The Board of Directors, meeting on 27 October 2015, appointed him as Non-voting Member with effect from the stock market listing date, 12 November 2015.*

Members of the Board of Directors	Gross amounts paid in 2015 *(in euros)*(1)	Gross amounts paid in 2016 *(in euros)*(1)
Hélène Molinari		
Directors' fees	-	3,000
Other compensation		None
Xavier Musca******		
Directors' fees	18,500	4,500
Other compensation	None	None
Yves Nanquette**		
Directors' fees	12,500	12,500
Other compensation	None	None
Christian Rouchon		
Directors' fees	20,500	23,500
Other compensation	None	None
Andrée Samat		
Directors' fees	-	3,000
Other compensation	-	None
Renée Talamona******		
Directors' fees	-	None
Other compensation	-	None
Christian Valette**		
Directors' fees	7,500	12,500
Other compensation	None	None
François Veverka		
Directors' fees	20,500	23,500
Other compensation	None	None
Marc Pouzet*		
Directors' fees	12,500	-
Other compensation	None	-
Jean-François Sammarcelli*		
Directors' fees	14,000	-
Other compensation	None	-
TOTAL	**247,500**	**287,000**

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

* *The terms of office as director of Mr Marc Pouzet and Mr Jean-François Sammarcelli expired at the start of 2015; accordingly they were only paid directors' fees in 2015 in respect of 2014.*

** *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 general shareholders' meeting of 30 September 2015, post-IPO, with effect from the stock market listing date, 12 November 2015. Among the members elected at the general shareholders' meeting on 30 September 2015, Mr Chifflet, Mr Garuz, Mr Goutard, Mr Perrier and Mr Rouchon were re-elected.*

**** *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 and Renée Talamona waived her right to receive directors' fees as from the date of her appointment.*

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 2016 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, Compliance and Internal Audit) 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 2.1.1.2.4 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;

- individual variable compensation (awarded in the form of a bonus or LTI in performance shares) rewards the individual contributions 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.

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 and three 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 investment *ad hoc* managers (Information ratio/Sharpe ratio at 1 and 3 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 "identified employees" in the meaning of CRD IV are identified based on both consolidated group scope (Crédit Agricole S.A.) and 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 CEO of Amundi;
- the Head of Steering and Control;
- the CEO of Amundi Intermédiation;
- the Deputy CEO of Amundi Intermédiation;
- the CEO of Amundi Finance;
- the Deputy CEO of Amundi Finance.

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

As of financial year 2016, performance shares are allocated to certain key Group executives and are subject to conditions for the acquisition of rights that are similar to those for deferred bonuses (condition of continued employment over three years, performance conditions, absence of risky professional behaviour and presence on the vesting date) in compliance with the authorisations granted by the Amundi general shareholders’ meeting.

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 THE MEMBERS OF THE EXECUTIVE BODY AND THE IDENTIFIED EMPLOYEES

Compensation awarded for financial year 2016

Compensation amounts awarded during financial year 2016, broken down between the fixed and variable portion and number of beneficiaries – in million euros

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Total compensation				4.1			4.1
Amount of fixed portion				1.7			1.7
Amount of variable portion				2.4			2.4

Variable compensation represents 59% of the total compensation allocated.

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

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Amount vested				0.9			0.9
Non-deferred amount, in indexed cash				0.2			0.2
Conditional deferred amount (including performance shares)				0.9			0.9

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

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Payments in cash				1			1
Payments in shares or other instruments				1			1

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 2016				1.3			1.3
Amount of outstanding non-vested deferred compensation for previous financial years				2.1			2.1

Deferred variable compensation paid or reduced due to net income for the 2016 financial year – in million euros

	For 2013	For 2014	For 2015
Amount of deferred compensation paid	0.3	0.3	0.2
Amount of reductions made to deferred compensation	0	0	0

Amounts paid for hires and terminations during financial year 2016

	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 the members of the executive body and the identified employees with total compensation exceeding €1 million

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

2.7 PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND ALLOCATING FIXED, VARIABLE AND EXCEPTIONAL ITEMS CONSTITUTING THE TOTAL COMPENSATION AND THE BENEFITS IN KIND OF MR YVES PERRIER, CHIEF EXECUTIVE OFFICER, FOR 2017

Pursuant to Article L.225-37-2 of the French Commercial Code, shareholders will asked at the General Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2016 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 2017 to Mr. Yves Perrier, Amundi's CEO. Subject to their approval at the Shareholders' Meeting, these principles and criteria would apply to any successor to the current CEO, until shareholders' decide otherwise at a Shareholders' Meeting.

Principles and criteria for determining, distributing and allocating compensation	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 review of fixed compensation may be considered, in particular, where there has been a substantial change in the scope of responsibility (e.g., following a major acquisition such as that of Pioneer Investors). 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 general shareholders' meeting held to approve the financial statements for the year ending 31 December 2017 will be asked to issue an opinion on the items of fixed compensation whose principles and determination criteria they were asked to approve at the previous general shareholders' meeting, called to approve the financial statements for the year ending 31 December 2016. Payment of such items of fixed compensation is not conditional on their being approved at the general shareholders' meeting called to approve the financial statements for the year ending 31 December 2017.

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 2017, 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 2017 are expected to be 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, 3.75% for each criterion): NBI, net income Group share, cost-to-income ratio and RoTE[(1)].
	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. In 2017 they are based 30% on managerial criteria relating to Amundi, notably the integration of Pioneer, and 20% on quantitative criteria relating to other entities run by Amundi, notably 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 and events such as the integration of Pioneer Investments, any of which may require an adjustment to how certain of the criteria are measured.

(1) Return on Tangible Equity.

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 2016. 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's performance objectives and the beneficiary's continued presence at the Company. For payment of the deferred compensation in respect of 2017, 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 general shareholders' meeting called to approve the financial statements for the year ending 31 December 2017, provided that (i) shareholders approve the payment of the items of variable compensation and (ii) shareholders at the general shareholders' meeting called to approve the financial statements for the year ended 31 December 2016 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 general shareholders' meeting held to approve the financial statements for the year ending 31 December 2017 will be asked to issue an opinion on the items of variable compensation whose principles and determination criteria they were asked to approve at the previous general shareholders' meeting, called to approve the financial statements for the year ending 31 December 2016. Payment of such items of variable compensation is conditional on their being approved at the general shareholders' meeting called to approve the financial statements for the year ending 31 December 2017.

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 general shareholders' meeting called to approve the financial statements for the year ending 31 December 2017.
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 general shareholders' meeting held to approve the financial statements for the year ending 31 December 2017 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 general shareholders' meeting, called to approve the financial statements for the year ending 31 December 2016. Payment of items of compensation corresponding to benefits in kind is not conditional on the approval of the general shareholders' meeting called to approve the financial statements for the year ending 31 December 2017.
Stock options, performance shares or any other long-term	There are no plans to award performance shares to Mr Yves Perrier in respect of 2017. However, a proposal will be put to shareholders at the general shareholders' meeting to be held on 18 May 2017 to grant the Board of Directors the authorisation to grant new or existing performance shares to some or all employees or Company Officers of the group up to a limit of 2% of the share capital at the date of the Board of Directors' decision to award such shares. In any one year, the total number of new or existing shares that can be granted under this authorisation to the Senior Executive Company Officers of the Company cannot be greater than 10% of the performance shares granted during that year under this authorisation. There are no plans to award stock options to Mr Yves Perrier in respect of 2017.
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 at the sole charge of Crédit Agricole S.A. and would not be subject to any reinvoicing 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.

03

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 socially responsible management and the support we provide to our clients in the form of investment solutions promoting energy transition. Our commitment is also reflected in our corporate social 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.

3.1 CSR AT AMUNDI

With €1,083 billion of assets under management, Amundi is Europe's largest asset management company[(1)] 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 close to €168 billion in Socially Responsible Investments (SRI), Amundi is one of Europe's most socially committed investors. 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. Amundi is also committed to providing high-performing, transparent savings and investment solutions to its clients as part of a long-lasting relationship built on trust.

Finally, Amundi's aim is to apply the principles of social responsibility 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;
- commitment to society and the world around us: Act as a community-minded, eco-aware citizen.

(1) In continental Europe.

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 2016, 16 action plans(2) were carried out along the three dimensions of CSR: economic, societal and environmental.

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), 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 association "Entreprises pour l'Environnement". 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 securities trading, Amundi contributes in particular to the work of the AFG, chaired by Amundi CEO Yves Perrier since May 2015, and AFIC, ASPIM, AF2i, AMAFI and Paris Europlace in France, the EFAMA and EACB in Brussels, as well as the AFME, ICMA and ISLA(3) 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. In 2016, Amundi continued its commitment to having investors include ESG criteria in their decisions, most particularly the criteria highlighted at COP 21 and the law on the energy transition to green growth.

In 2016, Amundi took part in over twenty consultations regarding European or French regulations in the process of being drafted or revised. Amundi actively contributed to the work on the systemic nature of asset management, as well as progress on the creation of a product model for a European individual pension plan, the PEPP (Pan European Personal Pensions). Finally, jointly with the AFG and other market management companies, Amundi worked on defining a new model for long-term funds, aimed at better channelling long-term savings towards the productive economy and infrastructure projects.

Amundi took part in the consultation process regarding the creation of the SRI label by the government authorities and is a member of the SRI Certification Committee. Amundi also participated in the Paris Europlace working group: The Paris Green and Sustainable Finance Initiative.

(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/responsable-et-engage/la-rse-facteur-de-performance-durable-pour-le-groupe-credit-agricole/fred-la-demarche-rse-du-groupe-Crédit Agricole S.A.les-resultats-fred.

(3) AFG (French Asset Management Association); AFIC (French Association of Investors for Growth); ASPIM (French Association of Real Estate Investments); AF2i (French Association of Institutional Investors); AMAFI (French Association of Financial Markets); EFAMA (European Fund and Asset Management Association); EACB (European Association of Co-operative 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)
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

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 chairs such as a Sustainable Finance and Responsible Investment Chair and a Climate Economics Chair.

Amundi sponsors the Financial Research and Sustainable Development prize and another for Carbon Markets Research, in partnership with the *Université de Paris Dauphine*. Amundi is also a member of the oversight committee of the FIR (*Forum pour l'Investissement Responsable*) Award for European Research on Finance and Sustainable Development.

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

3.2.1.1 SUSTAINABLE AND RESPONSIBLE INVESTMENT

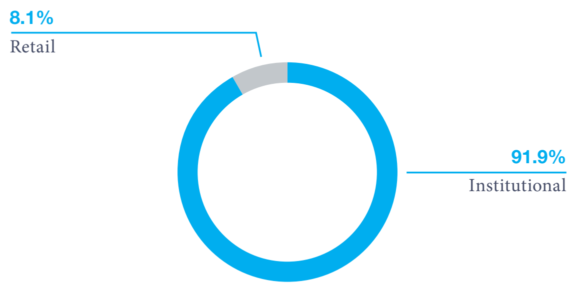
Amundi is one of the pioneers of SRI and has significantly improved the integration of ESG criteria in its investment decisions in recent years. Amundi is now one of the world leaders with €167.7 billion in assets under SRI management.

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.

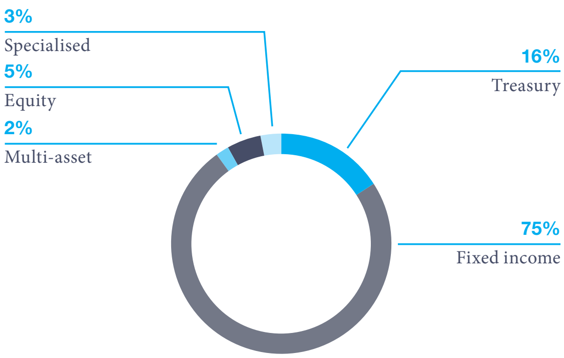
Changes in SRI assets over time	31 December 2013	31 December 2014	31 December 2015	31 December 2016
Assets under management	€68.4 billion	€71.6 billion	€159.1 billion	€167.7 billion
As a % of total Amundi assets	8.8%	8.3%	16.1%	15.5%

Breakdown of SRI assets (at 31/12/2016)

By asset class



By client segment



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, normative 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 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 2016, approximately 200 issuers (corporate and governmental) were excluded from the managed portfolios(2).

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 three aspects: environmental, 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 relies on one hundred or so indicators distributed over three dimensions: Compliance (*e.g.* ratification of international treaties), Actions (public expenditures 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. 2016 topics: water, coal, unconventional hydrocarbons, transport and energy efficiency, sustainable construction and endocrine disruptors. 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

In August 2016, Amundi became the first asset management company to obtain the SRI label created by the Ministry of Finance and Public Accounts for its four presented funds. Created with the support of 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 SRI.

(1) Amundi's 2016 "Responsible Transparency Investment report" is online at Amundi's website (www.amundi.com).

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

A certified SRI approach

As a pledge of confidence for our clients, Amundi[1] is the first management company to have its SRI work certified by AFNOR. This certification, issued by a reputable independent organisation, 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. Its purpose is to study the major economic, social and environmental questions and how they translate into responsible finance.

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 4,000 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 general shareholders' meetings, 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 partners, particularly Vigeo-Eiris, the leading firm in Europe, MSCI, a North American agency with global coverage, and companies that specialise in certain subject areas.

Awards

Once again in 2016, Amundi was awarded the top ranking in the "SRI & Sustainability" study published by WeConvene Extel and the UK SIF in the "Asset management firms best for SRI/ESG" category. Amundi also came in first place for SRI management in the Palmarès Général Amadéis for the third year in a row. Amundi obtained a score of A+ from the PRIs for its ESG approach, its engagement and voting policy, and for the implementation of its ESG approach in its Listed shares and Financial and non-financial corporate bonds management. In November 2016, Amundi won first place for its SRI strategy, awarded by the initiative for the promotion of responsible investment in Latin America.

Initiatives promoting SRI

In 2016, Amundi organised several events and actions to promote SRI in its distribution networks and its corporate and institutional clients. Over the course of the year, some 40 awareness sessions were conducted for the sales and marketing teams of Amundi's partner networks.

Amundi's AFNOR certification requires that it informs and trains its employees. These awareness training sessions are led by the SRI team. In 2016, 76 individuals were trained, bringing the number of trained employees to 357 since 2013.

Amundi also participated in ten or so conferences on SRI over the course of the year. For example:

- March: Lima, presentation to the investors assembled for the PRIs regarding the various aspects of the integration of ESG aspects in their investment policies;
- March: Amundi hosted the RAIR conference (a network of administrators of supplementary pension plan institutions, both public and private) regarding shareholder engagement;
- September: Participation in a round table on "the value of green bonds" during the "Investing for a 2 degree world" conference organised by the European Investment Bank;
- December: Panel participation during the Option Finance conference on SRI;
- December: Amundi welcomed Access to Medicine for the presentation of their 2016 index.

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

3.2.1.2 A FORMALISED ENGAGEMENT POLICY

Amundi's engagement policy has three aspects: engagement for influence, data collection for rating purposes, as well as voting at general shareholders' meetings 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 teams publish this work in an engagement report, available at www.amundi.com.

In our fourth engagement report, we took stock of the dialogue initiated with companies regarding the topics introduced in 2013 and 2014:

- respect for Human Rights in the mining and petroleum industries;
- combatting food waste in the agrifoods and retail sectors;
- conflict minerals.

We are introducing two new topics:

- the environmental impact associated with coal in the Utilities sector;
- child labour in the cocoa and tobacco industries.

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 2016, Amundi's extra-financial analysts met with 205 companies.

Voting at general shareholders' meetings 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 general shareholders' meetings of the companies our portfolios have invested in.

Our voting policy[1] meets a three-fold objective: protect the interest of shareholders, formalise and make public our desires in terms of governance so as to facilitate dialogue with the companies and contribute to the effectiveness of corporate governance as a whole and thus to the efficiency 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 general shareholders' meetings. It is structured around a formalised system (*e.g.*: pre-alerts before the general shareholders' meetings) and enables greater transparency, additional commitments, and changes to, or even the discontinuation of, some of the Company's practices. In 2016, this engagement involved 240 issuers through alerts and dialogues initiated by the companies.

Voting campaign	2014	2015	2016
GSMs dealt with	2,576	2,565	2,623
Resolutions dealt with	31,237	32,396	32,771

Significant events in 2016 in terms of engagement

The compensation issue was once again the hot topic of the 2016 voting season. Some countries experienced their first rejection of say on pay: Renault in France, BP in the United Kingdom and even Deutsche Bank in Germany. Nevertheless, beyond these high-profile cases, in which Amundi contributed to the debate, the transparency of compensation data, the practices and the quality of the dialogue with the companies showed improvement, particularly in France. This is reflected in a slight drop in our opposition arguments on this subject.

However, the core of governance remains the proper functioning of the Boards, for which truly useful information remains limited, and objective indicators such as independence are still often insufficient. Companies are attempting to better highlight the role of their Boards in their documentation and useful information is increasingly filtering through via the results of Board evaluations. The main change in Amundi's 2016 voting policy was the reassertion of the advantage of a direct dialogue between investors and the Board. This approach facilitates both better comprehension of the role and functioning of the Board and helps ensure that investors' opinions effectively reach the Board. France remained slightly out of step with the growth of this trend in numerous countries. However, 2016 marked a turn and we were able to enter into direct communication with a much greater number of directors this year.

Finally, the 2016 season was also marked by the commitment of shareholders to climate issues. In line with the 2015 resolutions at BP and Shell, supported by Amundi, we co-filed resolutions requesting additional information on the climate risk management strategies of Anglo American, Glencore and Rio Tinto, which were authorised by these companies' Boards and approved by a wide margin in their general meetings. We also participated in initiatives on the same subject with ENI and Total, which resulted in the publication of additional information by these companies. Finally, we publicly announced our support for similar resolutions at Exxon, Chevron and AES, which however were not approved by their general meetings.

(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 IMPACT INVESTING

Key 2016 figures for social impact management:

- €1,796 million of AuM, up 36% since 2015;
- 26 social enterprises financed;
- 18 Finansol certified funds.

Social impact funds	2013	2014	2015	2016
Changes in assets (at 31 December, in € millions)	807	1,031	1,318	1,796

The significant increase in assets is due to the entry of institutional investors directly into the solidarity compartment "Finance and solidarity" and the creation of new socially-responsible mutual funds(1). In general, employee savings schemes are an important source of deposit-taking for socially-responsible savings.

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.

We currently finance 26 social enterprises, including five new ones in 2016: Solifap, Miimosa, ForestFinance, Cap Solidarité and MultiCAP'Services. These companies are active in seven fields: employment (education, training, inclusion), housing, health, the environment, non-profits, 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 2016) 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 submitted to the social ratings ESG 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.

3.2.1.4 THE RESPONSIBLE COMMITMENTS OF AMUNDI'S SPECIALISED FUNDS

Amundi Immobilier

Since 2010, Amundi Immobilier (the real estate subsidiary) has tried to quantify the energy usage of all its properties, in France and internationally, of whatever size, time of construction, building type or geographic location. Amundi Immobilier, in partnership with Sinteo, has created its own measurement software with a two-fold objective: systematically and regularly evaluate both properties under management and new investments. Build around six main criteria – energy, water, waste, transportation, pollution and health and well-being – for each building, the application shows: its intrinsic performance, the impact of the use made of it by its occupants and its potential for improvement.

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).

OPCIMMO, an SRI fund invested internationally, is managed completely using SRI criteria applied to real estate.

In 2016, Amundi continued this strategy and acquired quality buildings (in France and abroad), of which 9 out of 46(2) are certified. Amundi has scheduled the installation of beehives on approximately ten buildings managed in the Paris region for early 2017.

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

(1) FCPE: company mutual investment fund.

(2) Directly owned building (excluding minority stakes).

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).

3.2.1.5 INITIATIVES SUPPORTING THE ENERGY TRANSITION

As climate change poses major mid- and long-term threats, Amundi has launched several initiatives to support the energy transition and is proposing an innovative process to protect its assets against potential loss of value.

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, common management company with EDF and a series of actions, such as participating in the launch of the Portfolio Decarbonisation Coalition, aiming to mobilise investors in the transition towards a low-carbon economy. A contract with data-supplier Trucost 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:

- identifying the most exposed sectors (energy or other sectors) that have a role to play: services to communities, oil and gas, chemicals, metals, automotive products, capital goods, real estate, insurance;
- analyse the 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.

This solution currently represents nearly €5 billion of 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.

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.

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. With two green bond funds already available, Amundi has over €65 million under management in green bond funds dedicated to financing the energy transition.

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, Amundi signed a partnership with EDF that fits under the framework of financing the energy transition. Through a common management company, its main objective is to offer managed funds in the specific 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 de-correlated from the volatility of traditional financial markets, with attractive returns.

In early 2017, Amundi Transition Energétique (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.

Shareholder engagement

Shareholder engagement is also a growing lever of influence for a low-carbon economy. We have noted a particular intensification in this engagement in 2016, in line with the movement initiated by 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). At the beginning of 2016, in the context of the Crédit Agricole Group’s coal policy, Amundi made the decision to disengage from issuers that derive over 50% of their revenue from coal extraction.

The carbon footprint of the portfolios

Amundi has taken appropriate measures to be able to provide assistance to its institutional investors in applying Article 173 of the Energy Transition law.

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:

- coverage rate: (i) calculation of the amount of ratable 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 emissions induced by the investment in this portfolio;
- carbon emissions per million euros in revenue: indicator of the carbon intensity of the value chains of the companies in the portfolio;
- sector distribution of the carbon emissions (in %);
- geographic distribution of carbon emissions (in %);
- carbon emissions per million euros invested.

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 investment solutions specifically for our institutional and corporate clients.

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 ten 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.

Become familiar with the needs of individual clients so as to offer high-performing, tailored solutions

We constantly monitor all published public and private studies that touch on saving in the broadest sense of the term. We periodically carry out studies among our panel of 200 individual client and non-client savers and our partner networks. In 2016, five studies were conducted among these panel members as an analysis of expectations regarding SRI and the testing of a concept of advisory management. We also assiduously monitor competition in France and abroad.

To better understand its clients' expectations in terms of employee savings schemes, Amundi regularly conducts surveys regarding their concerns and expectations as to financial management and savings. The 2016 survey was dedicated to retirement preparation. This type of survey highlights the importance of helping our individual customers build their futures over time, with a constant awareness of education and simplicity, while giving the digital dimension a prominent place.

Supporting our partner networks and educating them

In order to support knowledge and the monitoring of the products within the networks, Amundi prepares and offers new product reports/training kits/customised quizzes for each product launch. 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 enable them to have direct access to information regarding offerings, 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. Amundi creates and disseminates educational videos and tools for understanding markets.

There are also tools focused on each network. At LCL, Intranets reserved for advisors give them access to a full spectrum of information: products, services and tools available, as well as the Amundi strategy. In the Crédit Agricole network, Premundi Coopération is a means of learning the expectations of savings clients through three-way telephone conferences with the client, the advisor and the Premundi expert. For the same network, TEO, the tool to assist decision-making to deal with the maturities of formula funds and which can be shared with clients during meetings, is used by 33 of the 39 Regional Banks.

In 2016, Amundi finalised two tools aimed at ensuring the best possible training for advisors during the launch of products that present a certain degree of complexity:

- **Amundi Reality,** a "serious game" intended to provide training that is both complete and fun regarding all the features of new funds or new mutual funds that the advisors must thoroughly understand in order to market them effectively to their clients.
- **Amundi Certification,** is a validation module for the skills acquired regarding a product. 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.

An MOOC educational platform on life insurance was launched for employees and clients. This interactive platform enables clients to learn about life insurance through educational videos and animated quizzes. They may also ask questions and give opinions. This platform is also open to internal employees who wish to improve their understanding of life insurance.

Since 2013, Amundi-Epargne Salariale et Retraite (ESR, employee savings and retirement schemes) offers training intended 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 plan)), 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 2016, 28 training days were held either in an inter-company or intra-company setting throughout France.

In Italy, Amundi SGR developed a new training cycle for the sales forces of the Cariparma group: 11 sessions for roughly 150 persons were organized on Amundi premises with members of the sales and management teams.

In mid-April 2016, Amundi POLSKA TFI launched "Investment Assistant", a help tool for online investing that assists investors in making investment decisions by providing portfolio allocation models in seven Amundi POLSKA TFI compartments.

Product validation

The Product and Services Committee, a decision-making and governance body chaired each month by the Deputy CEO, 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.

Measuring client satisfaction

In 2016, Amundi once again sent a satisfaction survey to its 40 most important distributors throughout the world. This survey makes it possible to create a satisfaction index and to take inventory of the points on which expectations are not perfectly met for each distributor. As a result, Amundi is able to ascertain its needs for improvement and to adjust its product and services offering to bring about improved responses to the stated expectations.

The distributors measure the satisfaction of their clients through the Client Recommendation Index (CRI), created based on the entire bank-client relationship. Amundi strives to make a positive contribution to end-users' perceptions of the networks that distribute its products.

Actions to promote SRI and socially-responsible management

- In April 2016, a survey of LCL Banque Privée advisors was launched, in partnership with the Chair for Sustainable Finance and Responsible Investment of the Toulouse University School of Economics, to analyse the stumbling blocks and factors likely to encourage advisors to offer SRI funds to their clients. For the advisors surveyed, assets in SRI funds have room for progress. They believe that they have adequate knowledge of these funds and estimate that over 30% of clients would be interested. One of the main stumbling blocks remain the preconceived notion that SRI funds are, in the short-term, less reliable than their non-SRI equivalents. The results of this survey will guide LCL Banque Privée's future plans in this segment, particularly the updating of the SRI and social "Invest otherwise" range expected in 2017.
- During the French Responsible Finance and Solidarity Finance Week, online educational modules aimed at overcoming preconceived notions about social investment and SRI were provided to clients and advisors.
- Creation and promotion of a social and sharing fund for clients of Société Générale, who wanted to be able to offer a "socially-minded component" in its new life insurance policy for the general public.

3.2.2.2 GUARANTEE THE QUALITY OF OUR RELATIONSHIPS WITH CORPORATE AND INSTITUTIONAL CLIENTS

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.

In 2016, a marketing plan was created in order to capitalise on what was done in 2015 and to continue to promote SRI to institutional clients. Over the course of the year, Amundi continued to actively participate in the Portfolio Decarbonisation Coalition, a platform geared towards investors for the exchange of best practices. Numerous initiatives were implemented to support our institutional clients on climate issues, including a seminar at the Rockefeller Bellagio Center that brought together investors, government decision-makers and specialists. In 2015 and 2016, Amundi contributed to the writing of three articles[1] on this subject. Finally, Amundi has become a worldwide point of contact for government authorities on this topic (numerous engagements with central banks, regulators, ministries and international institutions).

(1) Journal of Applied Corporate Finance • Governance and Climate Change "A Success Story in Mobilizing Investor Support for Corporate Responses to Climate Change" (Spring 2016); (2) Financial Analysts Journal "Hedging Climate Risk" (May-June 2016); (3) Revue Trimestrielle de l'Association d'Économie Financière "Changement climatique et Finance durable" (No. 117 March 2015).

Quality of client service

As Amundi expands internationally, it must offer client service that meets client expectations and needs, whether it be during the on-boarding phase, setting up a special-purpose fund, a 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.

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). All complaints are centralised within Client Services;
- 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.

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 2016 involved delays in the circulation of net asset values.

In 2016, for the fourth consecutive year for Paris and the fifth for London, Amundi obtained the ISAE 3402 type II certification of institutional scope for its internal control system, Solvency II reporting included. 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.

Research

Research plays an important role in portfolio management and the department works closely with managers and clients. Fully integrated worldwide, the team includes over 120 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.

2016 Highlights

In June, the Amundi World Investment Forum brought together 350 investor-clients from 40 countries to share their vision on the future of asset management throughout the world. Regarding Megatrends: The path forward (major trends) prominent figures, alongside Amundi experts, analysed the economic and financial situation with the aim of providing keys to a better understanding of the macroeconomic environment and for adapting their investment criteria to clients and prospective clients.

3.2.2.3 AN INDEPENDENT COMPLIANCE AND RISK MANAGEMENT STRUCTURE, TO GUARANTEE OUR COMMITMENT TO CLIENTS

To ensure observance of the direction and constraints set by its clients, Amundi has built an integrated yet independent control system. 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 2016, Compliance work primarily focused on:

- the implementation of the "Market Abuse Regulation" (MAR) European regulation, particularly with regard to insider lists and the prevention and detection of market abuse. This resulted in the modification of the "market survey" procedure to update the list of persons that may be surveyed;
- the deployment of a professional alert system throughout Amundi Group entities;
- the strengthening of overall procedures and the updating of all procedures impacted by the OFAC[1] sanctions programme (in terms of financial security, training, etc.);
- the reinforcement of the Compliance training system.

Regulatory training provided in 2016

% employees trained	96.1%
Number of employees trained	2,068
Number of training hours	9,304
Number of training sessions	7,748
Number of training hours per employee	4.5

In July 2016, 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.

Risk management

Limiting risks and honouring its obligations are basic to the relationship of trust that Amundi has with its clients.

Investments are audited by staff who are independent of fund management personnel. Auditing is part of Amundi's Steering and Control Department, 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.

Work on improving and adapting the risk monitoring system continued in 2016, based on two main areas:

- the launching of work to integrate KBI Global Investors (KBI GI) in the Risk Department systems;
- the reinforcement of the security of investment management activities, which took the form of:
  - the strengthening of the management tools for the liquidity risk with the roll-out of a policy setting the various stress levels and the percentages of equity interests held adapted to these levels, a client communication and information system, and a process for the centralisation and prioritisation of orders when required,
  - swing pricing for an initial group of funds to help shield open-ended funds unit-holders from the costs of readjusting portfolios after large subscriptions or redemptions,
  - tighter control of proprietary trading with the introduction of alert thresholds and limits on several stress scenarios specific to these types of activities;

The Basel Committee's document BCBS239 on Banking Supervision sets out 11 principles for IT systems designed to strengthen risk management. In 2016, the Risk Management and Finance Departments presented to Amundi's Risk Management and Internal Control Committees the first diagnostic of how far Amundi's IT System complied with these 11 principles in respect of 2015.

Finally, as a continuation of this work, Amundi has been offering an account position-keeping service since June 2016. As a result, a set of indicators is now monitored daily by the risk control teams. Other indicators will also be put in place in 2017.

Control business lines headcount (at 31 December in FTEs)	2015	2016
Compliance business line	57.0	64.8
Risk Management business line	168.1	165.0
Audit business line	21.5	26.6
As % of total headcount	8.0%	8.2%

(1) Office of Foreign Assets Control (OFAC).

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 and 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.

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

Change in headcount[(1)]

As of 31 December 2016, Amundi's headcount in Full-Time Equivalents (FTE), excluding joint ventures (JV), was stable and totalled 3,108.7 employees worldwide, as compared with 3,068.8 employees as of 31 December 2015, an increase of 1.3%.

As of 31 December 2016, two-thirds of Amundi's workforce was based in France (excluding joint ventures). Amundi's European workforce represented 85.2% of worldwide headcount. Its Asian workforce represented 12.0% of worldwide headcount.

The total headcount of the Group's joint ventures was 997.5 FTE employees as of 31 December 2016, as compared with 931.2 as of 31 December 2015, an increase of 7.1% due to the strong business growth of our India joint venture.

The table below shows the change in Amundi's headcount over the last three years:

Headcount (FTE)	31 December 2014	31 December 2015	31 December 2016
Worldwide (excluding joint ventures)	2,987.7	3,068.8	3,108.7
of which the Amundi SEU[(1)]	*2,095.5*	*2,097.9*	*2,106.4*
of which international entities[(2)]	*892.2*	*970.9*	*1,002.3*
joint ventures	799.0	931.2	997.5

(1) In France, the principal Amundi entities are organised into a social and economic unit (SEU) composed of Amundi, Amundi Asset Management, Amundi Private Equity Funds, Amundi Immobilier, Amundi Tenue de Comptes, Amundi Finance, Amundi Intermédiation, Amundi IT Services, Amundi Transition Énergétique, Étoile Gestion, Société Générale Gestion, BFT Investment Managers and CPR Asset Management.

(2) Consolidated and non-consolidated entities.

(1) Managed workforce including in non-consolidated entities.

Hiring

In 2016, 186 FTE hires on permanent and fixed-term contracts were made. New hires accounted for 6% of the worldwide headcount at 31 December 2016. Hires (mostly permanent) were made primarily at the international level (49.8% of hiring for 32.2% of the headcount). In France, hiring remained focused on strong growth sectors (such as real estate and more broadly, the real and alternative assets sector as well as regulatory fields such as compliance) and on a few employment profiles needed to complete the company's expertise. Amundi is conducting a specific campaign aimed at young graduates through the Odyssée programme[1]. Accordingly, in 2016, Amundi hired 11 new recent graduates, recruited from among its interns, work-study and VIE[2] contracts, who are now assigned to several countries (Italy, USA, France or Japan).

The total number of hires during the years ended on 31 December 2014, 2015 and 2016 decreased between 2015 and 2016. It totalled:

Hirings [1] (FTE)	2014	2015	2016
Worldwide	223.9	257.2	186.0
of which France	*90.9*	*110.6*	*93.9*

(1) 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

Departures remained stable between 2015 and 2016.

Departures	2014	2015	2016
Worldwide	169.7	198.9	200.8
of which France	*84.2*	*91.4*	*94.4*

Amundi's workforce has an average of 12.9 years of seniority in the Group (14.5 years in France and 9.3 years internationally). Departures represented 6.5% of the total workforce as of 31 December 2016. The difference between the figure for France (4.5%) and international (11.0%) results from the dynamics of the respective employment markets.

The percentage of external sub-contractors in the workforce stood at 11.3% at 31 December 2016 compared to 12.7% in 2015. Sub-contracting mainly consists of IT services.

Breakdown of headcount by type of contract

The table below shows the distribution of the Group's headcount by type of employment contract as of 31 December 2014, 2015 and 2016:

Breakdown of headcount by type of contract (FTE)	31/12/2014	31/12/2015	31/12/2016
Permanent contract employees	2,963.7	3,043.3	3,108.7
Fixed-term contract employees	24.0	25.5	21.0
TOTAL	**2,987.7**	**3,068.8**	**3,108.7**

Almost all of the employment agreements that Amundi enters into are permanent contracts.

(1) 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.

(2) VIE = "Volontariat International en Entreprise" (International Business Volunteering).

Age structure of headcount

The table below shows the age structure of the Group's workforce as of 31 December 2014, 2015 and 2016 (data in physical headcount in the Total column):

Distribution by age and gender	2014		2015		2016		Total		
	Men	Women	Men	Women	Men	Women	2014	2015	2016
Under 30	56.6%	43.4%	55.5%	44.5%	58.6%	41.4%	182	191	191
30-39	56.1%	43.9%	55.7%	44.3%	56.3%	43.7%	1,040	1,040	965
40-49	52.8%	47.2%	54.7%	45.3%	54.5%	45.5%	1,118	1,148	1,215
50-60	54.2%	45.8%	53.4%	46.6%	54.2%	45.8%	631	676	727
Above 60	61.8%	38.2%	56.5%	43.5%	58.0%	42.0%	68	69	69
TOTAL							**3,039**	**3,124**	**3,167**

The average age of Amundi employees in 2016 was 43.1.

Headcount distribution by gender

The table below shows the distribution of employees by gender as of 31 December 2014, 2015 and 2016:

Employees by Gender (FTE)	31/12/2014	31/12/2015	31/12/2016
Women	1,332.4	1,361.1	1,364.9
Men	1,655.3	1,707.7	1,743.8
TOTAL	**2,987.7**	**3,068.8**	**3,108.7**

The distribution between women and men has remained stable over the last few years. In 2016 the Company comprised 43.9% women and 56.1% men.

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 relies 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 2016, Amundi rolled out a digital training and information-sharing platform named Philéas. This platform is accessible to all Amundi employees in France and abroad. Philéas' initial purpose is training. The available contents cover the fields of administration, languages, knowledge of the Company and management (professional interviews). The product will evolve and will gradually cover business line needs. Secondarily, Philéas' aims to enable business line experts to contribute to the sharing of knowledge within the Company through the creation of specific content that may respond to internal (development of the skills of Amundi teams) or external (training of partner networks) needs.

In 2016, as in 2015, the training effort dealt with increasing managerial skills and helping with changes occurring in jobs, particularly those stemming from changes in regulations. Amundi continued its efforts to provide managerial support to new managers with the aim of arming them with the basis of management practices (guidance, employee development, manager's HR role and psychosocial risk prevention in particular).

A specific campaign was conducted for the management circle (over 150 individuals) to establish the practice and culture of providing feedback. This campaign will continue in 2017 in order to train all managers within the Company.

Training (excluding Compliance/Regulatory) (In scope: France, in number of individuals)	31/12/2014	31/12/2015	31/12/2016
TOTAL NUMBER OF TRAINING HOURS	**33,466**	**34,210**	**34,093**
Number of employees trained	1,620	1,459	1,366
% employees trained	75.7%	68.2%	63.5%
Average number of actions per employee trained	1.96	1.79	1.67
Average number of training hours per employee trained	20.0	23.0	25.0

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. In 2016, over 95% of employees had reviews. 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 for such reallocations.

In-company transfers, geographical and occupational, are encouraged as a way to constantly adapt our human resources to the needs of the Company. 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. With an average of 250 internal transfers per year, Amundi has a turnover of 10% of its workforce every year.

In 2016, across all Amundi entities, there were 296 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. These interviews will take place every year beginning in 2017.

In preparation for the next Employment and Expertise Plan (GPEC) agreement, in late 2016 we launched a study of the changes in our primary business lines, with a number of objectives:

- ascertain the trends over the past five years;
- identify the career paths and connections between certain jobs;
- develop a forward-looking vision for the years to come.

This study of the changes in jobs on a company-wide scale will guide our internal and external hiring, our transfer policy, our training policy and our assistance for career changes.

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 advancement.

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 2017,
  - 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 management-labour three-year agreement on gender-based professional equality intending 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.

The percentage of women in executive management[1] was 23.1% in 2016, up by 19.1% since 2013.

(1) The Senior Management headcount includes members of the General Coordination Committee, the Executive Committee, the extended Executive Committee, Management Committees and the Management Circle (186 persons at 31 December 2016).

Employees by gender and job classification (France)	31/12/2014	31/12/2015	31/12/2016
% Female managers	43.1	42.8	42.5
% Male managers	56.9	57.2	57.5
% Female, non-manager	74.0	75.3	75.0
% Male, non-manager	26.0	24.7	25.0

Disability

In 2016, Amundi took pro-active initiatives to hire people with disabilities. Amundi had set the objective of hiring a further 24 disabled employees, all types of contracts included (permanent, fixed-term, work-study and internships) over the term of the triennial disability agreement for 2014, 2015 and 2016. In 2016, ten people were hired, including two permanent, to add to the 19 hires made in 2015 and 2014. As of 31 December 2016, Amundi had 67 employees with disabilities in France.

Change in the employment rate of people with disabilities[1] (France)	31/12/2011	31/12/2012	31/12/2013	31/12/2014	31/12/2015	31/12/2016
	1.47%	2.13%	2.50%	3.15%	3.31%	3.86%

(1) Legal employment rate (AGEFIPH).

Intergenerational contract

The preceding agreement expired on 31 December 2016 and a new agreement was renegotiated and became effective on 1 January 2017. Along the same lines as the previous agreement, 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 and senior workers, Amundi agreed that during the term of the agreement, permanent hires younger than 34 would make up 40% of total hires and the fraction of employees older than 55 would be greater than 10% of the workforce.

As of 31 December 2016, the percentage of new hires under 34 years of age (France and international) was 52%, and the employment rate of employees older than 55 was 11.6%.

To achieve the objective of transferring and sustaining skills within the Company, Amundi has ensured that the skills, knowledge and know-how of employees are capitalised upon at the end of their careers by creating the new position of “Senior Advisor”. This objective of skills retention will be combined with the second complementary objective of providing recognition for departing employees who will ensure the proper transmission of their knowledge through this Senior Advisor position.

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 components of Amundi’s compensation system are as follows: fixed compensation, a bonus decided by the manager, reflecting the contribution to overall performance, and Collective Variable Compensation (CVC) 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.

- CVC ties employees 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 (AIFM, MIFID and CRD IV).

In 2016, 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;
- to provide pay raises that reflect the Company's development and performance and the employee's performance.

3.3.1.6 EMPLOYEE SHARE OWNERSHIP

At 31 December 2016, the percentage of employee share ownership in the share capital of Amundi stood at 0.3%.

During 2016, Amundi's Articles of Association were modified to allow for the creation of a director representing employees, with the task of being the employees' voice on the Board of Directors. Amundi opted to follow this course of action despite not being under a legal obligation to do so. This director was elected by the employees for a 3-year term of office and has a voting right.

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.

Through bodies such as the Works Council, the Health and Safety Committee (33 meetings in 2016), or as part of eight specific commissions, 2016 proved to be a very prolific year for employer-employee communication. Legal changes due to the Rebsamen and El Khomri laws and the agreements expiring at year-end 2016 led to active collective bargaining.

Nine agreements and amendments were signed in 2016, including:

- a methods agreement facilitating the organisation of collective bargaining for 2016 and providing greater resources to the social partners to enable them to be fully involved in all negotiations;
- profit-sharing and incentive plan agreements following the model of the previous agreements by linking employees to the companies' results and resulting in the distribution of amounts higher than the legal requirements in accordance with the best market standards, while ensuring social redistribution. These new agreements incorporate potential international acquisitions into the calculation of the collective variable compensation (CVC);
- PEG (corporate savings plan) and PERCO (collective retirement savings plan) agreements promoting savings through significant employer contributions, particularly to the PERCO, to deal with changes in retirement systems;
- a Professional Gender Equality agreement demonstrating Amundi's desire to reinforce the principle of equal opportunity throughout the entire HR process;
- an Intergenerational Contract aiming to promote diversity through the hiring of young employees and the maintenance of the employment rate among older employees, thereby participating in the development of the transmission of knowledge and skills between generations.

In addition, Amundi committed to establishing a Corporate Retirement Savings Plan (PERE), to bolster the assistance provided to employees in preparing for retirement by setting up an additional retirement savings scheme.

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 RISK PREVENTION POLICY

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].

Specific governance of psychosocial risks in the workplace begins with quarterly meetings of a joint interdisciplinary committee to read the various indicators and monthly meetings of a management committee specifically for HR monitoring of at-risk employees.

In 2016, programs begun in previous years were continued, including the following:

- the maintenance of a "listening space" for employees experiencing difficulties;
- improved monitoring of long absences with better coordination with the occupational health department in order to promote pre-return to work visits to anticipate any potential reorganisation of workstations needed to ensure an optimal return to work;
- a clarification process in the event of mobility constraints following the elimination of a position during a reorganisation;
- the launch of a working group to define the assistance to be provided to employees in the event of sub-par performance. Just as in the case of mobility constraints, this should lead to the clarification of the stages and the roles of each of the participants in 2017.

In 2016, as part of the raising awareness aspect of PSR prevention, a series of five lectures was offered to employees. These lectures each brought together one hundred or so participants on subjects related to quality of life, interpersonal relations and the digital realm and its impacts.

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 are presented below:

- exceeding the legal requirements, 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;
- in 2016, the Human Resources Department distributed two guides among employees regarding maternity and parenting issues (steps to be taken, preparing for leave and return from maternity or adoption leave, accommodations and specific measures taken at Amundi before and after the birth);
- 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 of the Amundi SEU by means of 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). The Works Council also facilitates better work-life balance through the provision of sports halls for Amundi employees;
- 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. It covers the legal measures that accompany the status of caregiver and provides a list of the various organisations and non-profits that work in the field;
- an agreement on the donation of leave days was signed in 2015 and is part of the social and solidarity policy of the Company;
- the Company has set up a concierge service in its Paris headquarters offering a range of services intended to facilitate employees' daily lives through the performance of tasks normally undertaken by the beneficiaries of these services (dry cleaning, shoe repair, administrative formalities, etc.);
- the working hours agreement involves three main provisions: the monitoring of compliance with daily rest periods; regulation of the use of remote connection tools outside of business 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, with the aim of improving work-life balance;
- the implementation of a telecommuting pilot programme to experiment with this new way of organising work. Certain Amundi employees were already eligible to work remotely, particularly pregnant women beginning in the fifth month of their pregnancy in accordance with the gender equality agreement in effect on the signature date of this document, disabled workers in accordance with the Group agreement regarding the employment of disabled individuals in effect on the day of the signature of this document, and employees with a relevant medical report subject to the implementation of partial or full telecommuting;

(1) Employee representative bodies.

- the improvement of workplace behaviour through a "Working well together, We are Amundi" campaign to re-emphasise best practices (proper use of email, open space working, work-life balance and effective meetings);
- Amundi developed its health at work (awareness-raising, training, etc.) and PSR prevention policy (PSR monitoring committee, set up of a listening space, etc.);
- finally, as part of its policy promoting the hiring of disabled individuals, Amundi has implemented a number of measures in their favour (facilitation of commuting, possibility of telecommuting, specific work tools, etc.);
- in 2016, numerous awareness-raising and assistance campaigns regarding health and hygiene (blood donation, sleep, vision screening, flu vaccination campaign, etc.) were conducted. In terms of workplace safety, in 2016, 100 employees were given basic first aid training and 70 employees were trained to become First Aid Officers at Work.

3.3.3 Measure 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". Launched in September 2016, 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. Amundi distributed the survey throughout France and in 12 countries internationally. The survey was sent to 2,900 employees, with a participation rate of 50%. The Amundi ERI score was 66% favourable responses.

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.

In 2016, more than 300 young people were welcomed by Amundi for internships, work-study contracts, VIE[1] contracts, CIFRE[2] PhD contracts, and 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 2016, for the third 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 2016, Amundi launched the first edition of its Charity Challenge, a week of solidarity providing the possibility of working (collecting clothing, glasses, purchasing honey produced by Amundi beehives, etc.) for the benefit of numerous non-profits: *les Restos du cœur, Planète Urgence, la Cravate Solidaire, Medico Lions Club* and *les Bouchons d'Amour*. A particular point of pride during the week was employee participation in the Challenge Against Hunger organised by *Action Contre la Faim* (ACF), an Amundi partner since 2010.

(1) VIE: "Volontariat International en Entreprise" (International Business Volunteering).

(2) 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 2016, Amundi maintained its commitments to its historical partners in culture, education and solidarity, with contributions totalling more than €1 million.

For over ten years, Amundi has supported the *Académie de France* in three main areas: hosting artists in residence, organising cultural programmes within the *Académie*, the preservation and improvement of the site thereby contributing to France's cultural influence and the enrichment of the national heritage by supporting aspiring artists. Amundi also has a two-fold commitment to *Fondation Radio France*. A long-standing partner of the *Orchestre Philharmonique de Radio France*, since 2007, Amundi also supports the *Maîtrise de Bondy*, which provides outstanding educational training to children who have little exposure to music.

As a principal partner of ACF, Amundi has participated in the inter-company sporting event, Challenge Hunger race since 2010.

Solidarity-based initiatives are also conducted internationally. Accordingly, in March 2016, two London teams participated for a second time in the vertical rush challenge in order to collect funds for a non-profit working with the homeless. Amundi's is also committed in Japan. 11 employees travelled to the region affected by the tsunami to search for personal effects that would facilitate victim identification. Amundi Japan also came to the aid of the inhabitants of Kumamoto following the earthquake last April.

3.4.2 Responsible purchasing

The main guidelines for Amundi's responsible purchasing policy cover three areas and are in line with the commitments of the Crédit Agricole S.A. Group:

- professional responsibility in our purchasing, in order guarantee ethical conduct in terms of fair purchasing practices, risk prevention, and fair business relations with our suppliers;
- limiting social, environmental and ethical risks in our purchases of goods and services, while taking into account the CSR work of our suppliers in their product or service offerings;
- the use of sheltered sector and disability-friendly companies by annually increasing the budget for services entrusted to the sector by the business line departments.

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 2016:

- establishment of supplier relations aimed at complying with the commitments of the Responsible Supplier Relations Charter signed by Crédit Agricole S.A.;
- launch of a CSR rating process for its 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.

In 2016, Amundi also pursued its Responsible purchasing work within the framework of a common Group action plan with the Purchasing Department of Crédit Agricole S.A.:

- 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 and value chain ethics);
- incorporation in the procurement file of the notion of cost of sales (better visibility of the impact of a purchase) and the addition of an indicator of the estimated gains through Total Cost of Ownership (TCO: overall cost of a product throughout its life cycle);
- 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 2016, Amundi launched a 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 Crédit Agricole S.A. 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.

In terms of recourse to sheltered sector companies and increasing our business with such companies, the action plan initiated in 2014 significantly increased our expenditure with disability-friendly companies (EA/ESAT)[1], which tripled over the period. Monitoring of services takes place every two months with the Group entities with the highest contribution. For Group calls for tender in which Amundi is a stakeholder, the selection of suppliers with an ESAT in addition to a traditional offering is preferred. At 31 December 2016, business given to companies in the sheltered sector amounted to €339,200, up 93.8% from 2015. The number of companies benefiting from this in 2016 is estimated at 16.94, versus 9.0 in 2015.

The timely payment of invoices is an important criterion in Amundi's responsible purchasing procedures.

Since 2013, a quarterly review of payment times is performed with the Finance Department, with the goal of improving the processing of payments and reducing payment delays. Indicators as to compliance with payment periods are sent every quarter to the employees who handle invoices and analyses of how to improve these payment times are shared in meetings of the Purchasing Committee.

Several steps were taken throughout the year to improve the processing of payments. 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 (for a set objective of 85% in 2016).

(1) EA: Adapted company/ESAT: Establishment and service for assistance through work.

3.4.3 Limit our direct environmental impact

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. Amundi is also taking environmental action to encourage environmentally responsible use of paper and IT equipment[(1)], recycle its waste and create employee awareness of the ecological actions they can take.

3.4.3.1 RESPONSIBLE RESOURCE MANAGEMENT

Responsible building management

Responsible building management is primarily a concern in France. Amundi's corporate headquarters, Agoram 91, were renovated in 2013 to comply with environmental standards, earning Amundi BBC[(2)] Effinergie certification as well as HQE Renovation[(3)] and BREEAM[(4)] certifications.

In 2015, Agoram 91 earned the "HQE™ Exploitation" environmental certification. The HQE certification was renewed in early 2016. Our objective is to maintain the HQE Exploitation certification levels for Agoram 91 in 2017.

Amundi Tenue de Comptes, a subsidiary in Valence (Drôme), moved into a new building complying with environmental standards in 2010: limited impact on the outside environment and healthy and comfortable interior 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. Among the steps decided upon: the reduction of programme settings +/-2°C, the reduction of centralised air conditioning operating periods, 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.

Since 1 January 2016, our buildings are supplied with 100% renewable electricity, primarily of hydraulic origin.

Responsible use of paper

Amundi pursues a responsible paper policy whose objective is to reduce its use of paper, promote the careful use of paper and recycle 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. A 10% drop in office paper consumption was recorded in 2016.

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).

Amundi Tenue de Comptes registered an increase in the subscription rate to its e-services from 40% to 57% in 2016 and decreased its paper consumption by 25% over the course of the year.

With regard to communications media: Printing on certified paper, selection of printing companies certified Imprim'Vert and making more documents available in electronic form.

In 2016, Amundi renewed the "Cleaning Week" operation in its Paris buildings with the objective of sorting and removing superfluous paper; 4.5 tonnes of paper were recovered for recycling.

Over a one-year period, recycling efforts generate over 150 hours of work allocated to disabled individuals, *i.e.* 2.8 UB (disabled employee equivalent).

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, printing consumables, batteries and W3E) are handled by the CEDRE company, which hires workers with disabilities.

(1) Green IT is a concept that aims to reduce the environmental, economic and social footprint of information and communication technologies.

(2) Low Consumption Building.

(3) High Environmental Quality.

(4) Building Research Establishment Environmental Assessment Method.

In 2016, we added glass and plastic bottle caps to the sorting of recyclable materials. We introduced a methanation programme in the Company restaurant for organic waste and the sorting of recyclable materials (cans, glass, plastic bottles). Finally, we installed a biological treatment system for grease traps in the two buildings, resulting in less waste and fewer lorry trips to clean the tanks and release the grease in an external station.

Actions taken to combat food waste

As part of new legislation, a study with the non-profit *Le Chainon Manquant* is underway with the aim of donating left-over food that cannot be served the next day to disadvantaged people. Implementation is expected to take place in 2017 and the estimate is of 15 to 20 meals/day.

Waste (Paris buildings)	2014	2015	2016
Recyclable waste	92.0	80.4	89.0
Non-recyclable waste	133.5	138.1	104.0
TOTAL	**225.5**	**218.5**	**189.0**

3.4.3.2 GREEN IT POLICY

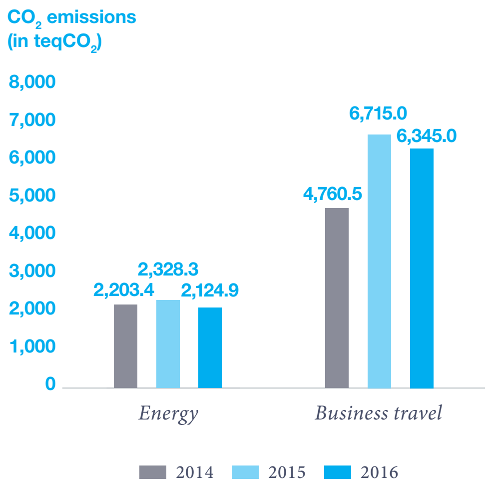
Amundi seeks to control the environmental impact of its information systems in several ways:

- 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 10 am is switched off. Every day this saves 150 kWh. In addition, the majority of individual printers have been removed;
- office IT equipment (works stations, printers, microcomputers, laptops, small equipment, etc.) are recycled with the service provider ATF GAIA, a W3E[(2)] 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. Two recycling operations by ATF GAIA of 262 kg in May 2016 and 475 kg in October 2016 in Paris;
- 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.

3.4.3.3 CONTROLLING CO_2 EMISSIONS

Amundi regularly prepares a complete carbon footprint assessment on the entirety of its scope and monitors the CO_2 emissions of two items on an annual basis: Energy and business travel. In the same manner, Amundi implements solutions to control and reduce its CO_2 emissions.

Annual monitoring[(1)] of CO_2 emissions associated with energy consumption and business travel



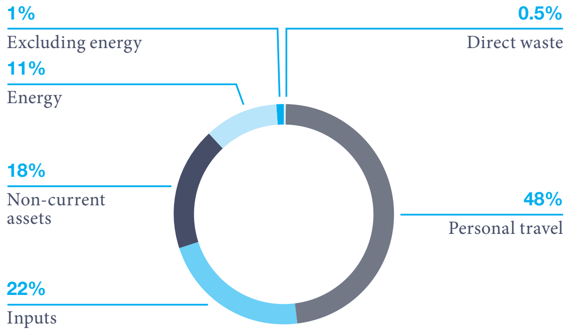
Our Paris buildings have been powered by green energy since 1 January 2016, which explains most of the reduction in CO_2 emissions under the Energy entry. A decline was also recorded under the Business travel item as a result of the Company's stricter business travel policy.

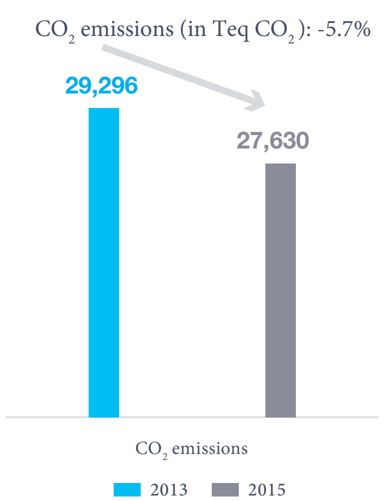
(1) 2015 data on business travel were adjusted in comparison with the version published in 2016. It should be noted that the 2016 scope includes the United States.

(2) W3E = Waste Electrical and Electronic Equipment.

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.





Travel policy

Amundi works to reduce the emission of greenhouse gasses through its responsible Business travel policy, now applicable to the entire Amundi Group, which was strengthened in 2016: validation of the trip relevance, prior authorisation for trips abroad, mandatory rail travel for trips of less than three hours, limits on taxi trips, ecological preference for hybrid taxis, etc. and through the increase in video-conferencing. Travel reporting mentions CO_2 emissions so as to make travellers more aware of their environmental impact. In terms of commuting, Amundi pays for 80% of the cost of Navigo cards and Velib cards. When selecting company cars, Amundi favours fuel-efficient vehicles and uses hybrid vehicles.

Equipping Amundi buildings for video-conferencing

Amundi opted to supply its meeting rooms with a significant amount of video-conferencing equipment. As a result, nine meeting rooms are now equipped with dedicated video-conferencing equipment in Paris and 24 internationally, *i.e.* an equipment ratio in Parisian buildings of 62%.

We also implemented the large-scale use of Skype/Webex by distributing over 300 packs (headset and webcam). Statistics show a noticeable rise in the number of video-conferences. In addition to video-conferencing, 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.

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 to remind employees of the need to improve the quality of selective sorting: results of the audits performed on the quality of the sorting, quantitative reporting on cleaning weeks; quarterly newsletters on waste volumes, organisation of awareness-raising workshops regarding selective sorting during the sustainable development week, communication regarding best practices.

Amundi Tenue de Comptes made a commitment to preserving biodiversity by installing two beehives on the last floor balcony of its building located in the middle of an eco-park in Valence. This innovative environmental project contributes to bee conservation.

3.5 METHODOLOGY AND INDICATORS

3.5.1 Note on methodology

MATERIALITY ANALYSIS

To identify the specific issues Amundi faces in terms of its business and its impacts, a materiality analysis was conducted in-house 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

The scope of the reporting is the entire financial scope of consolidation of the Amundi Group, with the exception of:

- **certain HR data** available only at the Amundi SEU level, marked in the indicator table with an asterisk.

  Scope of SEU: Amundi, Amundi Asset Management, CPR Asset Management, Étoile Gestion, Société Générale Gestion, BFT Investment Managers, Amundi Finances, Amundi Immobilier, Amundi Intermédiation, Amundi Private Equity Funds, Amundi IT Services, Amundi Tenue de Comptes and Amundi Transition Énergétique[1];
- **environmental data** covering only France and subsidiaries with more than 50 employees, except for KBI Global Investors, a management company acquired by Amundi in 2016.

  Scope of 2016 environmental data: France, United Kingdom, Italy, Hong Kong, Singapore, Japan and the USA. The scope of environmental data covers 88.1% of the Amundi group workforce.
  - The data for the Energy and Business travel items are collected on the full environmental scope. Certain data could not be obtained over the full scope of reporting. This is indicated beside each indicator.
  - Data on the Paper, Water and Waste items are only collected in France. On the international scope, given Amundi's services and the limited number of employees within the entities (between 63 and 186 FTEs per subsidiary), consumption is not significant.
  - US data were incorporated into the scope in 2016. They have been deducted in order to compare the data to the 2015 financial year on a like-for-like basis.

PRESENTATION OF HR DATA

Unless otherwise indicated, the population under review is that of working 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.

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 worked out 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 basis. Note also that the scope does not include funds whose impact occurs entirely outside of France and that the impacts of a financed company are only reported after it has been part of the portfolio for one year. The scope of impacts covers 90.4% of total assets under management.

(1) Amundi Transition Énergétique is not part of the scope of financial consolidation.

3.5.2 Table of indicators

Indicators		Unit	2016	2015	2014
Employment indicators					
Employment					
Headcount	Number of employees	Number	3,167	3,124	3,039
	Number of employees	FTE	3,108.7	3,068.8	2,987.7
	Number of employees in France	Number	2,151	2,141	2,140
	Number of employees in France	FTE	2,106.4	2,097.9	2,095.5
	Number of employees internationally	FTE	1,002.3	970.9	892.2
	Number of employees in joint ventures	FTE	997.5	931.2	799.0
	Proportion of outside personnel in the Amundi headcount (temporaries and contractors)	%	11.3	12.7	10.6
Breakdown by contract type	Number permanent	FTE	3,087.7	3,043.3	2,963.7
	Number fixed-term	FTE	21.0	25.5	24.0
	Number of managers*	FTE	1,987.8	1,969.4	1,950.1
	Number of non-managers*	FTE	118.6	128.5	145.4
Breakdown by age	less than 30 years	Number	191	191	182
	between 30 and 39 years	Number	965	1,040	1,040
	between 40 and 49 years	Number	1,215	1,148	1,118
	Between 50 and 60 years	Number	727	676	631
	60 years and over	Number	69	69	68
	Average age	Number	43.1	42.6	42.4
Years of service	Average years in service, Group	Number	12.9	11.7	11.6
	Average years in service, Group, France	Number	14.5	13.6	13.2
	Average years in service internationally	Number	9.3	7.6	9.1
By gender	Female	%	43.9	44.0	45.0
	Male	%	56.1	56.0	55.0
	Female managers*	%	42.5	42.8	43.1
	Male managers*	%	57.5	57.2	56.9
	Female non-managers*	%	75.0	75.3	74.0
	Male non-managers*	%	25.0	24.7	26.0
Breakdown by geographical area	France	FTE	2,106.4	2,097.9	2,095.5
	Europe excluding France	FTE	541.7	474.8	405.3
	Asia	FTE	372.1	396.6	383.4
	Other	FTE	88.5	99.5	103.5
Departures by reason	Death	FTE	4.0	2.7	3.0
	Resignation	FTE	91.1	102.3	85.6
	Dismissal on personal or economic grounds	FTE	20.0	14.5	16.0
	Retirement	FTE	20.7	17.6	20.4
	Agreed termination of contract	FTE	27.0	19.0	11.0
	Other	FTE	70.7	62.1	50.4
Departures by geographical area	Departures	FTE	200.8	198.9	169.7
	o/w departures in France	FTE	94.4	91.4	84.2

* *Scope: Amundi SEU (France).*

Indicators		Unit	2016	2015	2014
Employment indicators (continued)					
Turnover	Turnover	%	6.5	6.7	5.8
	Turnover France	%	4.5	4.4	4.0
	Turnover International	%	11.0	12.0	10.2
Hiring	Hiring (permanent + fixed-term contracts)	FTE	186.0	257.2	223.9
	Hiring (permanent + fixed-term contracts) France	FTE	93.9	110.6	90.9
	Permanent hires	FTE	163.5	217.7	190.9
	Permanent hires France	FTE	81.9	91.6	70.9
	Permanent hires International	FTE	81.6	126.1	120.0
Mobility	Number of transfers to the CA S.A. group	Number	13	11	15
	Numbers of internal transfers	Number	296	272	250
Compensation*	Median Annual gross salary	€	59,000	58,000	57,000
	Average collective variable compensation per employee[(1)]	€	8,800	8,283	7,754
Organisation of working hours*					
Working hours	Full-time employees	Number	1,900	1,908	1,905
	O/w female	Number	742	760	767
	O/w male	Number	1,158	1,148	1,138
	Part-time employees	Number	251	233	235
	O/w female	Number	231	219	221
	O/w male	Number	20	14	14
Absenteeism	Accidents	Number of days	666	472	840
	Maternity/Paternity	Number of days	7,447	8,259	9,648
	Illness	Number of days	17,827	16,660	15,779
	Authorised absence	Number of days	7,042	7,958	8,000
	Other	Number of days	85	162	136
	Rate of absenteeism	%	1.5	1.5	1.8
Training					
Training*[(2)]	% individuals trained	%	63.5	68.2	75.7
	Number of employees trained	Number	1,366	1,459	1,620
	Number of training hours	Number of hours	34,093	34,210	33,466
Annual review	% of assessment interviews	%	95.2	93.0	93.0

* *Scope: Amundi SEU (France).*

(1) *CVC (Collective Variable Compensation) corresponds to the profit-sharing and incentive plans.*

(2) *Includes face-to-face or e-learning training and work towards a certification, excluding conferences and seminars and excluding mandatory regulatory training applicable to all employees.*

Indicators		Unit	2016	2015	2014
Employment indicators (continued)					
Employer-employee relations*					
Employer-employee communication	Number of employee representatives	Number	55	45	56
	No. of meetings of the Works Council and Safety/Working Conditions Committee	Number	33	28	28
	Number of agreements and addenda signed	Number	9	5	1
	Number of safety/working conditions agreements signed	Number	0	0	0
Health and safety*					
Work-related accidents and occupational illnesses	Frequency rate of work-related accidents		4.1	6.5	5.3
	Number of work-related accidents	Number	15	13	14
	Number of work-related accidents (commuting)	Number	29	36	28
	Number of occupational illnesses	Number	1	2	2
Non-discrimination					
Gender equality	Percentage women, Board of Directors	%	41.7	41.7	0.0
	Percentage women, Executive Committee	%	9.7	10	10
	Percentage women, Management Circle(3)	%	23.7	20.3	22.5
	Percentage women, executive positions(4)	%	23.1	20.3	21.8
	Percentage women, management positions	%	35.0	35.1	35.4
	Percentage women, promotions to management positions	%	30.4	30.2	46.6
	Percentage men, promotions to management positions	%	69.6	69.8	53.3
Disability*	Percentage of disabled employees(5)	%	3.86	3.31	3.15
	Number of persons hired with disabilities(6)	Number	10	10	9
Intergenerational contract	Percentage of new hires under 34 years of age(7)	%	52.0	54.7	50.8
	Percentage of employees aged 55 and above	%	11.6	10.4	10.0
	Number of interns, work-study, VIE, CIFRE and summer jobs(8)	Number	310	288	229

* *Scope: Amundi SEU (France).*

(3) *The percentage women in the Management Circle is calculated excluding members of the General Coordination Committee, the Executive Committee and the extended Executive Committee.*

(4) *The Senior Management headcount includes members of the General Coordination Committee, the Executive Committee, the extended Executive Committee, Management Committees and the Management Circle.*

(5) *AGEFIPH rate.*

(6) *Data include permanent and fixed-term contracts, work-study, interns and temporaries.*

(7) *Only permanent hires are recognised. This indicator replaces the "Percentage of new hires under 30 years of age" indicator used in the 2015 CSR report.*

(8) *Based on end of month numerical headcount, average calculated on the year.*

Indicators		Unit	2016	2015	2014
Business line indicators					
SRI	Total AuM	€ billions	1,082.7	985.0	866.0
	SRI assets	€ billions	167.7	159.1	71.6
	SRI percentage out of total assets	%	15.5	16.1	8.3
Breakdown of SRI assets by asset class	Equity	%	5.1	5.2	10.6
	Multi-asset	%	2.1	1.1	2.2
	Treasury	%	15.6	14.2	33.4
	Fixed income	%	74.6	78.1	52.9
	Specialised[9]	%	2.7	1.4	1.0
Breakdown of SRI assets by client type	Institutional	%	91.9	92.5	85.7
	Retail	%	8.1	7.5	14.3
ESG	Issuers rated on ESG criteria	Number	>4,000	>4,000	>4,000
	Specialists in extra-financial subjects	Number	17	16	15
	Companies met with	Number	205	274	263
Social impact management	AuM of social impact funds	€ millions	1,796	1,318	1,031
Breakdown of social investments by theme	Employment	%	37.1	42.5	45.0
	Housing	%	34.6	33.4	37.0
	Education	%	0.1	0.1	0.2
	Health	%	18.9	14.5	9.0
	Environment	%	3.1	4.0	7.0
	International solidarity	%	5.8	5.0	2.0
	Service to non-profits	%	0.2	0.2	-
	Overindebtedness	%	0.2	0.2	-
Impacts of social investments[10]	Employment	Number of beneficiaries	11,450	10,611	6,022
	Housing	Number of beneficiaries	1,273	1,103	513
	Education	Number of beneficiaries	53	53	50
	Health	Number of beneficiaries	7,293	6,683	9,303
		Hectares	162	86	80
	Environment	Tonnes of recycled waste	8,091	8,308	6,069
	International solidarity (microcredit)	Number of beneficiaries	12,560	8,496	4,549
	Service to non-profits	Number of beneficiaries	63	63	-
	Over-indebtedness	Number of beneficiaries	2,060	2,060	-

(9) *Groups Real Estate and Private Equity assets.*

(10) *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.*

Indicators		Unit	2016	2015	2014
Business line indicators (continued)					
Voting policy	Engagements with investee companies before the General Shareholders' Meetings (GSM)	Number	240	260	266
	GSMs dealt with	Number	2,623	2,565	2,576
	Resolutions dealt with	Number	32,771	32,396	31,237
	Number of resolutions presented by shareholders and supported by Amundi on corporate governance	Number	299	384	356
	Number of resolutions presented by shareholders and supported by Amundi on social/societal issues and human rights	Number	80	74	88
	Number of resolutions presented by shareholders and supported by Amundi on environmental matters	Number	51	44	51
	Total number of opposing votes	Number	5,477	5,825	5,220
	Number of resolutions voted against on the board balance	Number	2,069	2,492	1,988
	Number of resolutions voted against on equity transactions (including poison pills)	Number	1,006	904	842
	Number of resolutions voted against on compensation of Senior Management	Number	1,608	1,517	1,542
Ethics and compliance	Number of Compliance Committees	Number	11	11	11
	Number of complaints consolidated at Group level	Number	2,865	2,271	1,743
	% of employees trained in anti-money laundering procedures(11)	%	90	0	0
	% of employees trained in anti-fraud procedures(11)	%	83	0	0
Institutional Client Services	Total complaints	Number	46	32	133
Number of complaints by type	Contesting a trade	Number	13	17	72
	Time to execute a trade	Number	3	6	19
	Quality of product/service	Number	28	7	39
	Pricing	Number	2	2	3
Retail Partners	Staff specialising in networks(12)	FTE	181.7	198.0	206.6
Risk management**	Percentage of managed portfolios having a risk strategy	%	99.1	98.9	96.5
Business line headcount in Control Departments	Business line headcount in Risk Departments	FTE	165.0	168.1	155.6
	Business line headcount in Audit Departments	FTE	26.6	21.5	18.0
	Business line headcount in Compliance Departments	FTE	64.8	57.0	48.8
	Percentage of total headcount	%	8.2	8.0	7.4
Sponsorship**	Amount of contributions	€	1,408,590	1,165,785	1,020,715
Responsible purchasing*	Purchases from sheltered sector companies	€	339,177	175,000	96,706
	Use of sheltered sector companies	Number of "beneficiary units"	16.9	9.0	5.5
	Subcontracting (expenses for contractors)	€	34,379,945	33,746,817	30,400,836
	Percentage of invoices paid on time (2 months)	%	83	81	73

* *Scope: Amundi SEU (France).*

** *Scope: Amundi Asset Management.*

(11) *Internal anti-corruption training is now addressed in the "Fight against fraud" module and external corruption in the training course "Fight against money-laundering and the financing of terrorism". These training sessions do not take place every year.*

(12) *2014 and 2015 figures were corrected in relation to the version published in 2016.*

Environmental indicators		Unit	2016	Scope	At constant scope 2016	2015	2016/2015
Energy	Energy consumption	KWh	20,579,926	100%	19,664,401	18,939,170	+3.8%
	Energy consumption per employee	KWh/FTE	7,517.2		7,383.7	7,089.1	+4.2%
	CO_2 emissions	CO_2 TEQ	2,124.9		1,665.4	2,328.3	(28.5)%
	CO_2 emissions per employee	CO_2 TEQ/FTE	0.78		0.63	0.87	(27.6)%
Business travel(13)	Train	kms	3,955,961	86.3%	3,955,961	4,463,062	(11.4)%
	Airplane	kms	19,182,876	97.3%	19,182,876	20,278,609	(5.4)%
	CO_2 emissions, train	CO_2 TEQ	179	86.3%	179	201	(10.9)%
	CO_2 emissions airplane	CO_2 TEQ	6,168	97.3%	6,168	6,514	(5.3)%
	CO_2 emissions per employee, train	CO_2 TEQ/FTE	0, 08	86.3%	0, 08	0.09	(11.1)%
	CO_2 emissions per employee, plane	CO_2 TEQ /FTE	2.32	97.3%	2.32	2.44	(4.9)%
Paper	Paper consumption	Tonnes	270	77.0%	270	285.5	(5.4)%
	Recycled paper consumption	Tonnes	96.6	77.0%	96.6	110.9	(12.9)%
Water	Water consumption	m^3	25,694	77.0%	25,694	30,148	(14.8)%
	Water consumption per employee	m^3/FTE	12.2		12.2	14.4	(15.3)%
Waste	Volume of non-recyclable waste	Tonnes	111.3	72.5%	104.3	138.1	(24.5)%
	Volume of recyclable waste	Tonnes	89.6	77.0%	89.6	81.9	+9.4%
	Volume of recycled paper mass	Tonnes	78.1	77.0%	78.1	70.4	+10.9%

(13) 2015 figures have been restated.

3.5.3 Cross-reference table with disclosures required by Article R. 225-105-1 of the French Commercial Code (amended 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. 112, 126
	New hires and dismissals	P. 112, 126
	Compensation and changes over time	P. 116, 127
Organisation of work	Organisation of working hours	P. 127
	Absenteeism	P. 127
Employer-employee relations	Organisation of social dialogue, particularly the procedures for information and consultation with employees, as well as negotiation	P. 117
	Summary of collective agreements	P. 117, 128
Health & Safety	Workplace health & safety conditions	P. 118, 128
	Summary of agreements signed with unions or employee representatives regarding workplace health and safety	P. 128
	Work-related accidents	P. 128
Training	Policies implemented in terms of training	P. 114, 127
	Total number of training hours	P. 114, 127
Non-discrimination	Measures to promote gender equality	P. 115, 128
	Measures to promote the employment and inclusion of disabled people	P. 115, 128
	Anti-discrimination policy	P. 116, 128
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. 122, 131
	Measures to train and inform the employees concerning environmental protection	P. 124
	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 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.*
Circular economy – Prevention and management of waste	Waste prevention, recycling, re-use and elimination measures	P. 123, 131
	Actions taken to combat food waste	P. 123
Circular economy – Sustainable use of resources	Water consumption	P. 131
	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. 122)*
	Energy consumption, measures taken to improve energy efficiency and use of renewable energy	P. 122, 131
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. 106, 123, 131
	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 101 (SRI) and 106 (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 main 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. 105, 112, 120, 126, 129, 130
	Impact on the neighbouring or local community	P. 105, 112, 120, 126, 129, 130
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. 99
	Partnering or sponsoring undertaken	P. 100, 120, 130
Subcontracting and suppliers	Inclusion in purchasing policy of social or environmental issues	P. 120, 130
	Importance of subcontracting and inclusion in supplier and subcontractor relations of their social and environmental responsibility	P. 120, 130
Fair commercial practices	Initiatives to prevent corruption	P. 110, 130
	Measures taken to foster consumers' health and safety	P. 108
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

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

For the year ended 31 December 2016

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 under number 3-1050, we present our report on the consolidated social, environmental and societal information relating to the year ended 31 December 2016, 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 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).

Our work called on the skills of four persons and was performed between October 2016 and February 2017 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.

1. Attestation of the presence of the 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 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.

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:

- 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 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 so selected represented on average 68% of the workforce.

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, 20 February 2017

Independent Third-Party Organisation

Caroline Delerable	David Koestner
Partner for Sustainable Development France	Partner

04

2016 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 2016.

4.1.2 Change 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 2016.

4.2 ECONOMIC AND FINANCIAL ENVIRONMENT

4.2.1 Financial market trends

OVERVIEW OF 2016

2016 was marked in particular by two unexpected political events: In June, the British vote in favour of withdrawing the United Kingdom from the European Union, followed, in November, by the election of Donald Trump to the presidency of United States. At the end of the year, visibility concerning the consequences of these two events remained very limited. However, the economic outlook itself did not hold any major surprises in developed countries: economic recoveries continued, although at a modest pace on both sides of the Atlantic. In the emerging countries, after serious doubts at the beginning of the year, the situation improved, assisted by the stabilisation of the situation in China and by the rebound in the price of oil. Bond yields, down during most of the year, later clearly grew in the fourth quarter. At the end of the year 2016, yields were up in United States, and down in the euro zone. American equities, and those of emerging countries, made significant gains, while those of the euro zone, after moving to negative territory until autumn, finally recorded slight gains due to an acceleration at the end of the year.

After a disappointing start to 2016, American economic growth later rebounded. Industry was affected in the first half year by delayed effects of the rise in the dollar from 2015, difficulties in emerging countries and the consequences of the weakness in the oil price on that sector. Nevertheless, the low price of fuel also buoyed household consumption, while the employment market remained dynamic. Starting from the third quarter, the brakes on industry eased, allowing clear improvement. In the autumn, the main event was the victory of Donald Trump in the US Presidential election, on a programme promising major tax reductions for households and companies, increases in certain expenditures and a review of trading relations with the rest of the world. At the end of 2016, the ability of the future President to implement the essential components of his programme remained however very uncertain, since Congress, which managed to retain its Republican majority, seemed far from accepting of measures likely to increase the public deficit. The Federal Reserve, having treaded water for most of the year, increased its main policy rate in December (one year after a first increase decided in December 2015). Its governors also raised their forecast for policy rates for 2017 (indicating a median forecast of three additional increases of 0.25% each).

The economic recovery continued in the euro zone in 2016, although still at a slower rhythm than during the previous cycles and with major differences between countries (a strong rebound in Spain, sustained growth in Germany but moderate growth in France and recurring weakness in Italy). Figures from the beginning of the year were surprisingly up, due in particular to household consumption sustained by the fall in the price of fuel. The weakness of the euro compared to the dollar also played a favourable role. A slight mid-year slowdown was observed but, in the fourth quarter new signs of acceleration appeared. Political uncertainty remained high, fuelled by the result of the British referendum and by the general rise of euro scepticism. Even the terms and conditions of “Brexit” remained extremely vague at the end of the year: the British government gave itself until the end of March 2017 to activate Article 50 of the Lisbon Treaty governing the procedures for Member State of the European Union to exit and gave little information on its objectives. At the end of October, Spain finally announced a government (after nearly a year of political crisis). However, at the beginning of December, a referendum of Italian voters rejected a constitutional reform aiming to promote more stable government. In view of the growth and still low inflation, and taking into consideration major risks, the European Central Bank maintained a very expansive policy. Thus, in March, it decreased its policy rates, and announced an extension of its programme for corporate bond purchasing starting in June. In December, it declared that it would reduce, starting in April 2017, the monthly volume of its purchasing programme (from €80 to €60 billion), but extended its duration until at least December 2017 (compared to March 2017 previously announced).

The beginning of 2016 was also marked by a rise in fears linked to the slowdown of the Chinese economy and to the consequences of the decrease in the price of oil on oil producing countries. In addition, Brazil was confronted with a major political crisis and South Africa seems to be heading that way too. The rating agencies, downgrading the sovereign debt of several countries, added to the client climate of defiance. However, via major monetary and budgetary measures and, bearing on investment and real estate, the Chinese authorities were able to avoid a brutal deceleration of their economy. Starting in the second quarter, the improvement of Chinese data and the rebound in the price of oil were reassuring factors. The impeachment of President D. Rousseff in Brazil and the retention of the Minister of Finances, P. Gordhan in South Africa, were also welcomed by the markets. In September, the decision of the US Federal Reserve not to change the Fed Funds rate led to an increase in capital flows to emerging countries and a slight appreciation in certain of their currencies. The signing of an agreement between the OPEC countries also helped support this trend towards improvement in the outlooks of oil exporting countries. In addition, the data from China remained favourable. However, at the end of the year, the election of Donald Trump opened a new chapter of uncertainty. The effect of the rise in American rates and the fear of protectionist measures in the United States combined to slow down capital inflows toward emerging markets and strongly penalised their currencies.

In spite of a difficult early part of the year and unexpected political developments, the equities markets turned green again in 2016. After -0.7% in 2015, the MSCI World AC Index rose by 6.8% in 2016, and by 9.7% taking dividends into account. On a regional basis, this growth was not uniform. At the head of the pack were the United States (+9.2% for the MSCI US in dollars) and the emerging markets (+8.6% in dollars and +7.1% in local currencies) ahead of Japan (+0.5% in dollars and -2.6% in yen) and Europe (-3.4% in dollars and +4.0% in local currencies). In Europe, there were large differences in performance from one country and one currency to another. Thus the British market saw a strong increase in local currency (+14.2%), whereas its performance in dollars was very different (-4.2%) due to the depreciation of the pound sterling. To facilitate comparisons, if we express all performances in dollars, the countries at the heart of the euro zone, such as France (+2.2%) and Germany (+0.4%) were ahead of those outside the euro zone (-5.4)% for the MSCI Europe ex EMU), and those on the periphery (MSCI Spain (3.3)%, MSCI Ireland (8.3)%, MSCI Italy (13.3)%). Concerning the chronology of the different phases, after an early start marked by the collapse in the price of oil and new fears concerning China due to the accelerated melting of foreign exchange reserves, the equities markets marked a low point in early February (-12.2)% for the MSCI World AC on 11 February). Reassured by the recovery in the price of oil and the prudence of the Federal Reserve, the indices then resumed their upward progress until the British referendum of 23 June 2016 (+13.6% from 11 February to 23 June and -0.3% since 1 January).

After several worrisome days, the uncertainties linked to Brexit rapidly calmed following the appointment of a new government, the regain in the flexibility of the central banks, reassuring signals from the American economy and corporate results, rather better than expected. Thus, in spite of an initial loss of -5.6% from 23 to 27 June, in the space of 15 days, from 23 June to 8 July, the MSCI World AC had regained all of the advance it had lost since the referendum. Then from 8 July to 7 November 2016, the day before the American election, it continued to gain a little more terrain (+2.6%), returning to green from 1 January (+1.7%).

Then, the election of Donald Trump gave new energy to the market (+5.0% from 7 November to 31 December). As the initial surprise lapsed, this reaction is quite logical. In view of the limits of monetary policy, new trends toward a slight increase in budgetary expenditure evoked the risk of a slowdown. The expected slight return of inflation and the ensuing possibly of an increase in interest rates precipitated a turn in favour of equities to the detriment of interest rate products. Finally, the numerous announcements concerning corporate taxation also encouraged the equities markets.

There were also two very distinct phases in the bond markets during the year 2016. During the first three quarters, yields clearly declined, particularly due to the repeated delay in the second interest rate increase by the Federal Reserve and the very accommodating monetary policies of the ECB and the BOJ. The fourth quarter however was marked by a sharp rise, first due to the return of inflation (driven by the basic effects of changes in the price of oil), then especially from the election of Donald Trump. Finally, the US ten-year rate increased from approximately 2.25% at the end of 2015 to 2.45% at the end of 2016. Elsewhere, its German counterpart dropped by approximately 0.65% to 0.20%. The French ten-year rate declined by approximately 1% to 0.70% and the Spanish ten-year by approximately 1.8% to approximately 1.4%, whereas the Italian ten-year, affected by political uncertainty, rose by 1.60% to 1.80%.

On the currency exchange market, one of the major events of the year 2016 was the strong depreciation of the pound sterling following the result of the June referendum. The pound sterling lost nearly 16% against the euro in 2016. Concerning the dollar, it appreciated significantly following the victory of Donald Trump, with the euro/dollar parity declining by 3% over the year. The Japanese yen first appreciated strongly against the dollar before depreciating sharply during the last few weeks of 2016, as the dollar/yen parity went from 120 to 116 over the year.

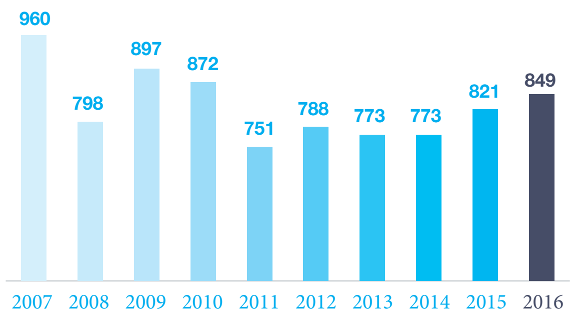
4.2.2 The asset management market

FRENCH MARKET(1)

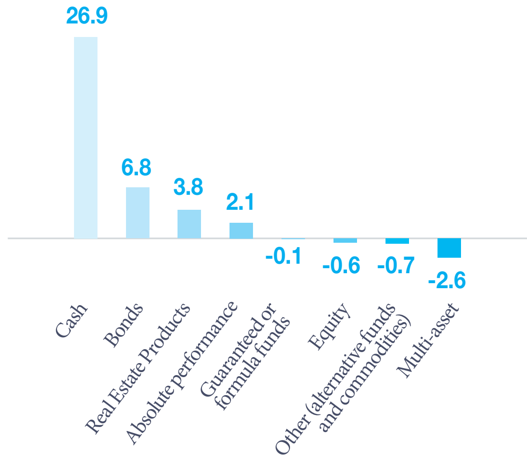
The French open-ended funds market ended 2016 at €849 billion in assets under management, up by 3.3% despite a negative market effect (-1%).

Net inflows reached +€35.5 billion and were concentrated for 76% on money market funds, essentially long-term Treasury. With +€6.8 billion, including more than one-third in ETFs, the interest in bond funds did not wane, in particular in the (very) short-term euro categories, inflation and buy & hold/at term, in contrast to convertibles (-€2.2 billion). Real estate had a new record year with +€3.8 billion in inflows from retail OPCI. Absolute performance benefited from positive inflows (+€2.1 billion) mainly short/long equity strategies and despite redemptions on flexible funds. Diversifieds erased part of the 2015 inflows with outflows of -€2.6 billion. Shares were down in the amount of - €0.6 billion, penalised in all geographical areas other than emerging markets (+€2 billion) and despite an additional +€2.9 billion in passive management. There were almost no inflows for guaranteed funds, as investors'appetite for security continued to move toward EMTN (€7.6 billion in gross inflows). Finally Socially Responsible Investment found its market with +€3.5 billion collected.

Change in open-ended fund assets in France(1)
In € billions



Change in inflows by asset class in France(1)
In € billions



EUROPEAN MARKET(2)

The European funds market reached €9,558 billion at the end of December 2016, up by 4.3% since the beginning of year due to an inflow effect (+€213 billion, i.e. 2.2%) and a market effect (+€198 billion, i.e. 2.1%) that were both positive.

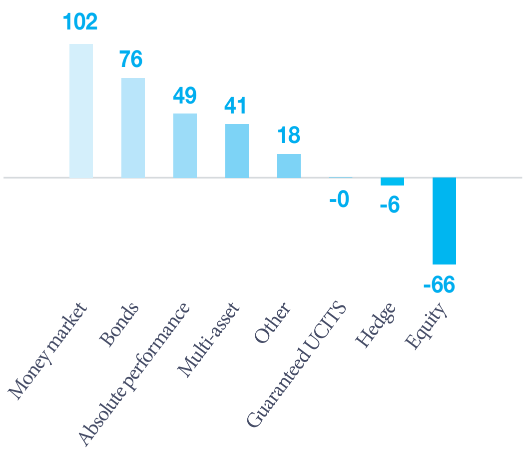
The Brexit context and the extension of the ECB corporate bond debt purchasing policy favoured inflows on interest-rate products: +€102 billion on money market funds and +€76 billion on bond funds in 2016. The attraction of the latter resulted in balanced flows between active and passive management. Investors thus favoured loans, emerging and international bonds and, more recently, inflation due to anticipation of rising rates. Absolute performance funds and diversified funds (+€90 billion) were also sought, mainly multi-strategy funds (+€54 billion). Significant redemptions on equities (-€66 billion), notably in active management on developed markets (Europe and Japan), but partially attenuated by flows on passive management, emerging markets, themes and sectors. Also note +€18 billion in other types of funds, in particular commodities (+€8 billion).

(1) Source SIX Financial Information NMO – December 2016, scope of open-ended funds domiciled in France.

(2) Source Broadridge Financial Solutions – December 2016, Scope of open-ended funds domiciled in Europe and so called cross border funds also sold on the European market.

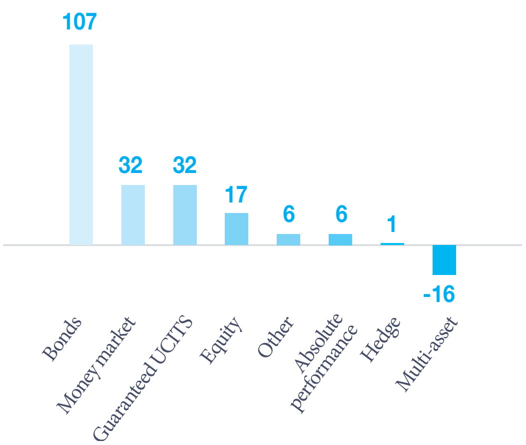
Inflows by asset class in Europe(1)

In € billions



Inflows by asset class in Asia-Pacific(2)

In € billions



ASIA-PACIFIC MARKETS(2)

The dynamism of the Asian market did not disappoint in 2016: up by 5.8% with inflows of €185 billion, it reached €3,217 billion at the end of December 2016.

China alone represented 47% of inflows from the region; Chinese investors being particularly hungry for bond funds (+€86 billion euros) and guaranteed funds (+€29 billion) in 2016.

Elsewhere in Asia, Treasury products were very popular (Thailand, India) as well as bonds (India, Hong Kong, Singapore etc.). One exception: Japan, where equities benefited significantly from the ETF purchase program of the Bank of Japan (+€25 billion).

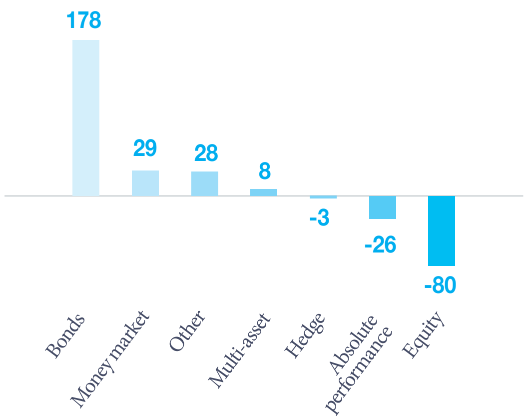
AMERICAN MARKET(3)

In the United States, with €17,932 billion at the end of December 2016, the open-ended funds market represented more than half of worldwide assets and saw growth of 0.7% over the year.

Inflows of €134 billion were largely driven by bonds (+€178 billion), retirement/lifecycle funds (+€56 billion) and money market funds in dollars (+€31 billion). Like Europe, and in spite of major flows in passive management (+247 billion), major buybacks of equities are occurring (-€80 billion).

Inflows by asset class in the United States(3)

In € billions



(1) Source Broadridge Financial Solutions – December 2016, Scope of open-ended funds domiciled in Europe and so called cross border funds also sold on the European market.

(2) Source Broadridge Financial Solutions – December 2016, scope of open-ended funds domiciled in Asia and so-called cross border funds also sold on the Asian market.

(3) Source Broadridge Financial Solutions – December 2016, scope of open-ended funds domiciled in United States and so called cross border funds also sold on the US market.

4.3 AMUNDI OPERATIONS AND CONSOLIDATED RESULTS

2016 again showed Amundi's ability to deliver profitable and regular growth, in an unfavourable and volatile context: the level of inflows was high, assets under management reached €1,083 billion at the end of 2016, net revenues showed strong resistance (+1.2%), costs were controlled and net income Group share grew noticeably (+7.7% [1]). **These results are in line with or even exceed the objectives announced at the time of the public offering.**

The Board of Directors resolved to propose a **cash dividend of €2.20 per share** to the General Shareholders' Meeting to be held on 18 May. This dividend corresponds to a distribution rate of 65% of the net income Group share (based on the number of shares at the end of 2016) and a yield of 4.2% based on the price of the share at closing on 2 February 2017.

4.3.1 Assets under management and net inflows[2]

In € billion	Total excluding *Joint Ventures*	Yearly change *(%)*	*Joint Ventures*	Yearly change *(%)*	Total incl. Joint Ventures	Yearly change *(%)*
Assets under management at 31 December 2015	**912.1**		**72.9**		**985.0**	
Net inflows	37.4		24.8		62.2	
Scope effect*	13.6		-		13.6	
Market effect	20.3		1.5		21.8	
ASSETS UNDER MANAGEMENT AT 31 DECEMBER 2016	**983.5**	**+7.8%**	**99.2**	**+36.1%**	**1,082.7**	**+9.9%**

* *Acquisitions of KBI GI (global equities) and the consolidation of CAI Investors (real estate management).*

Amundi's assets (€1,083 billion at the end of December 2016) increased by 9.9% compared with the end of 2015, driven by high net inflows of €62.2 billion, a favourable market effect (+€21.8 billion) and a positive scope effect (+€13.6 billion) linked to the consolidation of KBI GI (global equities); €8.6 billion of consolidated assets starting from 31 August 2016) and Crédit Agricole Immobilier's real estate management activities (CAI Investors; €5.0 billion consolidated starting on 27 October 2016).

In 2016, the level of inflows was maintained at a high level, due to a good contribution from all client segments: inflows are well divided between Retail (52% of the total) and Institutional (48% of the total). The international segment was particularly dynamic, representing 75% of overall inflows.

4.3.1.1 ASSETS UNDER MANAGEMENT AND INFLOWS BY CLIENT SEGMENT

In € billion	Assets under management		Change 2016/2015	Net inflows	
	2016	2015		2016	2015
Retail excluding Joint-Ventures	207	190	+8.9%	+9.9	+10.2
Joint-Ventures	99	73	+35.6%	+24.8	+31.3
Retail	**306**	**263**	**+16.3%**	**+34.7**	**+41.5**
Sovereign, Corporate, ESR and Other Institutional*	372	325	+14.5%	+29.6	+33.7
CA and SG Insurers	405	398	+1.2%	(2.1)	+4.6
Institutional	**777**	**722**	**+7.5%**	**+27.5**	**+38.3**
TOTAL EXCLUDING JV	**983**	**912**	**+7.8%**	**+37.4**	**+48.5**
TOTAL INCLUDING JV	**1,083**	**985**	**+9.9%**	**+62.2**	**+79.9**

* *Including funds of funds.*

(1) Compared to an adjusted 2015: excluding initial public offering costs of €15 million before taxes for 2015.

(2) Unless otherwise mentioned, all data on assets under management and net inflows in this document include advised and marketed assets, and including 100% of the outstanding managed assets and the inflows of the Asian joint ventures; for Wafa in Morocco, the assets under management are shown for their proportional share.

Retail segment AuM increased by 16.3% in 2016, to €306 billion compared with €263 billion at 31 December 2015. This increase is due to a sustained net inflow of €34.7 billion.

Assets on the Institutional segment grew by 7.5% between 2015 and 2016, from €722 billion to €777 billion. This increase is explained by inflows of +€27.5 billion in 2016.

Analysis of Retail assets under management and net inflows

	Assets under management			Net inflows	
In € billion	2016	2015	Change 2016/2015	2016	2015
French networks	100	102	(2.1)%	(2.6)	(3.6)
International networks	23	21	+6.0%	+0.6	+1.8
Joint-Ventures	99	73	+35.6%	+24.8	+31.3
Third-party distributors	84	66	+27.0%	+11.9	+12.0
RETAIL TOTAL	**306**	**263**	**+16.5%**	**+34.7**	**+41.5**
RETAIL TOTAL EXCLUDING JV	**207**	**190**	**+8.9%**	**+9.9**	**+10.2**

In 2016, **net inflows in the Retail segment (+34.7 billion), remained at a high level**, driven both by higher Joint-Venture activity internationally and strong sales at third-party distributors.

The **France networks** had total net negative inflows but positive (+€2.0 billion) for medium- and long-term assets: After net outflows at the beginning of the year, in a tumultuous market, a recovery took place quarter after quarter. There were strong inflows in terms of Unit-linked and real estate products.

International networks activity was slightly up (+€0.6 billion) with good dynamics in Italy in particular.

In **Joint-Ventures**, net inflows in 2016 continued their strong growth (+€24.8 billion i.e. 40% of Amundi's total inflows), essentially in medium- and long-term assets; it was particularly notable in China and India. Joint-Ventures thus represented 32.4% of Retail assets at end 2016 versus 27.8% at end 2015.

Concerning **Third-party distributors**, the strong sales dynamic was maintained with net inflows that reached +€11.9 billion, an amount almost identical to that of 2015. Inflows were particularly solid in Europe (+€11.2 billion).

Analysis of Institutional assets under management and net inflows

	Assets under management			Net inflows	
In € billions	2016	2015	Change 2016/2015	2016	2015
Sovereign and Other Institutionals[1]	270	238	+13.6%	+16.8	+23.1
Corporate	49	37	+32.4%	+11.8	+9.6
Employee Savings and Retirement	52	50	+3.4%	+1.0	+1.1
Total Institutional, excluding CA and SG Insurers	**372**	**325**	**+14.5%**	**+29.6**	**+33.7**
CA and SG Insurers	405	398	+1.8%	(2.1)	+4.6
TOTAL INSTITUTIONAL	**777**	**722**	**+7.5%**	**+27.5**	**+38.3**

(1) Including funds of funds.

In 2016, net inflows in the institutional segment remained very dynamic and stood at +€27.5 billion, in particular upheld by the Sovereign and other Institutional segments but also by the Corporate segment.

Inflows from the **Sovereign and Other Institutional** [1] segment were at +€16.8 billion. This inflow reflects a strong commercial dynamic, in particular on the Central Banks segment and the non-Group insurers. Geographically, non-France Europe and Japan had a good year.

On the **Corporate** segment, net inflows grew significantly to reach +€11.8 billion due to the success of Treasury products, mostly in France but also to growth in Europe (Germany and Belgium).

The **Employee Savings and Retirement** segment maintained a steady level of activity with net inflows of +€1.0 billion.

Outflow from **Group insurers** (-€2.1 billion) occurred in particular on money market products.

(1) Including funds of funds.

4.3.1.2 ASSETS UNDER MANAGEMENT AND NET INFLOWS BY ASSET CLASS

In € billion	Assets under management		Change	Net inflows	
	2016	2015	2016/2015	2016	2015
Bonds	544[(1)]	498	+9.3%	+22.7	+24.4
Multi-asset	126	117	+8.0%	+7.8	+11.7
Equity	151	125	+20.9%	+9.6	+6.0
Real, Alternative and Structured	76	65	+16.8%	+5.4	+2.5
TOTAL MLT ASSETS	**897**	**804**	**+11.5%**	**+45.5**	**+44.7**
Cash	186*	181	+2.9%	+16.8	+35.2
TOTAL (INCL. JV)	**1,083**	**985**	**+9.9%**	**+62.2**	**+79.9**

(1) The change in assets includes the reclassification of a fund (€14 billion in assets managed) from Treasury to Bonds in the first half of the year.

2016 net inflows were driven by all asset classes.

Medium to long-term (MLT) assets amounted to €897 billion, representing 83% of total AuM, an increase of +11.5% compared with 31 December 2015. Flows were steady throughout the year, with however an acceleration in the second half-year. This growth in assets resulted from strong inflows (+€45.5 billion) in all asset classes. Equity fund management in particular saw major inflows of +€9.6 billion in 2016, up significantly from 2015. Real, alternative and structured asset funds also had a good year with inflows that reached €5.4 billion, driven notably by the success of Amundi on real estate products in France.

Passive management (ETF, index funds and smart beta) was dynamic in 2016 (inflows of +€7.9 billion), due in particular to the success of ETFs (inflows of +€4.2 billion).

Treasury products saw significant inflows (+€16.8 billion with a good contribution from long-term Treasury), lower however than the 2015 record. This asset class represented 17.2% of total AuM at 31 December 2016, versus 18.4% the year before.

4.3.1.3 ASSETS UNDER MANAGEMENT AND NET INFLOWS BY GEOGRAPHIC AREAS

In € billions	Assets under management		Change	Net inflows	
	2016	2015	2016/2015	2016	2015
Europe excluding France	131	102	+28.7%	+17.6	+22.0
Asia	150	118	+27.2%	+27.2	+37.4
Rest of World	29	26	+11.6%	+1.5	+0.5
International Total	**310**	**246**	**+26.1%**	**+46.4**	**59.9**
% total assets under management (incl. JV)	29%	25%			
% total assets under management (incl. JV) excluding France CA and SG Insurers	46%	42%			
France	773	740	+4.5%	+15.9	+20.0
TOTAL (EXCLUDING JV)	**983**	**912**	**+7.8%**	**+37.4**	**+48.5**
TOTAL (INCL. JV)	**1,083**	**985**	**+9.9%**	**+62.2**	**+79.9**

In 2016, international inflows amounted to €46.4 billion representing 75% of inflows for the year (unchanged from 2015) and bringing the international AuM to €310 billion, i.e. 29% of the Group's total assets. International net inflows were evenly balanced among the different geographic areas:

- in Asia (inflow of +€27.2 billion), the Joint-Ventures experienced very dynamic sales (+€24.8 billion);
- in Europe excluding France (+€17.6 billion), inflows were well divided between the different countries in which Amundi is present, with in particular, strong results in Italy, Benelux and Germany over different distribution channels. Note the positive scope effect resulting from the consolidation of KBI GI (€8.6 billion in consolidated assets from 31 August 2016).

4.3.2 Consolidated income statement

In € millions	2016	2015	2015[1] adjusted	2016 vs.2015 adjusted
Net asset management revenues	1,625	1,603	1,603	+1.4%
Net financial income	72	76	76	(6.0)%
Other net income	(20)	(23)	(23)	(14.9)%
Net revenue	**1,677**	**1,657**	**1,657**	**+1.2%**
Operating expenses	(878)	(883)	(869)	+1.1%
Gross operating income	**800**	**774**	**788**	**+1.4%**
Cost of risk	(1)	(7)	(7)	ns
Share of net income of equity-accounted entities	28	25	25	+13.0%
Net gains (losses) on other assets	-	14	14	ns
Pre-tax income	**828**	**806**	**821**	**+0.8%**
Income tax charge	(258)	(286)	(292)	(11.4)%
Net income for the fiscal year	**569**	**520**	**529**	**+7.6%**
Non-controlling interests	(1)	(1)	(1)	ns
Net income, Group share	**568**	**519**	**528**	**+7.7%**
Cost-income ratio	*52.3%*	*53.3%*	*52.4%*	*(0.1) pt*
Per share data *(in €)*:				
Earnings per share *(in €)*	3.40	3.11	3.16	+7.3%
Dividend per share	2.20[2]	2.05	2.05	+7.3%

(1) 2015 adjusted: excluding initial public offering costs of €15 million before taxes for 2015.
(2) proposed to the General Shareholders'Meeting of 18 May 2017.

In 2016, net income Group share totalled €568 million, representing strong growth of 7.7% compared with 2015 [1], due in particular to the following changes:

- **net revenue** that held up well to grow by 1.2% to €1,677 million, in a difficult market environment in 2016;
- good control of **operating expenses** (+1.1% compared to 2015[1]), which evolved in line with net revenues. Consequently, the cost-to-income ratio was nearly stable (52.3%) and **gross operating income** grew by 1.5% compared with 2015[1];
- a notable reduction in the **tax rate**, linked to the reduction in the tax rate in France.

(1) 2015 adjusted: excluding initial public offering costs of €15 million before taxes for 2015.

4.3.3 Net revenue

In € millions	2016	2015	2016 vs.2015
Net asset management revenues	1,625	1,603	+1.4%
Net financial income	72	76	(6.0)%
Other net income	(20)	(23)	(14.9)%
NET REVENUE	**1,677**	**1,657**	**+1.2%**

Net revenues in 2016 reached €1,677 million, up 1.2% over 2015. This increase mainly stems from growth of 1.4% in **net asset management revenues**, which benefited from an increase in assets under management and a positive scope effect (+€11 million). This growth more than offset the decline in financial income.

4.3.3.1 NET ASSET MANAGEMENT REVENUES

In € millions	2016	2015	2016 vs.2015
Net fee and commission income	1,510	1,466	+3.1%
Performance fees	115	138	(16.7)%
NET ASSET MANAGEMENT REVENUES	**1,625**	**1,603**	**+1.4%**

Net asset management revenues showed strong resistance with growth of 1.4%, under the effect of an increase in **net fees and commissions** (+3.1%) linked to the increase in assets under management. **Performance fees** on the other hand were down by 16.7%, in a market context that was less favourable in 2016, in particular for medium- to long-term assets.

4.3.3.2 NET FEE AND COMMISSION INCOME AND MARGINS BY CLIENT SEGMENT

In € millions	2016	2015	2016 vs.2015
Retail			
Net fee and commission income	981	958	+2.4%
Average AuM excluding JV	191,299	194,031	(1.4)%
Margin	51.3 bp	49.4 bp	+1.9 bp
Institutional excluding CA and SG Insurers			
Net fee and commission income	388	363	+6.7%
Average AuM excluding JV	342,811	315,132	+8.8%
Margin	11.3 bp	11.5 bp	(0.2) bp
CA and SG Insurers			
Net fee and commission income	142	144	(1.8)%
Average AuM excluding JV	407,593	399,176	+2.1%
Margin	3.5 bp	3.6 bp	(0.1) bp
NET FEES AND COMMISSIONS TOTAL	**1,510**	**1,466**	**+3.1%**
Average AuM excluding JV	941,704	908,340	+3.7%
Margin on average assets excluding JV	16.0 bp	16.1 bp	(0.1) bp
Margin on average assets excluding JV, excluding CA and SG Insurers	25.6 bp	25.9 bp	(0.3) bp

In 2016 net fees and commissions were up (+3.1%), and the margins on average assets (excluding JV) resisted well, being almost stable (16.0 bp):

- net fees and commissions in the Retail segment (€981 million) were up (+2.4%) compared with 2015, due to an improvement in the asset mix (increase in assets of real estate products);
- net fees and commissions on Institutional excluding CA and SG Insurers (€388 million) increased noticeably, by +6.7% over 2015, compared with an increase in average assets of 8.8%; continuing the trend observed in 2015, Institutional margins continued to decline in 2016, but to a lesser extent;
- net fees and commissions on the CA and SG Insurers segment (€142 million) declined slightly (-1.84%) over 2015. The margin remained almost stable, and the product diversification (notably real estate) is bearing fruit.

4.3.3.3 PERFORMANCE FEES BY ASSET CLASS

In € millions	Performance fees 2016	Performance fees 2015	Change 2016/2015	AuM eligible for performance fees in € billions 2016	AuM eligible for performance fees in € billions 2015	Change 2016/2015
Fixed Income (including Treasury)	96	68	+41.2%	167	150	+12.0%
Other asset classes	19	70	(72.9)%	56	49	+13.9%
TOTAL	**115**	**138**	**(16.7)%**	**223**	**199**	**+12.4%**

Performance fees fell but are still at a high level, in a market context that is less favourable in 2016, and with more contrasted management performances. They represented 7.1% of net management revenues compared with 8.6% in 2015. Commissions on interest rate products increased. Eligible assets now represent €223 billion, or 20.6% of total AuM compared with 20.2% in 2015.

4.3.4 Operating expenses

In € millions	2016	2015	2015 adjusted[(1)]	Change 2016 vs.2015[(1)]
Employee expenses	(557)	(565)	(561)	(0.7)%
Other operating expenses	(320)	(318)	(308)	+3.9%
OPERATING EXPENSES	**(878)**	**(883)**	**(869)**	**+1.1%**

In 2016 Amundi maintained good control of **operating expenses** (+1.1% compared to 2015 [(1)]), which evolved in line with net revenues. Excluding costs related to acquisitions (KBI GI and Pioneer), these expenses were stable, reflecting the continuing optimisation efforts. Compared to an unadjusted 2015, operating expenses were down.

Employee expenses were down slightly, by -0.7%, despite the addition of employees from companies acquired in 2016, due to the reduction in employees (at constant scope) and control of variable compensation.

Operating expenses represented only 9.3 basis points on average AuM excluding JVs in 2016, compared to 9.7 basis points in 2015.

(1) 2015 adjusted: excluding initial public offering costs of €15 million before taxes for 2015.

4.3.5 Gross operating income and cost-income ratio

In € millions	2016	2015	2015 adjusted[(1)]	Change 2016 *vs.* 2015[(1)]
Net revenues (a)	1,677	1,657	1,657	+1.2%
Operating expenses (b)	(878)	(883)	(869)	+1.1%
GROSS OPERATING INCOME	**800**	**774**	**788**	**+1.4%**
Cost-income ratio (b)/(a) (%)	*52.3%*	*53.3%*	*52.4%*	*(0.1) pt*

Gross operating income grew by 1.4% over 2015 [(1)] to €800 million. This increase is in line with the growth in net revenues and resulted in the slight improvement in the cost-to-income ratio, which fell slightly from 52.4% in 2015[(1)] to 52.3% in 2016. Compared to an unadjusted 2015, this cost-to-income ratio was up by one point.

4.3.6 Other income statement items

The **cost of risk** (-€1 million) is significantly down (-€7 million in 2015) due to a favourable change in provisions for disputes.

The **share of net income of equity-accounted entities** totalled €28 million, up by 13% compared to 2015 due to the growth in joint-venture activity, in particular in China.

The **gains on other assets** were negligible in 2016. As a reminder, in 2015 these gains totalled €14 million.

After accounting for non-controlling interests and for the **tax charge** that amounted to €258 million in 2016 (due in particular to the drop in the tax rate in France) compared with €292 million in 2015[(1)], **net income Group share amounted to €568 million, a sharp rise of 7.7%** compared with 2015 adjusted for IPO costs.

Earnings per share (€3.40 per share) followed a similar trajectory to net income Group share (+7.3% compared with 2015 adjusted for IPO costs).

(1) 2015 adjusted: excluding initial public offering costs of €15 million before taxes for 2015.

4.4 AMUNDI CONSOLIDATED BALANCE SHEET

Assets

In € millions	31/12/2016	31/12/2015	Change 2016/2015
Cash, central banks	0	0	(4.4)%
Derivative instruments	2,192	2,036	+7.7%
Financial assets designated at fair value through profit and loss	4,055	3,548	+14.3%
Available-for-sale financial assets	1,923	1,479	+30.0%
Loans and receivables due from credit institutions	513	739	(30.6)%
Current and deferred tax assets	111	107	+3.4%
Accruals, prepayments and sundry assets	1,645	1,743	(5.7)%
Investments in equity-accounted entities	169	126	+34.4%
Property, plant and equipment	41	44	(7.2)%
Intangible assets	108	111	(3.0)%
Goodwill	3,162	2,999	+5.4%
TOTAL ASSETS	**13,918**	**12,932**	**+7.6%**

Equity and liabilities

In € millions	31/12/2016	31/12/2015	Change 2016/2015
Derivative instruments	2,092	1,981	+5.6%
Financial liabilities designated at fair value through profit and loss	3,135	1,879	+66.8%
Due to credit institutions	95	461	(79.4)%
Current and deferred tax liabilities	87	79	+9.6%
Accruals, deferred income and sundry liabilities	1,792	2,037	(12.0)%
Provisions	73	81	(10.7)%
Equity, Group share	6,644	6,407	+3.7%
Share capital and reserves	*1,570*	*1,543*	*+1.8%*
Consolidated reserves	*4,432*	*4,304*	*+3.0%*
Unrealised or deferred gains or losses	*75*	*42*	*+78.8%*
Net income, Group share	*568*	*519*	*+9.6%*
Non-controlling interests	0	7	(95.0)%
TOTAL EQUITY AND LIABILITIES	**13,918**	**12,932**	**+7.6%**

4.4.1 Main changes in the consolidated balance sheet

At 31 December 2016, the balance sheet total was €13.9 billion compared with €12.9 billion at 31 December 2015. This change is mainly explained by an increase in assets and liabilities designated at fair value through profit and loss, relating to the EMTN assets issued to Retail customers for €1.3 billion.

Asset-side derivative instruments represented €2,192 million at 31 December 2016 (vs. €2,036 million at 31 December 2015), up 7.7% 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.

Liabilities-side derivative instruments represented €2,092 million at 31 December 2016 (vs. €1,981 million at 31 December 2015), also up +5.6% on the 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 €4,055 million at 31 December 2016 versus €3,548 million at 31 December 2015, up 14.3%. They mostly comprised:

- assets backing EMTN issues (measured symmetrically at optional fair value through profit and loss), in the amount of €3,057 million at 31 December 2016 versus €1,843 million at 31 December 2016, significantly higher (+65.9% in 2016/2015) due to growth of business. These hedging assets are: Bonds issued by Crédit Agricole S.A. and OPCI units held by Amundi Finance Emissions and term deposits with LCL subscribed by LCL Emissions;
- investments in *seed money* (€355 million at 31 December 2016 versus €592 million at 31 December 2015);
- and short-term discretionary investments (€642 million at 31 December 2016 versus €1,114 million at 31 December 2015).

Financial liabilities designated at fair value through profit and loss in the amount of €3,135 million at 31 December 2016 versus €1,879 million at 31 December 2015, up 66.8%, 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 €1,923 million at 31 December 2016, versus €1,479 million at 31 December 2015, a rise of 30%. 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 change in non-consolidated equity in associates (from €252 million at 31 December 2015 to €351 million at 31 December 2016) was due to the increase in Amundi’s minority investment under partnerships entered into with management companies such as IM Square and the revaluation of certain equity investments in the Tikehau Group.

The short-term investment portfolio consists chiefly of discretionary investments in long assets (€1,525 million at 31 December 2016 versus €1,094 million at 31 December 2015, up 39.5%) as well as in seed money (€47 million at 31 December 2016 versus €134 million at 31 December 2015, down 65.1%).

In summary, the breakdown of the investment portfolio between seed money and discretionary investments by asset class over the last two years is as follows:

31/12/2016 *In € millions*	Asset class Money market	Bonds	Shares and diversified	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**

31/12/2015 *In € millions*	Asset class Money market	Bonds	Shares and diversified	Other	Total
Seed money	326	106	127	165	725
Voluntary investments	852	1,240	61	55	2,207
TOTAL	**1,178**	**1,346**	**188**	**220**	**2,932**

The seed money investments of money market funds in foreign currencies at 31 December 2015 were repaid in 2016, in light of the initial commercialisation of these money market funds. Investments in seed money excluding money market funds were stable compared to the end of 2015.

Loans and receivables from credit institutions were €513 million at 31 December 2016 versus €739 million at 31 December 2015, down (30.6)%, mostly reflecting the decrease in the amount of required reserves and short-term cash and the repayment of a portion of a medium-term loan to Crédit Agricole S.A. This item mainly includes transactions with Crédit Agricole Group. At 31 December 2016, they broke down into €463 million of short-term deposits and cash and €50 million of medium/long-term loans maturing in 2017.

Liabilities to credit institutions totalled €95 million at 31 December 2016 versus €461 million at 31 December 2015, down 79.4%. This major reduction is linked to the repayment of loans contracted with Crédit Agricole S.A. to finance money market seed money that was repaid in 2016 (see above). They are mainly due to Crédit Agricole Group. At 31 December 2016, these included short-term borrowings of €46 million and medium- and long-term borrowings of €49 million.

Accruals, prepayments and sundry assets were €1,645 million at 31 December 2016 versus €1,743 million at 31 December 2015, down 5.7%. This item includes collateral given in connection with Amundi's swaps brokerage business of €949 million (versus €1,074 million at 31 December 2015) and other accruals, prepayments and sundry assets of €695 million (versus €669 million at 31 December 2015), mainly in accrued management fees and performance fees.

Accruals, deferred income and sundry liabilities were €1,792 million at 31 December 2016 versus €2,037 million at 31 December 2015, down 12.0%. This item includes collateral received in connection with the brokerage business of €742 million (versus €1,074 million at 31 December 2015) and other accruals, deferred income and sundry liabilities of €1,050 million (versus €963 million at 31 December 2015), mainly in accrued commissions payable to distributors.

Goodwill totalled €3,162 million at 31 December 2016 versus €2,999 million at 31 December 2015, up 5.4%. The change for the period is due to the goodwill recognised upon the acquisition of KBI and Crédit Agricole Immobilier Investors and to the translation effects from goodwill denominated in foreign currencies.

Goodwill includes the following principal items:

- the goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003, for €378 million;
- the goodwill allocated to the asset management business in 2004 upon Crédit Agricole S.A.'s acquisition of Crédit Lyonnais, for €1,733 million;
- the goodwill recognised upon the transfer of Société Générale's asset management business to Amundi in December 2009, for €709 million;
- goodwill related to the acquisition of KBI Global Investors in August 2016, for €134 million.

The Group's shareholders'equity including earnings for the period ended 31 December 2016, were €6,644 million versus €6,407 million at 31 December 2015, up 3.7%.

The net positive change of €238 million largely equals the net of the following items:

- Amundi dividends declared for 2015 in the amount of €343 million;
- the capital increase resulting from the acquisition of Crédit Agricole Immobilier Investors for €29 million;
- net income for the period of +€568 million;
- the change in "unrealised or deferred gains and losses" of +€33 million.

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:

In € millions	31/12/2016	31/12/2015
Formula funds	12,042	13,138
Constant proportion portfolio insurance (CPPI) funds	3,839	4,027
Other guaranteed funds	1,606	985
TOTAL OFF-BALANCE SHEET COMMITMENTS	**17,487**	**18,150**

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 Economic statement of financial position

Amundi's total assets amounted to €13.9 billion at 31 December 2016. In order to analyse the Group's financial position from the economic point of view, Amundi presents below 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 €7.7 billion after aggregation and netting:**

Economic assets *In € millions*	**31/12/2016**	**Economic equity and liabilities** *In € millions*	**31/12/2016**
Property, plant and equipment	41	Equity net of intangible assets and goodwill	3,375
Investments in equity-accounted entities	169		
Investment portfolio and non-consolidated equity investments	2,921		
- investments	*2,570*		
- non-consolidated equity holdings	*351*		
Net cash position and MLT loans	418		
Derivative brokerage activity (incl. cash collateral)	208	Provisions	73
Assets representing structured EMTNs	3,158	Structured EMTN issues	3,135
Accruals, prepayments and sundry assets	806	Accruals, deferred income and sundry liabilities	1,138
TOTAL ECONOMIC ASSETS	**7,720**	**TOTAL ECONOMIC EQUITY AND LIABILITIES**	**7,720**

Amundi benefits from a solid financial structure that may be analysed as follows:

Liabilities presented on an economic basis (figures at 31 December 2016):

- **shareholders'equity** of €6,644 million or €3,375 million after deducting goodwill (€3,161 million) and intangible assets (€108 million) recognised in assets; shareholders'equity rose between 2015 and 2016 through incorporation of undistributed earnings;
- **structured EMTNs** deemed as at fair value, hedged by a portfolio of assets with similar risk characteristics, in the amount of €3,135 million;
- other sundry liabilities of €1,138 million, comprising accrual adjustments and tax liabilities.

Assets presented on an economic basis (figures at 31 December 2016):

- a **portfolio of short-term investments** €2,570 million consisting, at 31 December 2016, of a portfolio of seed money (€402 million, or €401 million excluding money market funds) and a portfolio of voluntary investments (€2,168 million, or €1,696 million excluding money market funds), both invested mainly in funds managed by Amundi;
- **unconsolidated equity holdings** of €351 million;
- the **net cash and medium-to-long-term loans position** of €418 million;
- the **asset portfolio** at fair value of €3,158 million to **hedge the EMTNs issued**;
- the **net position related to brokerage of swaps**. In this activity, the fair value of derivative assets is matched by the fair value of derivative liabilities. However, only transactions with market counterparties are collateralised, thus generating a liquidity position that is dependent on the fair value of the underlying transactions. At 31 December 2016, this meant a net lending position of €208 million;
- **other sundry assets** of €806 million, comprising accrual adjustments and tax assets;
- **other non-current assets** of €210 million, mainly comprising €169 million of investments in associates and €41 million of property, plant & equipment.

In view of this solid financial position, on 15 December 2016 the rating agency Fitch renewed the A+ with stable outlook rating (after the announcement of the project to acquire Pioneer Investment).

4.5 NET FINANCIAL DEBT

Amundi's financial position at 31 December 2016 was, just like at 31 December 2015, a net lending position, as the following table shows:

In € millions	31/12/2016	31/12/2015
a. Net cash	416	596
b. Voluntary short-term investments *(excluding seed money)* in money market funds and short-term bank deposits	506	892
c. Voluntary short-term investments *(excluding seed money)* in fixed income funds	1,271	1,240
d. Liquidity (a+b+c)	**2,193**	**2,728**
e. Position net of margin calls on derivatives	**208**	**1**
Debited to balance sheet	*949*	*1,074*
Credited to balance sheet	*742*	*1,073*
f. Short-term liabilities to credit institutions	37	362
g. Current portion (<1 year) of medium and long-term debt to credit institutions	49	49
h. Current (<1 year) financial liabilities to credit institutions (f+g)	**86**	**411**
i. Long-term portion (>1 year) of medium and long-term debt to credit institutions	0	49
j. Non-current financial liabilities to credit institutions	**0**	**49**
K. NET FINANCIAL DEBT (H+J-D-E)	**(2,315)**	**(2,267)**

(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.

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 2016 for a period of one year. 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 2016: a minimum level of tangible shareholders' equity and a gearing ratio, being the ratio of net debt to tangible shareholders' equity.

Note that at 31 December 2016, Amundi's LCR (Liquidity Coverage Ratio, for one month of cash needs under a stress situation) was 159%.

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 had to comply with set levels for this ratio as from 1 October 2015 and the minimum threshold was changed to 70% on 1 January 2016.

Amundi manages its LCR, which includes the 20 biggest Amundi entities, according to a target of over 100%.

4.6 FREE CAPITAL

Amundi's capital significantly exceeds regulatory requirements governing credit institutions as presented in the section 5.5 of this Registration Document, "Solvency and capital adequacy". In addition, Amundi has adopted a prudent policy regarding the financing of its equity investments and seed money, which it funds primarily from its own capital.

Amundi measures the Group's surplus capital using an indicator that it calls "free capital". Free capital equals net tangible equity less (i) the adjusted regulatory capital requirement, (ii) the carrying amount of equity investments and (iii) the run-rate amount of non-money-market seed money:

- ***net tangible equity[1]:*** equity Group share after deduction of goodwill and other intangible assets;
- ***adjusted regulatory capital requirement:*** this indicator is based on a CET1 (Common Equity Tier 1) ratio of 10% applied to Risk-Weighted Assets (RWAs) after deduction of RWAs relating to non-money-market seed money, equity investments and voluntary investments (corresponding to the investment of the Group's equity), and after taking into account deductions from regulatory capital under applicable regulations. RWAs relating to non-money-market seed money and equity investments are excluded from the adjusted regulatory capital requirement calculation because the net tangible equity used to finance them is directly deducted in the free capital calculation. For information purposes, the unadjusted regulatory capital requirement, based on a CET1 ratio of 10%, was €877 million at 31 December 2016;
- ***equity investments:*** these are non-consolidated investments in financial institutions (mainly Resona) and in entities accounted for under the equity method;
- ***run-rate amount of non-money market seed money:*** Management believes that, given the rate at which Amundi launches new funds in normal market conditions, Amundi should maintain a level of seed-money investment (excluding money-market funds) between €600 million and €800 million. The middle of the range, that is, €700 million, was assumed in calculating the following table. At 31 December 2016, non-money market seed-money was €401 million.

The table below sets out the calculation of Amundi's free capital at 31 December 2016:

Free capital *In € millions*	**31/12/2016**	**31/12/2015**
Equity (Group share)	**6,644**	**6,407**
-Goodwill	(3,162)	(2,999)
-Intangible assets	(108)	(111)
Net tangible equity (Group share)	**3,375**	**3,297**
-Adjusted regulatory capital requirement	(687)	(676)
-Equity investments	(520)	(378)
-Non-money-market seed money (run-rate)	(700)	(700)
Free capital	**1,468**	**1,544**

Amundi's free capital may be used to finance acquisitions, and also is available to support of the Group's distribution policy.

4.7 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 2016.

Moreover, in accordance with the provisions of paragraph 13 of Article L. 225-102 of the French Commercial Code, the Chairman's report as it appears in Part 2.1 of this Registration Document lists the L.-225-38 agreements signed during the period and submitted to the General Shareholders' Meeting for approval. The special report of the Statutory Auditors dated 3 March 2017 incorporated into this Registration Document in part 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 Shareholders' Meeting.

(1) The terms "tangible equity" and "net tangible assets" are equivalent.

4.8 INTERNAL CONTROL

As required by the French Financial Security Act of 1 August 2013, the Chairman of the Board of Directors must describe, in a report accompanying the management report, the conditions of preparation and organisation of the Board's work and the internal control procedures implemented by the Company, on a consolidated basis.

This report, which is published in the manner set forth by the *Autorité des marchés financiers* (AMF) and incorporated into this Registration Document (chapter 2, Chairman's report), contains two parts:

- part I deals with the work of Amundi's Board of Directors;
- part II contains information on the organisational principles underpinning the internal control systems and the risk management and monitoring procedures in effect within Amundi group. It contains descriptions of the systems for managing the risk of non-compliance and for periodic control.

4.9 RECENT TRENDS AND OUTLOOK

Financial market outlooks for 2017[(1)]

The year 2017 opens on themes such as the increase in long-term interest rates, risks on emerging markets, the great return of budgetary policies, risks on world commerce and the rise of protectionism, the limits of monetary policies, political risks in Europe (elections, Brexit) and geopolitical risk.

The 2017 2018 scenario is based on ten key ideas:

1. the expansion cycle will continue in the main advanced countries but at a slow rhythm;
2. an extension of the economic cycle in the United States, not a new growth cycle;
3. whether in the advanced countries or the emerging countries, growth will be fuelled by consumption; investment will be conspicuously absent and world commerce is no longer a growth engine;
4. Brazil and Russia will come out of recession, an advantage for growth in emerging countries;
5. domestic demand will remain the cornerstone of economies (both advanced and emerging);
6. in 2017 and 2018 the Chinese authorities will lead an orderly slowdown of their economy despite increased vulnerability (real estate bubble, unsustainable medium-term private debt);
7. the price of commodities will be stable at a level slightly higher than their current level ($55 for example for a barrel of Brent);
8. the resurgence of inflation linked to the base effect will be temporary and the monetary policies remain ultra accommodating;
9. the Fed will continue its monetary tightening, reconstitute some margins of manoeuvre but will still be in a phase of normalisation;
10. the outlooks to the 2018 Horizon will depend on the ability of governments to rebalance their policy mix focusing even more on budgetary policy.

It is undeniable that the negotiations surrounding Brexit, Chinese policies (economic policy but especially exchange-rate and capital account opening policy), the limits of monetary policies or the outlooks for changes of budgetary and fiscal policy orientation, the change of leadership in the US and the coming elections in Europe are of a nature to seriously change the current trends.

2017 is thus a critical year for financial markets, in particular for long-term rates.

(1) Text drafted in January 2017.

Medium- and long-term outlooks for Amundi

At the time of its initial public offering in November 2015, Amundi presented its strategic outlooks for the 2016–2019 period; these included assumptions of market levels and sensitivity simulations. These **strategic objectives** were essentially founded on organic growth: net inflows of €40 billion on average per year, average annual growth in net earnings per share of 5%, a cost-to-income ratio below 55%. These objectives are confirmed on the basis of the scope at 31 December 2016.

The envisaged acquisition of **Pioneer Investments** (announced on 12 December 2016), will significantly change Amundi's profile. Its strategic objectives will thus be re-evaluated after the completion of the acquisition of Pioneer Investments, planned for the first half of 2017.

This acquisition of Pioneer Investments will significantly strengthen Amundi's industrial project and will further support its position as European leader in asset management. This transformative transaction will **strongly create value**: due to its annual synergies of approximately €180 million (pre-tax), fully realised in three years, it should be relutive on the per-share earnings of Amundi by around 30% [(1)], including the full annual effect of synergies and excluding integration costs. The three-year return on investment of this acquisition is in line with Amundi's 10% objective.

The maintenance of its distribution policy has moreover been indicated: the dividend should represent at least 65% of the annual net income (prior to integration costs).

4.10 ANALYSIS OF AMUNDI (PARENT COMPANY) RESULTS

In 2016, Amundi's net banking income was €333 million versus €506 million in 2015. This change over the exceptional 2015 level is explained mainly by a €184 million decrease in revenues from shares, including €182 million in dividends received from Amundi's subsidiaries. In addition, net gains on the investment portfolio were up by €12 million.

The net interest income is down by €3 million, primarily due to lower yields on cash investments and to expenses related to the financing line established at the same time as the initial public offering.

In 2016, Amundi recognised €29 million in operating expenses, slightly higher than in 2015, chiefly due to costs related to Amundi's acquisition of Pioneer.

In view of these items, gross operating income totals €304 million in 2016, down by €181 million compared to the 2015 financial year.

Since "cost of risk" and "net income/loss on non-current assets" were zero, pre-tax income on ordinary activities was €304 million.

Income taxes were -€5 million. This expense mainly breaks down into the following items:

- the Amundi tax expense taken individually for €10 million (essentially linked to the tax on dividends);
- a net tax income for the tax consolidation for €5 million.

At 31 December 2016, 17 companies had signed a tax consolidation agreement with Amundi.

In total, Amundi's net income for the period was a profit of €299 million in 2016, compared with €461 million in 2015.

(1) The relutive effect on the 2017 EPS is calculated by adding the full annual effect of the synergies prior to taxes (approximately €180 million), excluding the amortisation of intangible assets and costs of integration.

4.11 FIVE-YEAR AMUNDI (PARENT COMPANY) RESULTS

In € thousands	31/12/2012	31/12/2013	31/12/2014	31/12/2015	31/12/2016
Share capital at end of year *(in €)*	416,979,200	416,979,200	416,979,200	418,113,093	419,813,673
Shares issued	166,791,680	166,791,680	166,791,680	167,245,237	167,925,469
Operations and results for the year *(in €)*					
Net banking income	318,001	324,844	278,983	505,675	333,048
EBITDA	306,821	331,856	269,250	484,742	304,215
Income tax charge	(22,633)	(37,902)	(53,138)	(23,558)	(5,078)
Earnings after tax, depreciation and provisions	284,315	293,954	216,112	461,179	299,126
Earnings distributed	266,867	225,169	243,516	342,853	369,436
Per share data *(in €)*					
Earnings after tax but before depreciation and provisions	1.71	1.76	1.30	2.76	1.78
Earnings after tax, depreciation and provisions	1.70	1.76	1.30	2.76	1.78
Dividends per share	1.60	1.35	1.46	2.05	2.20
Employees					
Average number of employees	16	16	14	10	10
Payroll during the year *(in € thousands)*	2,650	1,779	1,814	2,287	745
Employee benefits and social contributions paid during the financial year (social charges and taxes) *(in thousands of euros)*	878	839	486	492	536

4.12 INFORMATION ON AGING OF ACCOUNTS PAYABLE

Under Article L. 441-6-1 of the French Commercial Code, companies whose separate financial statements are certified by a Statutory Auditor are required to disclose in their management report the net amounts due to suppliers by due date, in accordance with the terms and conditions set out in Article D. 441-4 of Decree No. 2008-1492.

Aging of accounts payable

In € thousands	31/12/2016	31/12/2015
Overdue	**108**	**2**
Not yet due	**1,909**	**788**
< 30 days	1,909	788
> 30 days < 45 days		
> 45 days		
TOTAL	**2,017**	**790**

05

Risk management and capital adequacy

5.1 KEY FIGURES/RISK PROFILE

	31/12/2016	31/12/2015
AuM including JVs *(in € billions)*	**1,082.7**	**985.0**
AuM excluding joint ventures	983.5	912.1
AuM joint ventures	99.2	72.9
Equity, Group share *(in € millions)*	**6,644**	**6,407**
Regulatory capital *(in € millions)*	**2,790**	**2,662**
o/w Tier 1 capital (CET 1 + AT1)	2,790	2,662
o/w Common Equity Tier 1 capital (CET 1)	*2,790*	*2,662*
o/w Tier 2 capital	0	0
Total risk-weighted assets *(in € millions)*	**7,424**	**7,310**
o/w credit risk	5,332	5,210
o/w effect of threshold allowances	*932*	*860*
o/w CVA effect	*453*	*477*
o/w market risk	0	0
o/w operational risk	2,092	2,100
Overall capital ratio	**37.60%**	**36.41%**
Investment portfolio *(in € million)*	**2,570**	**2,932**
o/w money market	473	1,178
o/w fixed income	1,396	1,346
o/w equities and multi-asset	423	188
o/w other	278	220

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 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 depends largely on the distribution networks of its partners, including the Crédit Agricole and Société Générale networks, for which agreements were renewed in November 2015 for five years.
  - 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 unfavorable 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. Such support may necessitate the use of capital and require Amundi to utilise liquidities to address the needs of the fund 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 exposes it to a variety of risks (e.g., operational, regulatory, political and currency) that the Group can only partly 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 by incidents occurring outside the Group or by the failure of internal procedures. 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 Risks borne by Amundi for its own account

5.2.3.1 CHANGES IN THE VALUE OF THE FINANCIAL 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 SUBJECT TO RISKS RELATED 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 SUBJECT TO CREDIT AND COUNTERPARTY RISKS RELATED TO ITS ISSUANCE 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 real estate fund shares quickly enough to generate liquidity to fund the redemption requests, particularly in times of market disturbances.

The system for measuring and managing these risks is described in section 5.4.3.2 “Issues of structured EMTNs”.

5.2.3.4 AMUNDI IS SUBJECT 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 PERVASIVE 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.

(1) Regulation of the Amundi Group’s activities falls into two main categories:

*1/ **regulation relating to asset management:** the principle regulations are Directive 2004/39/EC on markets in financial instruments (“MiFID”), for portfolio management and investment advisory, and Directives 2014/91/EU and 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”), for management of funds and other collective investment undertakings.*

*2/ **regulation relating to banking regulations:** this is principally Directive 2013/36/EU of 26 June 2013 on 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”.*

In addition, certain Amundi entities, as authorised credit institutions, 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, time-consuming and may affect Amundi's growth.

Key regulatory reforms that may impact Amundi include:

- *transparency requirements that* will 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 will restrict the ability of parties providing independent investment advice from paying or receiving research from third parties;
- *new money market fund requirements* that include rules relating to asset diversification, liquidity and transparency, as well as stress testing procedures *and* reporting;
- *increased reporting requirements that* will require Amundi to invest in new and enhanced information technology and reporting tools and that are likely to increase Amundi's costs.

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.

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 2015-1024 of 20 August 2015 making various changes to adapt legislation to EU law in financial matters, transposing into French law the European Directive establishing a framework for recovery and resolution of banks and certain investment companies under the single resolution mechanism and a single bank resolution fund, grants the resolution authorities their powers relating to the resolution of credit institutions.

Under these powers the resolution authority can initiate a resolution procedure against a credit institutions when:

- the failure of the institution or its group is confirmed or likely;
- there is no reasonable prospect of 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 normal 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 state's resources by minimising recourse to exceptional publicly funded bailouts, and (iv) to protect the funds and assets of customers, particularly depositors.

Insofar as Amundi is regulated as a credit institution, the resolution authorities could start a resolution proceeding against it if the Company were to face financial difficulties that might justify the opening of such a proceeding or if the viability of the Company or the Group depended on it. The outstanding shares of the Company could be diluted by the conversion of other capital or debt instruments, cancelled or transferred, depriving shareholders of their rights. Even before the Company's resolution, if its financial condition were to deteriorate significantly, the risk of a potential cancellation or dilution of its shares could have a material adverse effect on the market value of such shares.

5.2.4.3 AMUNDI MAY BE SUBJECT TO TAX RISKS

As an international group doing business in several countries, Amundi has structured its commercial and financial activities in light of diverse regulatory requirements and its commercial and financial objectives. Since tax laws and regulations in the various jurisdictions in which Amundi companies are located or operate 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 countries in which Amundi companies are located or operate may result in reassessments, late payment interests, fines and penalties.

Furthermore, 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 and European initiatives. The occurrence of any of the preceding factors may result in an increase in the tax burden of Amundi and have a material adverse effect on its business, results of operations or financial condition.

5.2.4.4 NEW TAX REPORTING REQUIREMENTS RESULTING FROM THE GLOBAL FIGHT AGAINST TAX EVASION WILL SUBJECT AMUNDI TO ADDITIONAL ADMINISTRATIVE BURDENS

Like all other financial institutions, Amundi is required to comply with recently adopted reporting requirements, and will in the future be required to comply with new requirements, which are part of 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.

5.2.4.5 NEW TAX LEGISLATION, IN PARTICULAR THE PROPOSED EUROPEAN FINANCIAL TRANSACTIONS TAX, COULD HAVE A MATERIAL ADVERSE EFFECT ON AMUNDI'S BUSINESS

Amundi's businesses, like those of other European asset management companies, may be affected by new tax legislation or regulations, or the modification of existing tax laws and regulations. Specifically, the European Union's proposed tax on financial transactions (the "EU FTT") could, if introduced in its current draft form, apply to certain dealings in Amundi's financial instruments and products, and to the operations of funds managed by Amundi.

Such taxes could increase the transaction costs associated with purchases, redemptions and sales of financial instruments and products of Amundi and could reduce the liquidity of the market for such financial instruments and products. They could also significantly impact the costs borne by Amundi's funds or require fund managers to change their investment strategies, which could have an impact on fund performance.

The system for managing regulatory risks is described in section 5.4.5 "Risks across business lines".

As of **31 December 2016**, 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.

5.2.5 Risks for Amundi's organisation

Amundi's operations and strategy are subject to the influence of the Group's principal shareholder

Following the listing of the Company's shares on the Euronext Paris market, Crédit Agricole S.A. remains the majority shareholder of Amundi and retains control (percentage control at 31.12.2016: 75.6%, percentage voting rights at 31.12.2016: 75.7%). 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.

Amundi has significant commercial relationships with its principal shareholder and its group

Amundi has commercial relationships with companies in the Crédit Agricole group. The Crédit Agricole group is a distributor of Amundi's financial products, a lender and borrower, 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 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. The governance of risk management is mainly organised around the following committees:

INTERNAL CONTROL COMMITTEE

The Internal Control Committee is jointly chaired by Amundi's Head of Steering and Control and the Head of Control and Audit at Crédit Agricole Group, Amundi's majority shareholder. Its role is to ensure that the internal control system is coherent, effective and comprehensive and to coordinate Periodic Control, Permanent Control, Risk Control and Compliance Control activities. It is made up also of the Head of Risk Management, the Head of Compliance and the Director of Amundi's Audit Inspection.

The Committee meets half-yearly in order to:

- assess the internal control plan and the control system implemented;
- examine the major risks of any kind to which Amundi is exposed and the changes made to the risk measurement and performance measurement systems;
- make any decision necessary to remedy the weaknesses of the internal controls;
- monitor the execution of the decisions made as a consequence of internal and external audits;
- decide the 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 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 the Head of Steering and Control.

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:

- approve management strategies and investment processes;
- approve the methodologies for calculating risk indicators;
- approve credit and counterparties limits;
- make decisions about the funds'use of new financial instruments;
- review the findings of audits performed;
- and 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 five 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 Security Committee oversees the physical security and the security of the information systems;
- the Operational Risk Management Committee handles the surveillance of incidents in operational processes and defines the measures to enhance these processes;
- the GRAM Committee (Gestion Risque Amundi – Amundi Risk Management) approves methods for calculating market risk and credit risk indicators.

The local Risk Committees have the authority to adapt the investment restrictions policy to particular local regulations or market conditions, though always in keeping with the decisions of the Group Risk Management Committee.

COMPLIANCE COMMITTEE

The Amundi Group Compliance Committee, chaired by the Head of Steering and Control (PCO), sets the compliance policy and approves and monitors the compliance action plan.

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.

(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.

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.

A special committee, the Fraud and Corruption Prevention Committee, works at the Group level to monitor the fraud and corruption prevention system. In the subsidiaries this oversight is provided by the local Compliance Committee.

SPECIALISED COMMITTEES

In addition, the following specialised committees have been established:

- the Products and Services Committee, which examines and validates each proposal to create or modify every new product or service;
- the Seed Money Committee, which examines and validates 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 improve the structure of the balance sheet and limit the financial risks directly borne by the Group.

5.3.2 Organisation of permanent control functions

5.3.2.1 RISK MANAGEMENT FUNCTION

Amundi's risk management function is highly integrated, in order to give the Group a consistent, systematic approach to measuring and monitoring risks.

This high degree of integration is based on a global business line organisation and on shared IT applications implemented throughout the Group.

The Risk management business line employs a matrix organisation consisting of:

- cross-business Risk Management departments, which determine the broad methods of containing and monitoring risks in 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 (SRMs) consult with the Senior Investment Managers concerning risk oversight for each asset class managed.

  In addition, a team specialising in credit analysis supports these risk management teams. For all fund managers it draws up a list of authorised counterparties and for certain managed portfolios, sets issuer limits.

  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 six areas of expertise:
  - implementation and administration of the surveillance 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,
  - this arrangement is rounded out by a transversal unit responsible for setting up the risk management reporting system.

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.

5.3.2.2 COMPLIANCE FUNCTION

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 (observance of the code of ethics, management of conflict of interest, etc.).

For more detail please see Section 5.4.5.2 of this chapter.

A dedicated department of the same name monitors each of these topics. A fifth department is responsible for regulatory intelligence (the Regulatory Compliance Implementation Department).

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.

Compliance Management is organised as a business line: the Head of Compliance of each subsidiary reports hierarchically to the entity's Senior Management. In addition, he or she reports functionally to the Group Head of Compliance.

Thus the Compliance teams are responsible for:

- regulatory intelligence;
- establishing a set of common Group rules (the Compliance Manual) implemented under the responsibility of the "local" Compliance Departments;
- performing second-level controls to ensure that regulations and standards are properly applied and that follow up on anomalies discovered is performed;
- reporting on those controls to the Compliance Committee and on non-compliance incidents identified during and outside of the controls.

Amundi's Head of Compliance sits on the Compliance Committees of all subsidiaries. The Group Compliance Committee meetings hear systematic *reports of* the key points at the subsidiary level.

5.3.3 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 on the various committees: products, investments, client 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.

(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.

5.3.4 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 9 February 2017)

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 markets, the strength of its financial position and the pursuit of its profitability objectives in the short and long term.

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 make explicit the acceptable level of risk (the normative case) 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 for adaptation to changes in its profile. During the year it was updated by the Board of Directors on 27 October 2016.

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 normal, recurring management of risks. This is expressed in terms of the budgeted objectives as to solvency and liquidity matters and of the operational limits as to market and counterparty 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.

KEY INDICATORS IN THE RISK PROFILE AT 31 DECEMBER 2016

Amundi uses seven indicators to express its risk appetite and risk profile:

- three broad indicators of risk exposure:
  - total Risk-Weighted Assets (RWA) within the meaning of Regulation CRD IV. At 31 December 2016 Amundi's RWA stood at €7,424 million,
  - RWA in terms of credit risk (excluding threshold allowances and CVA), which at 31 December 2016 stood at €3,947 million,
  - RWA in terms of operational risk, which at 31 December 2016 was €2,092 million. This indicator shows the effect of controls and oversight whose purpose is to reduce the impact of operational risk to the incompressible minimum;
- two liquidity indicators:
  - the Gearing or Debt ratio (net debt/tangible shareholders' equity): at 31 December 2016 the Gearing ratio was -25.10%,
  - the Liquidity Coverage Ratio (LCR): Amundi's LCR at 31 December 2016 was 159%;
- two profitability indicators:
  - the cost of risk, which reflects operational and credit risks, particularly the default by an issuer or a counterparty that may affect Amundi. The cost of risk for Amundi in 2016 was €0.6 million,
  - net income Group share, which amounted to €568 million for the financial year 2016.

At 31 December 2016 and for 2016 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] EXCLUDING RISKS ACROSS BUSINESS LINES)

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 intital 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 underlying transactions potentially 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;
- 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 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 means managing liquidity risk and structural 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
Customer objection to fund performance/Under-performance	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 of and restrictions on liquidity (limits, stress tests, etc.)	Tougher regulatory framework (AIFM) Greater 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, validated 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 COUNTRY 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 check model quality,
  - produces and analyses risk indicators (VaR, ex ante tracking errors, stress scenarios,…),
  - 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 of 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 normalised, centralised basis for all managed portfolios;
- performance analysis (equities, diversified, funds of funds, fixed income);
- compliance with international standards for measuring and presenting the performance of managed portfolios (GIPS®);
- performance attribution type analyses of some 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 covered by Amundi guarantees consist mainly of two types: formula funds and constant proportion portfolio insurance (CPPI) 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.

The following table shows amounts guaranteed at 31 December 2016 and 31 December 2015:

In € millions	31/12/2016	31/12/2015
Formula funds	12,042	13,138
Constant proportion portfolio insurance (CPPI) funds	3,839	4,534
Other guaranteed funds	1,606	478
TOTAL OFF-BALANCE SHEET COMMITMENTS	**17,487**	**18,150**

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.

Guarantee exposures may be hedged by:

- directly acquiring debt securities;
- acquiring equities whose performance is systematically swapped with top-tier banks; entering into repurchase agreements with top-tier banks;
- entering into repurchase agreements with top-tier banks;
- purchase of fund units (diversified 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:

- receive 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;
- and are the subject of monthly reports in terms of exposure, limits and rating.

At 31 December 2016 and 2015, 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. €3,366 million in 2016 and €3,912 million in 2015):

Breakdown by rating

	31/12/2016	31/12/2015
AAA	10%	11%
AA+	0%	0%
AA	11%	9%
AA-	10%	9%
A+	5%	8%
A	48%	48%
A-	5%	3%
BBB+	5%	4%
BBB	2%	2%
BBB-	4%	6%
NR	0%	0%
TOTAL	**100%**	**100%**

Breakdown by geographical area

	31/12/2016	31/12/2015
France	66%	72%
Belgium	8%	6%
Spain	1%	1%
Italy	6%	6%
United Kingdom	3%	4%
Netherlands	3%	2%
Germany	3%	1%
United States	4%	4%
Other	5%	4%
TOTAL	**100%**	**100%**

Breakdown by sector

	31/12/2016	31/12/2015
Financial institutions	66%	71%
Sovereigns and agencies	23%	21%
Corporates	11%	8%
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. This concentration reflects the supply of bonds whose characteristics (credit quality and maturity) are compatible with the structuring of guaranteed products.

The amount of provisions recorded by Amundi in respect of guarantees given to funds, to cover all types of risks, is as follows:

- €73,000 at end-2015;
- €1,863,000 at end-2016.

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:

- €0 in 2015;
- €97,000 at end-2016.

In the case of CPPI funds, the market risk associated with "dynamic" assets is measured using C-VaR statistical indicators. Provisions may be set aside in certain cases in respect of these funds' role as guarantor:

- in the case of CPPI funds, provisions are set aside where 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 markets:* these issues are hedged using the same principles as equity-linked issues, but they expose Amundi to the risk of change in real estate prices because of the capital guarantee attached to them. This type of risk has its own set of restrictions placed on it.

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 2016, the nominal amount of EMTN issues was €3,008 million, including €1,290 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 2016, the total nominal amount of transactions between Amundi Finance and its market counterparties was €23.5 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 2016 was €375 million versus €776 million at 31 December 2015. 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. A provision of €327,000 was recognized for this at 31 December 2016; no provision was recognized at 31 December 2015.

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 2016, these exposures risk measurement through (mark-to-market, future potential risk and collateral) are broken down by rating as follows:

	31/12/2016	31/12/2015
AA-	7%	5%
A+	22%	39%
A	53%	46%
A-	6%	6%
BB+	6%	0%
BBB	0%	0%
BBB-	6%	4%
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;
- while the derivative agreement between Amundi Finance and the fund involves 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	Minimum	Maximum	At 31 December
2015	16	49	45
2016	**34**	**47**	**39**

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 high level of capitalisation reinvested chiefly in a short-term portfolio consisting mostly of liquid money-market and fixed-income mutual funds (see section 5.4.4.1). The asset management business does not directly consume liquidity.

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, the Group signed a syndicated multi-currency revolving credit facility of €1.750 billion with a syndicate of international lenders, with an initial maturity of five years (renewed in October 2016 for a term of one year). This contract contains all the usual clauses for this type of financing. This credit line aims to increase the liquidity profile.

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.

These items are taken into account in measuring the regulatory short-term liquidity coverage ratio (LCR), which has been measured since 2014.

As stated above, in order to meet its liquidity requirements, Amundi benefits from a portfolio of money market investments and also current accounts. As of 31 December 2016, Amundi's voluntary investments in money market funds totalled €472 million and the net current accounts (net cash) totalled €416 million.

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.

Certain indicators (available liquidity reserves) are monitored to measure liquidity risk in stress situations. Scenarios assume business continuity, and factor in the ability to sell the components of the voluntary investment portfolio (fund units), taking into account time required to sell and large discounts.

An emergency plan has been drawn up to handle extreme situations. The plan involves larger disposals of the voluntary investment portfolio and more exceptional measures such as long-term borrowing in the market.

Amundi meets the regulatory requirements as regards liquidity. These requirements are supplemented by internal limits (short-term liquidity mismatch). The liquidity mismatch is based on certain balance-sheet items such as current accounts, loans and borrowings with an initial maturity of less than one year. This limit governs the Group's ability to refinance short-term in the market. If the limit is exceeded, appropriate solutions are adopted.

The liquidity risk associated with collateral exchanges is measured on the basis of stress scenarios, themselves based on sharp movements in share prices (20%) and interest rates (100-130 basis points depending on the maturity). They allow the Group to measure the cash needed to deal with these types of situations.

The breakdown of 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 2016 and 2015 (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 is usually not to hedge those exposures.

Operational foreign exchange positions are subject to limits per currency. These limits require foreign-currency revenues to be converted regularly into euros. They also require 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 is 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.

5.4.5 Risks across business lines

Amundi is also exposed to risks across business lines: non-compliance risk, legal risk, money laundering and terrorist financing risk, operational risk including IT risk, and accounting risk. Operational risk is monitored by the Risk Management Department, non-compliance and money-laundering risks by the Compliance Department.

5.4.5.1 SUMMARY OF EXPOSURE 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.

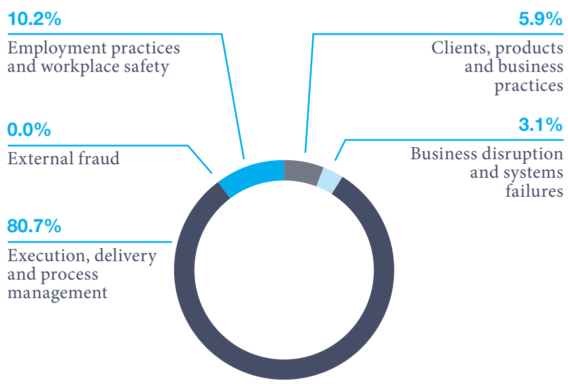
Its main role is to:

- map operational risks at the Amundi level;
- collect information about operational incidents;
- monitor all actions plans designed to mitigate these risks;
- contribute to calculating the capital requirement;
- contribute to the permanent control system;
- oversee risks from the information systems.

The cost of operational risk amounted to €4.6 million in 2015 and €5.4 million in 2016.

The following diagram shows the breakdown of combined losses by type of risk over the past three years (2014-2016):

Breakdown of operational risk losses (by value) by Basel risk category (2014-2016)



5.4.5.2 NON-COMPLIANCE RISK PREVENTION AND CONTROLS

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.

In addition, a fifth unit is responsible for regulatory intelligence (the "Regulatory Compliance Implementation" Department).

With 65 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, derived from Amundi's Risk Management Committee, undertakes periodic situational reviews and makes any decisions that prove 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.

(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 has four key aspects:

- a crisis management plan;
- a users'backup plan (UBP). For entities in Paris, the site is located 25 kilometres from Paris. It has 300 dedicated work stations that could be expanded to 700 if need be;
- an IT contingency plan;
- a control of the business continuity plan for contractors.

This emergency and Business Continuity Plan is regularly updated and consists of:

- rescue applications to fit one or more operational crisis scenarios, together with the documentation for these rescue applications;
- an operational crisis management plan designed to provide notification, analysis and the processing of alerts and an availability on-call 24/7.

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 transit strike, epidemic, flood, etc.; the applications that would cover this scenario must allow Amundi to maintain continuity of its operations on an emergency basis once 30% of its workforce is available;
- physical destruction of the data centre 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 malice, error or accident (virus attack, hacking, accidental destruction of a database or a computer bug altering databases);
- large-scale unavailability of workstations caused, e.g., by a massive virus infecting the workstations.

During the 2016 financial year, several tests were run on Amundi's BCP:

- an IT rescue plan was tested in June 2016;
- a UBP was tested in November 2016.

In addition, crisis management and user backup systems were successfully activated over four days in June 2016 in response to the unexpected public transport strikes and the flooding of the Seine.

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 within Amundi's middle office are responsible for quality control of the execution of outsourced services as well as for monitoring of the relationship with each relevant 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 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 and a quality charter 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 an 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;
- nature 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 Solvency ratio

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 the basis of Amundi's consolidated scope, breaks down into three categories: Common Equity Tier 1 capital (or CET 1), Additional Tier 1 capital (or AT 1) and Tier 2 capital consisting of equity and) debt instruments, to which various adjustments are made. Amundi has almost exclusively Tier 1 capital, consisting of share capital and undistributed reserves (no securities issued by the Group equivalent to Tier 1 or Tier 2 capital). Regulatory capital is obtained from accounting shareholders' equity. The adjustments made (prudential filters) mostly involve deducting goodwill and intangible assets (net of deferred taxes).

At 31 December 2016, as shown in the table below, Amundi's total capital ratio was 37.6% versus 36.4% at the end of 2015. On this basis, Amundi complies with the regulatory requirements and has a particularly robust financial structure.

In € millions	31/12/2016 Basel III	31/12/2015 Basel III
Common Equity Tier 1 capital (CET 1)	2,790	2,662
Tier 1 capital (CET 1 + AT1)	2,790	2,662
Tier 2 capital	0	0
Total regulatory capital	**2,790**	**2,662**
Total risk-weighted assets	**7,424**	**7,310**
o/w credit risk (exc. threshold allowances and CVA)	3,947	3,873
o/w effect of threshold allowances	932	860
o/w Credit Value Adjustment (CVA) effect	453	477
o/w market risk	0	0
o/w operational risk	2,092	2,100
OVERALL CAPITAL RATIO	**37.60%**	**36.41%**

As of 2014, the calculation of regulatory capital takes account of the various regulatory developments (CRD IV and CRR) and transitional measures applicable during the phase-in of these changes, in particular:

- calculation and deduction from capital of the Prudent valuation adjustment;
- filtering of unrealised gains on investment portfolio items and equity recognised as available-for-sale financial assets (40% at 31 December 2015 and 60% at 31 December 2016).

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 on the basis of market value.

In 2015 and 2016, as the level of market risk was lower than the regulatory threshold, the amount used for calculating capital requirements was zero, in accordance with applicable regulations.

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 €268 million at end-2016. Amundi therefore complies with the 25% threshold for total regulatory capital.

5.5.2 Regulatory capital

The table below shows a reconciliation of accounting equity and regulatory capital for each of the financial years under review:

In € thousands	31/12/2016 Basel III	31/12/2015 Basel III	31/12/2014 Basel III
Equity, Group share	6,644,355	6,406,761	6,123,333
Elimination of net income for the year or of the distribution forecast	(369,436)	(518,630)	(489,675)
Goodwill and intangible assets (net of deferred tax)	(3,305,098)	(3,111,376)	(3,007,809)
Prudent Valuation	(59,980)	(89,688)	(84,890)
Transitional arrangements and other restatements	(120,137)	(25,466)	(56,114)
REGULATORY CAPITAL	**2,789,704**	**2,661,601**	**2,484,845**

5.5.3 Leverage ratio

Amundi's leverage ratio at 31 December 2016 was 23.3% according to the Delegated Act method in effect since 2015 (compared to 22.8% at the end of 2015).

06

Amundi Group consolidated financial statements for the fiscal year ended December 31, 2016

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

6.1 GENERAL FRAMEWORK

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

Amundi is the consolidating entity of the Amundi Group of companies. It is a French société anonyme (public limited company) (registration number 314322902 RCS Paris – France) with share capital of €419,813,672.50, consisting of 167,925,469 shares with a par value of €2.50. 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* (French Prudential Supervisory and Resolution Authority) under number 19530. Group companies performing management activities have obtained the necessary approvals from the supervisory authorities they report to in France and other countries.

At 31 December 2016 Amundi was owned 73.86% by Crédit Agricole S.A. And 1.77% 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		2016	2015
Revenue from commissions and other income from customer activities	a	2,618,094	2,730,000
Commissions and other customer activity expenses	b	(1,021,235)	(1,133,599)
Net gains or losses on financial instruments at fair value through profit and loss on customer activities	c	28,276	7,081
Interest and similar income	d	7,097	11,224
Interest and similar expenses	e	(10,742)	(16,356)
Net gains or losses on financial instruments at fair value through profit and loss	f	11,996	27,529
Net gains and losses on available-for-sale financial assets	g	63,479	54,027
Income from other activities	h	8,266	7,776
Expenses from other activities	i	(27,865)	(30,800)
Net revenue from commissions and other customer activities (a)+(b)+(c)	4.1	**1,625,134**	**1,603,482**
Net financial income (d)+(e)+(f)+(g)	4.2	**71,829**	**76,424**
Other net income (h)+(i)	4.3	**(19,599)**	**(23,025)**
Net revenue		**1,677,364**	**1,656,881**
Operating expenses	4.4	(877,816)	(883,220)
Gross operating income		**799,549**	**773,662**
Cost of risk	4.5	(557)	(6,563)
Share of net income of equity-accounted entities	5.10	28,490	25,213
Net gains (losses) on other assets	4.6	22	13,587
Change in value of goodwill		-	-
Pre-tax income		**827,503**	**805,899**
Income tax charge	4.7	(258,356)	(286,027)
Net income for the fiscal year		**569,148**	**519,871**
Non-controlling interests		(883)	(1,241)
NET INCOME – GROUP SHARE		**568,265**	**518,630**
Basic earnings per share *(in euros)*[1]		**3.40**	**3.11**

(1) Basic earnings per share is identical to diluted earnings per share given the absence of any dilutive instruments. Details on the earnings per slave computation are disclased in note 5.14.3.

6.2.2 Net income and gains and losses recognised directly in equity

In € thousands	Notes	2016	2015
Net income		**569,148**	**519,871**
Actuarial gains and losses on post-employment benefits	*6.4*	*(3,258)*	*(80)*
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		(3,258)	(80)
Pre-tax gains and losses recognised directly in non-recyclable equity of equity-accounted entities		-	-
Taxes on gains and losses recognised directly in non-recyclable equity, excluding equity-accounted entities		1,066	(594)
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 to profit and loss		**(2,193)**	**(674)**
Translation gains and losses (a)		*6,426*	*17,808*
Gains and losses on available-for-sale assets (b)	*5.5.2*	*24,696*	*(42,272)*
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)		31,122	(24,464)
Taxes on gains and losses recognised directly in recyclable equity, excluding equity-accounted entities		4,097	11,468
Pre-tax gains and losses recognised directly in recyclable equity of equity-accounted entities		(122)	5,380
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 to profit and loss		**35,097**	**(7,615)**
Net gains and losses recognised directly in equity		**32,904**	**(8,289)**
TOTAL NET INCOME INCLUDING NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**602,052**	**511,582**
of which Group share		601,110	510,360
of which non-controlling interests		942	1,222

6.2.3 Balance sheet assets

In € thousands	Notes	31/12/2016	31/12/2015
Cash, central banks	5.1	24	25
Financial assets designated at fair value through profit and loss	5.2	6,246,976	5,583,856
Available-for-sale financial assets	5.5	1,922,746	1,478,869
Loans and receivables due from credit institutions	5.6	513,016	738,716
Current and deferred tax assets	5.8	110,540	106,931
Accruals, prepayments and sundry assets	5.9	1,644,866	1,743,460
Investments in equity-accounted entities	5.10	169,215	125,873
Property, plant and equipment	5.11	41,164	44,356
Intangible assets	5.11	107,888	111,210
Goodwill	5.12	3,161,540	2,998,546
TOTAL ASSETS		**13,917,975**	**12,931,842**

6.2.4 Balance sheet liabilities & equity

In € thousands	Notes	31/12/2016	31/12/2015
Financial liabilities designated at fair value through profit and loss	5.3	5,226,262	3,860,331
Due to credit institutions	5.7	94,982	460,566
Current and deferred tax liabilities	5.8	87,096	79,452
Accruals, deferred income and sundry liabilities	5.9	1,792,198	2,036,662
Provisions	5.13	72,754	81,488
Total debt		**7,273,292**	**6,518,499**
Equity, Group share		**6,644,355**	**6,406,761**
Share capital and reserves	5.14.1	1,569,838	1,542,788
Consolidated reserves		4,431,743	4,303,683
Gains and losses recognised directly in equity		74,510	41,661
Net income (loss) for the year	5.15	568,265	518,630
Non-controlling interests		**328**	**6,582**
Total equity		**6,644,683**	**6,413,344**
TOTAL LIABILITIES		**13,917,975**	**12,931,842**

6.2.5 Statement of changes in equity

	Group share					
	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 2015	**416,979**	**5,656,420**	**-**	**6,073,400**	**(8,843)**	**58,778**
Capital increase	1,134	14,839		15,973		
Dividends paid in 2015		(243,515)		(243,515)		
Impact of acquisitions and disposals on non-controlling interests				-		
Changes related to stock options				-		
Changes related to transactions with shareholders	**1,134**	**(228,676)**		**(227,542)**	**-**	**-**
Changes in gains and losses recognised directly in equity				-	(655)	(12,997)
Share in changes in equity of equity-accounted entities				-		5,382
Net income for the fiscal year as of 31 December 2015				-		
Other comprehensive income for the fiscal year ended 31 December 2015	**-**	**-**		**-**	**(655)**	**(7,615)**
Other changes		614		614		(5)
Equity as of 31 December 2015	**418,114**	**5,428,358**	**-**	**5,846,471**	**(9,498)**	**51,158**
Appropriation of 2015 net income		518,630		518,630		
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 (1)		(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				-		
Other 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**

(1) Changes due to change in scope of consolidation of KBI Global Investors and Amundi Iberia (see note 9.3 on scope of consolidation).

		Non-controlling interests				
			Gains and losses recognised directly in equity			
Net income	Equity, Group share	Consolidated capital reserves and income	Will not be reclassified to profit and loss	May be reclassified to profit and loss	Non-controlling interests	Total equity
	6,123,333	6,274	(67)	-	6,207	6,129,540
	15,973				-	15,973
	(243,515)	(848)			(848)	(244,363)
	-				-	-
	-				-	-
-	(227,542)	(848)	-	-	(848)	(228,390)
	(13,652)		(19)		(19)	(13,671)
	5,382				-	5,382
518,630	518,630	1,241			1,241	519,871
518,630	510,360	1,241	(19)	-	1,222	511,582
	609				-	609
518,630	6,406,761	6,667	(86)	-	6,582	6,413,344
(518,630)	-				-	-
-	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

6.2.6 Cash flow statement

The Group's cash flow statement is presented below using the indirect method. Cash flows are shown by type: operational 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 property, plant and equipment 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.).

Net cash and cash equivalents include 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	2016	2015
Pre-tax income		**827,503**	**805,899**
Net depreciation and amortisation and provisions in relation to property, plant and equipment and intangible assets	4.4	14,705	15,164
Goodwill impairment		-	-
Net write-downs and provisions		(11,424)	8,602
Share of income of equity-accounted entities		(28,490)	(25,213)
Net income from investment activities		(27,370)	(13,587)
Net income from financing activities		-	-
Other movements		502	(21,916)
Total non-monetary items included in net income before taxes and other adjustments		**(52,077)**	**(36,950)**
Changes in interbank items [(1)]		(287,602)	(154,420)
Changes in financial assets and liabilities [(2)]	5.6 5.7	379,412	433,890
Changes in non-financial assets and liabilities [(3)]		(199,372)	(385,049)
Dividends from equity-accounted affiliates	5.10	15,554	12,931
Tax paid	4.7	(248,036)	(334,785)
Net decrease (increase) in assets and liabilities from operating activities		**(340,043)**	**(427,434)**
Net cash flows from operating activities (A)		**435,383**	**341,515**
Change in equity investments [(4)]		(213,889)	(298,457)
Change in property, plant and equipment and intangible assets		(23,668)	(17,103)
Net cash flows from investing activities (B)		**(237,557)**	**(315,560)**
Cash flow from or intended for shareholders		(346,248)	(228,394)
Other net cash flows from financing activities		-	-
Net cash flow from financing operations (C)		**(346,248)**	**(228,394)**
Impact of exchange rate changes and other changes on cash (D)		2,161	13,910
CHANGES IN NET CASH (A + B + C + D)		**(146,261)**	**(188,530)**

Cash at beginning of the period	**570,610**	**759,140**
Net cash balance and central banks	25	26
Net balance of accounts, demand loans and borrowings with credit institutions	570,585	759,114
Cash at end 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
CHANGES IN NET CASH	**(146,261)**	**(188,530)**

(1) Credit institution flows in 2016 include repayments of loans taken out with the Crédit Agricole group.
(2) Operating flows impacting financial assets and liabilities include investments in the investment portfolio net of transfers.
(3) 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.
(4) 2016 flows largely involve the acquisitions described in note 9.3.2 and the increased equity investment by Amundi in non-consolidated companies.

6.3 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DETAILED SUMMARY OF THE NOTES

YEAR HIGHLIGHTS

The scope of consolidation and changes in the scope as of 31 December 2016 are presented in detail in note 9.3.

Here we highlight the three principal transactions carried out during financial year 2016, one of which is expected to be completed in the first half of 2017.

Acquisition of Kleinwort Benson Investors (KBI)

On 31 August 2016 Amundi completed its purchase from Oddo & cie of the Irish management company Kleinwort Benson Investors, immediately renamed KBI Global Investors.

KBI Global Investors is a rapidly growing asset management company, specialising in equities.

The accounting effects of this transaction are described in note 9.3.2.

Acquisition of Crédit Agricole Immobilier Investors

Amundi and Crédit Agricole Immobilier finalised their agreement to combine their real estate management activities by merging their dedicated management companies Amundi Immobilier and CA Immobilier Investors (CAII).

Under this arrangement, Amundi acquired 100% of the equity in CA Immobilier Investors (CAII) in exchange for an issue of Amundi shares. The transaction was finalised on 27 October 2016.

The accounting effects of this transaction are described in note 9.3.2.

Agreement signed for the acquisition of Pioneer Investments

On 11 December 2016 Amundi and UniCredit signed a binding agreement for Amundi to acquire the business activities of Pioneer Investments.

At 31 December 2016 this transaction remained subject to the usual closing conditions, in particular the approval of the relevant regulatory authorities (regulators and antitrust). The transaction could close by the end of the second quarter 2017.

Because of these conditions precedent, Pioneer Investments is expected to be consolidated during the first half of 2017, after the deal has gone through.

At the balance sheet date, the price of this acquisition was estimated at €3.5 billion. The plan is to finance about €1.5 billion of this with Amundi's surplus equity, about €1.4 billion with a capital increase with preferential subscription rights, and the remainder of about €0.6 billion with senior and subordinated debt.

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 2016, as adopted by the European Union. The standards are available from the European Commission website at: *http://ec.europa.eu/finance/company-reporting/index_ en.htm*

1.1.1 Guidelines applied at 31/12/2016

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements as of 31 December 2016 are identical to those used for the preparation of the consolidated statements for the period closed on 31 December 2015, with the exception of the following standards, amendments and interpretations applicable to the 2016 fiscal period:

Standards, amendments and interpretations	Date of publication by the European Union	Date of first compulsory application for fiscal periods starting on or after:
Amendment to IAS 19: Defined Benefit Plans: Employee Contributions	17 December 2014 (EU no.2015/29)	1 February 2015
IFRS improvements (2010-2012 cycle): IFRS 2 Vesting, market, performance and service conditions	17 December 2014 (EU no.2015/28)	1 February 2015
IFRS improvements (2010-2012 cycle): IFRS 3 Accounting for contingent consideration	17 December 2014 (EU no.2015/28)	1 February 2015
IFRS improvements (2010-2012 cycle): IFRS 8 Aggregation of operating segments and reconciliation of segment assets with total assets	17 December 2014 (EU no.2015/28)	1 February 2015
IFRS improvements (2010-2012 cycle): IAS 16 and IAS 38 Revaluation and proportionate restatement of accumulated depreciation	17 December 2014 (EU no.2015/28)	1 February 2015
IFRS improvements (2010-2012 cycle): IAS 24 Notion of key management personnel services	17 December 2014 (EU no.2015/28)	1 February 2015
Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	24 November 2015 (EU 2015/2173)	1 January 2016
Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation"	2 December 2015 (EU 2015/2231)	1 January 2016
IFRS improvements (2012-2014 cycle): IAS 19 "Precision on the yield of government bonds used for actualisation of actuarial liabilities"	15 December 2015 (EU 2015/2343)	1 January 2017
IFRS improvements (2012-2014 cycle): IAS 34 "Clarification on position of disclosure of other information"	15 December 2015 (EU 2015/2343)	1 January 2016
IFRS improvements (2012-2014 cycle) : IFRS 7 Financial instruments. Informations to be disclosed : Clarification on keeping continuous involvement in contract services.	15 December 2015 (EU 2015/2343)	1 January 2016
IFRS improvements (2012-2014 cycle): IFRS 5 Precision on modifications on changes on a disposal plan	15 December 2015 (EU 2015/2343)	1 January 2016
Amendment to IAS 1 "Presentation of the financial statements"	18 December 2015 (EU 2015/2406)	1 January 2016

1.1.2 Early application of standards

In addition, Amundi did not choose to apply the standards and interpretations adopted by the European Union early. The first required application is for fiscal periods opening after 31 December 2016.

Standards, Amendments and Interpretations	Date of publication by the European Union	Date of first compulsory application for fiscal periods starting on:
IFRS 15 "Revenue from contracts with customers"	22 September 2016 (EU 2016/1905)	1 January 2018
IFRS 9 "Financial instruments"	22 November 2016 (EU 2016/2067)	1 January 2018

IFRS 15 "Revenue from Contracts with Customers"

This standard will apply to financial years starting on or after 1 January 2018 (in accordance with Regulation EU 2016/1905). The amendment "Clarification of IFRS 15", which adds further detail, is in the process of being adopted by the European Union and should take effect at that same date.

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".

IFRS 15 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.

At this point, Amundi does not anticipate significant impact from applying this new standard.

IFRS 9 "Financial instruments"

This standard issued by the IASB is intended to replace IAS 39 "Financial Instruments". It sets new principles governing the classification and measurement of financial instruments, impairment of credit risk and hedge accounting, excluding macro-hedging transactions.

IFRS 9 is expected to come into force on a mandatory basis for fiscal years beginning on or after 1 January 2018.

The Group has taken action to adopt this standard on time, combining its accounting, finance and risk functions in addition to all of the entities concerned. Analyses were primarily focused on the changes brought about by:

- the new criteria for classifying and measuring financial assets;
- the changed model for impairment of credit risk relative to guarantees given, which allows turning a provision for known credit losses into a provision for expected credit losses (ECLs). The aim of the new ECL approach is to allow credit losses to be recognised at the earliest possible time, removing the need to wait for an objective incurred loss event.

At this point Amundi does not anticipate significant impact from the adoption this new standard.

1.1.3 IFRS standards not yet adopted by the European Union

In addition, the standards and interpretations published by the IASB but not yet adopted by the European Union will not become compulsory until they are adopted and were, therefore, not applied by the Group on 31 December 2016. The standards cover the following, in particular:

Standards, Amendments and Interpretations	Date of publication by the European Union	Date of first compulsory application for fiscal periods starting on:
IFRS 16 Leases	13 January 2016	1 January 2019

The Group is currently analysing the impact and has not yet identified any significant impact on the statements as a result of standards which are not yet applicable.

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 recognizes 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.

An impact study on the implementation of the standard in the Group will be undertaken in 2017 in order to assess the main effects at issue.

In addition, three amendments to existing standards have been published by the IASB that pose no major issue to the Group: These are the amendments to IAS 7 "Statement of Cash Flows" and IAS 12 "Income Taxes", which apply to the Group as of 1 January 2017, while the amendment to IFRS 2 Classification and measurement of share-based payment transactions will be applicable as of 1 January 2018. These dates will be confirmed once the standards have been adopted by the European Union.

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 recognition of financial assets designated at fair value through profit and loss may be retained provided it covers one of the following situations: hybrid instruments including one or more embedded derivatives, so as 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 it covers one of the following situations: hybrid instruments including one or more embedded derivatives, lessening 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 hedges**: 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 hedges**: 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**: the 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 (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 19R, 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,
  - **ii)** or 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:

- Building improvements — 5 -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:
  - rebates paid to third-party distributors as provided by contract. These generally equal a percentage of net management fees,
  - 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 the fees 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 2015 and 2016 fiscal periods.

1.4 PRINCIPLES AND METHODS OF CONSOLIDATION

1.4.1 Scope of consolidation 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 three consecutive quarters.

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 Consolidation methods

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 acquiree 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, etc.).

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 management 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 breaks down into three categories: Common Equity Tier 1 capital (or CET 1), Additional Tier 1 capital (or AT 1) and Tier 2 capital consisting of equity and debt instruments, to which various adjustments are made. Amundi has almost exclusively Tier 1 capital, consisting of share capital and undistributed reserves (no securities issued by the Group equivalent to Tier 1 or Tier 2 capital). 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 met all regulatory requirements in effect as at 31 December 2016, as it did in 2015.

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.

	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 designated at fair value through profit and loss	13,629		889,178	2,154,473	997,788	4,055,068
Total financial assets at fair value through profit 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**

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

	31/12/2015					
In € thousands	≤ 3 months	> 3 months to ≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	177,522	245,788	1,162,018	450,231	-	2,035,560
Financial assets designated at fair value through profit and loss	29,290	-	453,986	1,373,572	1,691,448	3,548,296
Total financial assets designated at fair value through and loss	**206,812**	**245,788**	**1,616,004**	**1,823,803**	**1,691,448**	**5,583,856**
Available-for-sale financial assets	-	-	-	-	1,478,869	1,478,869
Total available-for-sale financial assets	**-**	**-**	**-**	**-**	**1,478,869**	**1,478,869**
Loans and receivables due from credit institutions	635,836	50,130	52,750	-	-	738,716
Total loans and receivables due from credit institutions	**635,836**	**50,130**	**52,750**	**-**	**-**	**738,716**
Financial liabilities held for trading	177,789	231,855	1,173,436	397,906	-	1,980,984
Financial liabilities designated at fair value through profit and loss	-	-	453,986	1,425,361	-	1,879,347
Total financial liabilities at fair value through profit and loss	**177,789**	**231,855**	**1,627,422**	**1,823,267**	**-**	**3,860,331**
Due to credit institutions	339,500	71,900	49,166	-	-	460,566
Total due to credit institutions	**339,500**	**71,900**	**49,166**	**-**	**-**	**460,566**

NOTE 4 NOTES CONCERNING NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

4.1 NET ASSET MANAGEMENT REVENUE

Commissions and fees break down as follows:

In € thousands	2016	2015
Net fee and commission income	1,510,236	1,465,511
Performance fees	114,898	137,971
NET ASSET MANAGEMENT REVENUE	**1,625,134**	**1,603,482**

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

4.2 NET FINANCIAL INCOME

In € thousands	2016	2015
Interest income	7,097	11,224
Interest expenses	(10,742)	(16,356)
Net interest income	**(3,645)**	**(5,132)**
Unrealised or realised gains or losses on assets/liabilities at fair value through profit and loss by nature	(208)	(38)
Unrealised or realised gains or losses on assets/liabilities designated at fair value through profit and loss[(1)]	(3,971)	71,191
Balance of currency and similar financial instrument transactions	16,175	(43,624)
Net gains or losses on financial instruments at fair value through profit and loss	**11,996**	**27,529**
Dividends received	18,544	12,404
Gains or losses on sales of available-for-sale financial assets	45,995	44,473
Losses on securities durably impaired (equity securities)	(1,060)	(2,850)
Gains or losses on disposals on loans and receivables	-	-
Net gains and losses on available-for-sale financial assets	**63,479**	**54,027**
NET FINANCIAL INCOME	**71,829**	**76,424**

(1) At 31 December 2016 this item includes €14,461 thousand from the partial reduction in the earn-out recognised by Amundi on the acquisition of Smith Breeden in 2013.

4.3 OTHER NET INCOME

In € thousands	2016	2015
Other net income (expenses) from banking operations	(27,559)	(28,481)
Other net income (expenses) from non-banking operations	7,960	5,456
OTHER NET INCOME	**(19,599)**	**(23,025)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily within the Group, along with the amortisation of intangible assets relating to distribution agreements acquired in business combinations.

4.4 OPERATING EXPENSES

In € thousands	2016	2015
Employee expenses (including seconded and temporary personnel)	(557,439)	(565,055)
Other operating expenses	(320,376)	(318,165)
Including external services related to personnel and similar expenses	*(3,076)*	*(7,234)*
TOTAL GENERAL OPERATING EXPENSES	**(877,816)**	**(883,220)**

An analysis 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	2016	2015
Depreciation and amortisation	**(14,705)**	**(15,164)**
Property, plant and equipment	(10,188)	(10,908)
Intangible assets	(4,517)	(4,256)
Write-downs	**-**	**-**
Property, plant and equipment	-	-
Intangible assets	-	-
DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS	**(14,705)**	**(15,164)**

4.5 COST OF RISK

In € thousands	2016	2015
Provisions and write-downs	**(2,615)**	**(8,269)**
Loans and receivables	-	-
Other assets	(112)	(896)
Commitments made	(1,900)	(73)
Risks and expenses	(603)	(7,300)
Reversal of provisions and write-downs	**4,017**	**1,943**
Loans and receivables	-	-
Other assets	836	635
Commitments made	13	19
Risks and expenses	3,168	1,289
Net changes in provisions	**1,402**	**(6,326)**
Other net gains (losses)	(1,959)	(237)
TOTAL COST OF RISK	**(557)**	**(6,563)**

4.6 NET GAINS (LOSSES) ON OTHER ASSETS

In € thousands	2016	2015
Gains on disposals of property, plant and equipment and intangible assets	48	11
Losses on disposals of property, plant and equipment and intangible assets	(27)	(14)
Income from sales of securities from consolidated holdings	-	4,182
Net income from business combination operations	-	9,408
NET GAINS (LOSSES) ON OTHER ASSETS	**22**	**13,587**

4.7 TAXES

In € thousands	2016	2015
Current tax charge	(257,165)	(295,538)
Deferred tax income (charge)	(1,191)	9,511
TAX EXPENSE FOR THE PERIOD	**(258,356)**	**(286,027)**

Reconciliation of the theoretical tax rate with the effective tax rate for the 2015 and 2016 fiscal periods:

	2016		2015	
In€ thousands	Rate	Base	Rate	Base
Net income before taxes, goodwill impairments and share of income of associates		799,013		780,686
Theoretical tax rate and expense	**34.43%**	**(275,100)**	**38.00%**	**(296,661)**
Effect of permanent differences	(1.11%)	8,875	0.25%	(1,950)
Effect of different tax rates on foreign entities	(1.67%)	13,369	(1.82%)	14,227
Impact of losses for the year, utilisation of losses carried forward, and of temporary differences and other items	0.43%	(3,450)	0.48%	(3,754)
Effect of taxation at a lower rate	(0.12%)	921	(0.56%)	4,393
Effect of other items	0.37%	(2,971)	0.29%	(2,283)
Effective tax rates and expenses	**32.33%**	**(258,356)**	**36.64%**	**(286,027)**

4.8 CHANGES IN GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

Net gains and losses recognised directly in equity for the 2016 fiscal year are detailed below:

Recyclable gains and losses *(In € thousands)*	**2016**	**2015**
Translation gains and losses	**6,426**	**17,808**
Revaluation adjustment for the period	6,426	17,808
Reclassified to profit and loss	-	-
Other reclassifications	-	-
Gains and losses on available-for-sale assets	**24,696**	**(42,272)**
Revaluation adjustment for the period	69,613	(1,507)
Reclassified to profit and loss	(44,929)	(40,790)
Other reclassifications	11	24
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 recyclable equity of equity-accounted entities	**(122)**	**5,380**
Taxes related to items that will be reclassified excluding equity-accounted entities	**4,097**	**11,468**
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	**35,097**	**(7,615)**

Non-recyclable gains and losses *(In € thousands)*	**2016**	**2015**
Actuarial gains and losses on post-employment benefits	(3,258)	(80)
Pre-tax gains and losses recognised directly in non-recyclable equity of equity-accounted entities	-	-
Taxes related to items that will not be reclassified excluding equity-accounted entities	1,066	(594)
Taxes related to items that will not be reclassified for equity-accounted entities	-	-
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND NOT RECYCLABLE AT A LATER DATE	**(2,193)**	**(674)**

TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**32,904**	**(8,289)**
Of which Group share	32,845	(8,270)
Of which non-controlling interests	59	(20)

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

	2015				Changes				2016			
(In € thousands)	Gross	Tax	Net of tax	Net, of which Group share	Gross	Tax	Net of tax	Net, of which Group share	Gross	Tax	Net of tax	Net, of which Group share
RECYCLABLE GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY												
Translation gains and losses	10,471	-	10,471	10,471	6,426	-	6,426	6,426	16,897	-	16,897	16,897
Gains and losses on available-for-sale assets	57,006	(21,264)	35,742	35,742	24,696	4,097	28,793	28,793	81,702	(17,168)	64,535	64,535
Gains and losses on hedging derivative instruments	-	-	-	-	-	-	-	-	-	-	-	-
Gains and losses on non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Net recyclable gains and losses recognised directly in equity excluding equity-accounted entities	**67,477**	**(21,264)**	**46,213**	**46,213**	**31,122**	**4,097**	**35,219**	**35,219**	**98,599**	**(17,168)**	**81,432**	**81,432**
Net recyclable gains and losses recognised directly in equity of equity-accounted entities	4,947	-	4,947	4,949	(122)	-	(122)	(122)	4,825	-	4,825	4,827
Recyclable gains and losses recognised directly in equity	**72,424**	**(21,264)**	**51,160**	**51,162**	**31,000**	**4,097**	**35,097**	**35,097**	**103,424**	**(17,168)**	**86,257**	**86,259**
NON-RECYCLABLE GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY												
Actuarial gains and losses on post-employment benefits	(14,450)	4,866	(9,584)	(9,498)	(3,258)	1,066	(2,193)	(2,252)	(17,708)	5,932	(11,777)	(11,750)
Gains and losses on non-current assets held for sale												
Non-recyclable gains and losses recognised directly in equity excluding equity-accounted entities	**(14,450)**	**4,866**	**(9,584)**	**(9,498)**	**(3,258)**	**1,066**	**(2,193)**	**(2,252)**	**(17,708)**	**5,932**	**(11,777)**	**(11,750)**
Non-recyclable gains and losses recognised directly in equity of equity-accounted entities	-	-	-	-	-	-	-	-	-	-	-	-
Non-recyclable gains and losses recognised directly in equity	**(14,450)**	**4,866**	**(9,584)**	**(9,498)**	**(3,258)**	**1,066**	**(2,193)**	**(2,252)**	**(17,708)**	**5,932**	**(11,777)**	**(11,750)**
GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**57,975**	**(16,399)**	**41,576**	**41,664**	**27,741**	**5,163**	**32,904**	**32,845**	**85,716**	**(11,236)**	**74,480**	**74,510**

NOTE 5 NOTES ON THE BALANCE SHEET

5.1 CASH AND CENTRAL BANKS

In € thousands	31/12/2016	31/12/2015
Cash	24	25
TOTAL CASH, CENTRAL BANKS	**24**	**25**

5.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

In € thousands	31/12/2016	31/12/2015
Financial assets held for trading	2,191,908	2,035,560
Financial assets designated at fair value through profit and loss	4,055,068	3,548,296
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH AND LOSS	**6,246,976**	**5,583,856**

5.2.1 Financial assets held for trading

In € thousands	31/12/2016	31/12/2015
Derivative trading instruments	2,191,908	2,035,560
of which, interest rate swaps	160,982	139,318
of which, stock and index swaps	2,018,706	1,887,692
TOTAL FINANCIAL ASSETS HELD FOR TRADING	**2,191,908**	**2,035,560**

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 Financial assets designated at fair value through profit

In € thousands	31/12/2016	31/12/2015
Funds	991,111	1,691,448
Bonds and other fixed-income securities	1,402,168	933,526
Shares and other variable-income securities	347,795	259,707
Loans and receivables due from credit institutions	1,313,994	663,615
Treasury bills and similar securities	-	-
TOTAL FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS	**4,055,068**	**3,548,296**

This section includes the fair value of seed money, short-term cash investments and hedging assets for EMTN issues.

5.3 FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS

In € thousands	31/12/2016	31/12/2015
Financial liabilities held for trading	2,091,618	1,980,984
Financial liabilities designated at fair value through profit and loss	3,134,644	1,879,347
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS	**5,226,262**	**3,860,331**

5.3.1 Liabilities held for trading

In € thousands	31/12/2016	31/12/2015
Derivative trading instruments	2,091,618	1,980,984
of which, interest rate swaps	99,305	93,594
of which, stock and index swaps	1,975,215	1,874,314
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	**2,091,618**	**1,980,984**

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 Financial liabilities designated at fair value through profit

In € thousands	31/12/2016	31/12/2015
Debt securities	3,134,644	1,879,347
TOTAL FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS	**3,134,644**	**1,879,347**

This section records the securities issued by EMTN issuance vehicles for customers. The nominal value of the issues was €3,008,225 thousand at 31 December 2016 and €1,820,496 thousand at 31 December 2015.

5.4 INFORMATION ON THE NETTING OF FINANCIAL ASSETS AND LIABILITIES

5.4.1 Netting – Financial assets

In € thousands Type of transaction	Gross amount of assets recognised before netting (a)	Gross amount of liabilities actually netted out (b)	Net amount of financial assets shown in the condensed statements (c) = (a) - (b)	Other amounts that can be netted under given conditions: Gross amount of financial liabilities covered by master netting agreement (d)	Other amounts that can be netted under given conditions: Amounts of other financial instruments received as collateral, including security deposits (d)	Net amount after all netting effects (e) = (c) - (d)
31/12/2016						
Derivatives	2,179,688	-	2,179,688	883,542	686,382	609,764
TOTAL FINANCIAL ASSETS SUBJECT TO NETTING	**2,179,688**	**-**	**2,179,688**	**883,542**	**686,382**	**609,764**
31/12/2015						
Derivatives	2,027,010	-	2,027,010	563,380	987,167	476,463
TOTAL FINANCIAL ASSETS SUBJECT TO NETTING	**2,027,010**	**-**	**2,027,010**	**563,380**	**987,167**	**476,463**

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

5.4.2 Netting – Financial liabilities

In € thousands Type of transaction	Gross amount of liabilities recognised before netting (a)	Gross amount of recognised financial assets actually netted out (b)	Net amount of financial liabilities shown in the condensed statements (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: Amount of other financial instruments given as collateral, including security deposits (d)	Net amount after all netting effects (e) = (c) - (d)
31/12/2016						
Derivatives	2,074,520	-	2,074,520	883,542	835,847	355,131
TOTAL FINANCIAL LIABILITIES SUBJECT TO NETTING	**2,074,520**	**-**	**2,074,520**	**883,542**	**835,847**	**355,131**
31/12/2015						
Derivatives	1,967,908	-	1,967,908	563,380	1,042,171	362,357
TOTAL FINANCIAL LIABILITIES SUBJECT TO NETTING	**1,967,908**	**-**	**1,967,908**	**563,380**	**1,042,171**	**362,357**

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	31/12/2016	31/12/2015
Funds	1,560,274	1,205,596
Shares and other variable-income securities	11,619	21,606
Non-consolidated equity holdings	350,853	251,667
Available-for-sale securities	**1,922,746**	**1,478,869**
Available-for-sale receivables	-	-
Accrued interest	-	-
TOTAL AVAILABLE-FOR-SALE FINANCIAL ASSETS	**1,922,746**	**1,478,869**

5.5.1 Change in available-for-sale securities

In € thousands	
AVAILABLE-FOR-SALE SECURITIES AT 31/12/2015	**1,922,746**
Changes in scope	(1,966)
Increases	1,295,595
Decreases	(873,987)
Translation adjustments	611
Fair value in equity	24,696
Durable write-downs	(1,060)
Other movements	(13)
AVAILABLE-FOR-SALE SECURITIES AT 31/12/2015	**1,478,869**

5.5.2 Unrealised gains and losses on available-for-sale financial assets

	31/12/2016			31/12/2015		
In € thousands	Carrying amount	Unrealised gains	Unrealised losses	Carrying amount	Unrealised gains	Unrealised losses
Treasury bills and similar securities	-	-	-	-	-	-
Funds	1,560,274	60,166	(196)	1,205,596	62,752	(230)
Shares and other variable-income securities	11,619	758	(1,441)	21,606	705	(1,676)
Non-consolidated equity holdings	350,853	22,612	(197)	251,667	2,996	(7,541)
Available-for-sale receivables						
Available-for-sale financial assets	**1,922,746**	**83,536**	**(1,834)**	**1,478,869**	**66,453**	**(9,447)**
Taxes		(17,221)	53		(21,277)	13
GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY ON AVAILABLE-FOR-SALE FINANCIAL ASSETS (NET OF INCOME TAX)		**66,316**	**(1,781)**		**45,176**	**(9,434)**

5.6 ASSETS - LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

In € thousands	31/12/2016	31/12/2015
Current accounts and overnight loans	425,009	595,526
Accounts and term deposits	87,860	143,050
Accrued interest	147	140
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS (NET VALUE)	**513,016**	**738,716**

"Loans and receivables due from credit institutions" are primarily granted to the Crédit Agricole group.

5.7 LIABILITIES - DUE TO CREDIT INSTITUTIONS

In € thousands	31/12/2016	31/12/2015
Accounts and term deposits	93,926	435,078
Accrued interest	374	548
Current accounts	683	24,941
TOTAL DUE TO CREDIT INSTITUTIONS	**94,983**	**460,566**

The main counterparty of "Total due to credit institutions" is the Crédit Agricole group.

5.8 CURRENT AND DEFERRED TAX ASSETS AND LIABILITIES

In € thousands	31/12/2016	31/12/2015
Current tax receivables	27,583	24,542
Deferred tax assets	82,957	82,389
TOTAL CURRENT AND DEFERRED TAX ASSETS	**110,540**	**106,931**

Current tax debt	41,805	35,241
Deferred tax liabilities	45,291	44,211
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**87,096**	**79,452**

The share of deferred taxes related to tax loss carry forwards is €6,266 thousand and €6,243 thousand for 2016 and 2015, respectively.

At 31 December 2016 and 31 December 2015 deferred tax assets from unrecognised accumulated tax losses of the US subsidiaries were respectively €14,339 thousand and €7,847 thousand.

5.9 ACCRUALS, SUNDRY ASSETS & LIABILITIES

5.9.1 Accruals, prepayments and sundry assets

In € thousands	31/12/2016	31/12/2015
Miscellaneous debtors	1,131,122	1,228,676
Accrued income	495,992	500,725
Prepaid expenses	17,752	14,059
ASSETS – ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS	**1,644,866**	**1,743,460**

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 €949,446 thousand at 31 December 2016 and €1,074,352 thousand at 31 December 2015.

5.9.2 Accruals, deferred income and sundry liabilities

In € thousands	31/12/2016	31/12/2015
Miscellaneous creditors	291,460	277,735
Accrued expenses	669,271	649,427
Unearned income	5,920	8,699
Other accruals	825,547	1,100,801
LIABILITIES – ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES	**1,792,198**	**2,036,662**

Accruals, deferred income and sundry liabilities include bonus debt, retrocessions payable to distributors and collateral received for derivatives contracts. The collateral is recorded in the liabilities balance in the amount of €741,655 thousand at 31 December 2016 and €1,073,497 thousand at 31 December 2015.

5.10 JOINT VENTURES AND ASSOCIATES

In € thousands	31/12/2016	31/12/2015
Joint ventures	11,224	10,931
Associates	157,991	114,943
ASSETS – INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**169,215**	**125,873**

In € thousands	31/12/2016	31/12/2015
Joint ventures	4,672	4,378
Associates	23,819	20,835
INCOME STATEMENT - SHARE OF NET INCOME OF EQUITY-ACCOUNTED ENTITIES	**28,490**	**25,213**

5.10.1 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 €11,224 thousand at 31 December 2016 and €10,931 thousand at 31 December 2015.

	31/12/2016			31/12/2015		
In € thousands	Equity-accounted value	Dividends paid to Group's entities	Share of net income	Equity-accounted value	Dividends paid to Group's entities	Share of net income
Fund Channel	11,224	4,378	4,672	10,931	2,720	4,378
NET CARRYING AMOUNT OF SHARES IN EQUITY-ACCOUNTED ENTITIES (JOINT VENTURE)	**11,224**		**4,672**	**10,931**		**4,378**

The summarised financial information of this Joint-Venture is presented below:

	31/12/2016			
In € thousands	NBI	Net income	Total assets	Equity
Fund Channel	23,577	12,118	128,397	26,931

5.10.2 Associates

The equity-accounted value of associates was €157,991 thousand at 31 December 2016 and €114,943 thousand at 31 December 2015.

Amundi has holdings in six associates (as compared to four at 31 December 2015). The holdings in the equity-accounted companies are presented in the table below:

		31/12/2016			31/12/2015		
In € thousands	Notes	Equity-accounted value	Dividends paid to Group's entities	Share of net income	Equity-accounted value	Dividends paid to Group's entities	Share of net income
NH-Amundi Asset Management		22,897	2,315	3,435	21,602	3,623	3,265
State Bank of India Fund Management (SBI FM)	(1)	70,042	2,926	8,621	63,826	3,018	8,657
ABC-CA		29,342	3,806	9,208	24,814	1,981	6,801
Wafa Gestion		4,862	2,126	2,230	4,700	1,589	2,112
Tobam Holding Company & Tobam	(2)	30,848	-	324	-	-	-
NET CARRYING AMOUNT OF INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES (ASSOCIATES)		**157,991**		**23,819**	**114,943**		**20,835**

(1) Of which, goodwill for €30,078 thousand at 31 December 2016 and €29,900 thousand at 31 December 2015.
(2) Of which, goodwill for €28,590 thousand at 31 December 2016 (entities consolidated since 31 October 2016).

The summary financial information for Amundi's significant associates is presented below:

	31/12/2016			
In € thousands	NBI	Net income	Total assets	Equity
NH-Amundi Asset Management	23,656	11,451	77,183	76,324
State Bank of India Fund Management (SBI FM)	75,930	23,300	123,741	108,009
ABC-CA	2,320	27,625	111,342	88,026
Wafa Gestion	13,417	6,560	34,995	14,300
Tobam Holding Company & Tobam	23,623	8,783	32,128	8,496

5.11 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

5.11.1 Property, plant and equipment used in operations

In € thousands	01/01/2016	Change in scope	Increase	Decrease	Translation adjustments	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**

In € thousands	01/01/2015	Change in scope	Increase	Decrease	Translation adjustments	Other movements	31/12/2015
Gross value	114,689	17	6,075	(894)	1,335	(6,655)	114,568
Depreciation, amortisation and provisions	(59,249)	-	(10,895)	875	(943)	-	(70,212)
PROPERTY, PLANT AND EQUIPMENT - NET	**55,440**	**17**	**(4,820)**	**(19)**	**392**	**(6,655)**	**44,356**

5.11.2 Intangible assets from operations

In € thousands	01/01/2016	Change in scope	Increase	Decrease	Translation adjustments	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)
INTANGIBLE ASSETS - NET	**111,210**	**412**	**(3,753)**	**(3)**	**23**	**-**	**107,888**

In € thousands	01/01/2015	Change in scope	Increase	Decrease	Translation adjustments	Other movements	31/12/2015
Gross value	344,455	26,625	11,078	(18,967)	126	6,655	369,971
Depreciation, amortisation and provisions	(247,982)	-	(29,609)	18,934	(103)	-	(258,761)
INTANGIBLE ASSETS - NET	**96,473**	**26,625**	**(18,531)**	**(33)**	**23**	**6,655**	**111,210**

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.

5.12 GOODWILL

Goodwill amounted to €3,161.5 million at 31 December 2016 compared to €2,998.5 million at 31 December, 2015. The change over the period was primarily the result of the acquisition of KBI Global Investors and Crédit Agricole Immobilier Investors, which resulted in the recognition of goodwill of €134,492 thousand and €25,457 thousand respectively. The accounting treatment of the combination with these two entities 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 €709.0 million;
- goodwill recognised in 2015 at the time of the acquisition of Amundi Austria for €78.4 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 2016 was carried out using results forecasts for the 2017-2019 period. The results forecasts were primarily based on the following assumptions about the economic environment:

- a return to growth in the euro zone, which remains fragile and quite varied: a gradual recovery in France. Long-term interest rates in Europe, despite fits of volatility, should remain low, even though they will rise gradually;
- continued growth in the United States in 2017;
- growth that is expected to improve very slightly in emerging countries, although varying by location: relative stability in China and India, and improvement in Brazil and Russia, which will pull out of recession.

Amundi used a perpetual growth rate of 2% for the tests at 31 December 2015 and 2016 and a discount rate of 8.39% for the test at 31 December 2016 (compared to 8.47% for the tests at 31 December 2015).

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.

5.13 PROVISIONS

In € thousands	01/01/2016	In € thousands	Reductions and increases not used	Increases used	Translation adjustments	Other movements	31/12/2016
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
TOTAL	**81,488**	**12,782**	**(6,815)**	**(17,012)**	**(59)**	**2,370**	**72,754**

In € thousands	01/01/2015	In € thousands	Reductions and increases not used	Increases used	Translation adjustments	Other movements	31/12/2015
Provisions for performance risks	19	73	(19)				73
Provisions for operational risks	3,284	167	(908)				2,543
Provisions for employee expenses	33,886	7,604	(724)	(3,060)	63	1,200	38,969
Provisions for disputes	11,074	969	(1,342)				10,701
Provisions for other risks	28,015	5,957	(4,712)	(89)	31		29,202
TOTAL	**76,278**	**14,770**	**(7,705)**	**(3,149)**	**94**	**1,200**	**81,488**

As of 31 December 2016, disputes and other risks have a foreseeable expiration of less than two years.

Provisions for employee expenses consist primarily of provisions for retirement benefits. The column “Other changes” includes changes in actuarial gains and losses over the year. Details of the changes in provisions are shown in note 6.4.

5.14 EQUITY

5.14.1 Composition of the share capital

As of 31 December 2016, the allocation of share capital and voting rights was as follows:

Shareholders	Number of shares	% of equity	% of voting rights
Crédit Agricole SA	124,026,070	73.86%	73.88%
Other Crédit Agricole Group companies	2,975,163	1.77%	1.77%
Employees	413,753	0.25%	0.25%
Treasury shares	61,045	0.04%	-
Floating	40,449,438	24.09%	24.10%
TOTAL	**167,925,469**	**100.00%**	**100.00%**

During the 2016 year there was an issue of 680,232 shares as payment for the CA Immobilier Investors (CAII) shares contributed to Amundi by Crédit Agricole Immobilier (see note 9.3.2).

5.14.2 Dividends allocated in 2016

In 2016, in accordance with the deliberations of the Ordinary General Shareholders'Meeting of 12 May 2016, Amundi paid its shareholders a dividend of €2.05 per share, i.e. a total of €342.8 million for fiscal year 2015.

The dividend distribution by shareholder was as follows:

In € thousands	For FY 2015	For FY 2014
Crédit Agricole SA	254,253	191,462
Other Crédit Agricole Group companies	4,705	3,351
Employees	930	-
Floating	82,866	-
Société Générale	-	48,703
DIVIDENDS	**342,754**	**243,516**

5.14.3 Calculation of earnings per share

In € thousands	31/12/2016	31/12/2015
Net income Group share for the period *(in € thousands)*	568,265	518,630
Weighted average number of common shares outstanding during the period	167,366,374	166,810,578
BASIC EARNINGS PER SHARE *(IN EUROS)*	**3.40**	**3.11**

NOTE 6 EMPLOYEE BENEFITS AND OTHER COMPENSATION

6.1 WORKFORCE

	2016	2015
Workforce at close *(Full-Time Equivalent – FTE)*	Permanent contracts and other	Permanent contracts and other
France	2,102.4	2,097.9
Other European Union countries	529.2	468.8
Other European countries	9.0	8.0
North America	74.5	84.5
Central and South America	1.0	2.0
Africa and the Middle East	7.0	8.0
Asia and Oceania (excluding Japan)	159.0	167.0
Japan	186.1	193.6
TOTAL WORKFORCE	**3,068.2**	**3,029.8**

6.2 DETAIL ON EMPLOYEE EXPENSES

In € thousands	2016	2015
Salaries	(378,302)	(375,323)
Retirement fund contributions	(24,713)	(22,669)
Social charges and taxes	(125,323)	(126,509)
Reversals	(29,100)	(40,554)
TOTAL EMPLOYEE EXPENSES	**(557,439)**	**(565,055)**

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 €559 thousand at 31 December 2016 and €551 thousand at 31 December 2015 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 €23,456 thousand at 31 December 2015 and €24,968 thousand at 31 December 2016.

6.4 POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

Change in actuarial liabilities

	31/12/2016			31/12/2015
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
ACTUARIAL LIABILITY AT 31/12/N-1	**51,297**	**6,195**	**57,492**	**51,479**
Translation adjustment	-	384	384	525
Cost of services rendered during the period	3,280	1,043	4,323	4,072
Financial cost	920	33	953	875
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	22	-	22	-
Changes in scope	24	-	24	1,835
Benefits paid (mandatory)	(1,031)	(730)	(1,761)	(809)
Taxes, administrative expenses, and bonuses	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions*	2,644	(261)	2,383	(221)
Actuarial (gains)/losses arising from changes in financial assumptions	1,297	264	1,561	(265)
ACTUARIAL LIABILITY AT 31/12/N	**58,453**	**6,929**	**65,382**	**57,492**

* *Of which actuarial gains/losses related to experiences adjustements.*

Expense recognised in the income statement

	31/12/2016			31/12/2015
In € thousands	Euro zone	Non- Euro zone	All zones	All zones
Service cost	3,302	1,043	4,345	4,072
Net interest expense (income)	536	4	540	473
IMPACT ON THE INCOME STATEMENT AT 31/12/N	**3,838**	**1,047**	**4,885**	**4,545**

Non-recyclable gains and losses recognised in other items of comprehensive income and change in accumulated actuarial gains and losses

	31/12/2016			31/12/2015
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
Remeasurement of net assets (liabilities)				
TOTAL AMOUNT OF ACTUARIAL GAINS OR LOSSES RECOGNISED IN OTHER ITEMS OF COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED AT 31/12/N-1	**12,915**	**1,515**	**14,430**	**14,366**
Translation adjustment	-	91	91	146
Actuarial gains/(losses) on assets	(1,027)	253	(774)	(370)
Actuarial gains/(losses) arising from demographic assumptions*	2,644	(261)	2,383	(221)
Actuarial gains/(losses) arising from financial assumptions	1,297	264	1,561	508
Impact of asset restriction	-	-	-	-
Items recognised immediately in other items of comprehensive income during the year (actuarial gains and losses on post-employment benefits)	**2,914**	**346**	**3,260**	**64**
TOTAL AMOUNT OF ACTUARIAL GAINS OR LOSSES RECOGNISED IN OTHER ITEMS OF COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED AT 31/12/N	**15,829**	**1,861**	**17,690**	**14,430**

* *Including actuarial gains/losses related to experience adjustments.*

Change in the fair value of assets

	31/12/2016			31/12/2015
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
FAIR VALUE OF ASSETS AT 31/12/N-1	**22,244**	**5,432**	**27,676**	**26,274**
Translation adjustment	-	448	448	351
Interest on assets (income)	384	30	414	402
Actuarial gains/(losses)	1,027	(253)	774	370
Employer contributions	-	1,060	1,060	1,051
Employee contributions	-	-	-	-
Benefit plan changes, withdrawals and settlement	-	-	-	-
Changes in scope	-	-	-	-
Taxes, administrative expenses, and bonuses	-	-	-	-
Benefits paid out under the benefit plan	(887)	(730)	(1,617)	(771)
FAIR VALUE OF ASSETS AT 31/12/N	**22,768**	**5,988**	**28,756**	**27,676**

Net position

	31/12/2016			31/12/2015
In € thousands	Euro zone	Non-Euro zone	All zones	All zones
CLOSING ACTUARIAL LIABILITY	**58,453**	**6,929**	**65,382**	**57,492**
Impact of asset restriction	-	-	-	-
Fair value of assets at the end of the period	(22,768)	(5,988)	(28,756)	(27,676)
NET POSITION AT END OF PERIOD (LIABILITIES)	**35,685**	**941**	**36,626**	**29,816**

Defined-benefit plans: main actuarial assumptions

	31/12/2016	31/12/2015
Amundi Asset Management plan discount rate	1.37%	2.03%
Discount rate of other plans	1.37%	1.56%
Expected salary increase rates	2.00%	2.00%

Asset allocation at 31/12/2016

	Euro zone			Non-Euro zone			All zones		
In € thousands	as%	amount	o/w listed	as%	amount	o/w listed	as%	amount	o/w listed
Equity	7.00%	1,593	1,593	-	-	-	5.54%	1,593	1,593
Bonds	83.01%	18,900	18,900	-	-	-	65.73%	18,900	18,900
Real Estate	7.01%	1,595		-	-		5.55%	1,595	
Other assets	2.99%	680		100.00%	5,988		23.19%	6,668	
FAIR VALUE OF ASSETS	**100.00%**	**22,768**	**20,493**	**100.00%**	**5,988**	**-**	**100.00%**	**28,756**	**20,493**

At 31 December 2016, the data for France showed an actuarial liability of €56,054 thousand, a fair value of assets of €22,768 thousand and a net end-of-period position of €33,286 thousand.

Sensitivity to discount rates at 31 December 2016

- a 50 basis point increase in discount rates would reduce the commitment by 7.32%;
- a 50 basis point decrease in discount rates would increase the commitment by 7.58%.

6.5 SHARE-BASED PAYMENTS

Amundi performance share plans

An expense of €2,057 thousand for share-based payments was recognised in employee expenses for the period ended 31 December 2016 for the Amundi performance share plan for Group employees.

This grant plan is described below:

Performance share plans	Amundi
Date of the General Shareholders' Meeting authorising the plan	30/09/2015
Date of Board meeting	11/02/2016
Date of share award	11/02/2016
Number of shares awarded	228,080
Methods of payment	Amundi shares
Vesting period	11/02/2016-11/02/2019
Performance conditions(1)	Yes
Continued employment condition	Yes
Shares remaining at 31 December 2016	226,250
Fair value of one share at time of award	€27.28

(1) 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 only 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).

Crédit Agricole S.A. share subscription plan offered to Amundi employees

Since this plan has no vesting period, the expense recognised during the period is equal to the difference between the fair value of the shares acquired by the employees who subscribe to the plan (after applying a five-year lock-up period discount) and the purchase price the employees paid.

At 31 December 2016 the expense recognised in employee expenses for this plan was €1,388 thousand.

6.6 EXECUTIVE COMPENSATION

The compensation and benefits of the Chief Executive Officer and of the Division Heads for the 2016 and 2015 fiscal periods taken into account in Amundi's consolidated financial statements were €6,826 thousand and €6,677 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	2016	2015
Gross compensation, employer contributions and benefits in kind	6,418	6,310
Post-employment benefits	408	367
Other long-term benefits	-	-
Severance payments	-	-
Cost of option and other plans	-	-
TOTAL	**6,826**	**6,677**

In addition, the Directors'fees paid in respect of 2015 and 2016 are presented in the table below:

In € thousands	2016	2015
Directors' fees	287	248

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 instruments;
- 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

Other financial assets

The non-consolidated equity securities of Resona Holding, government securities (listed on an organised market), listed bonds and fund units with a liquidation 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.

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 31/12/2016	Quoted prices in 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 bought 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 designated 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 investments	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**

In € thousands	Total 31/12/2015	Quoted prices in 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	**2,035,560**	**-**	**2,035,560**	**-**
Loans and receivables due from credit institutions	-	-	-	-
Securities bought 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	2,035,560	-	2,035,560	-
Financial assets designated at fair value through profit and loss	**3,548,296**	**2,624,974**	**923,322**	**-**
Assets backing unit-linked contracts	-	-	-	-
Securities designated at fair value through profit and loss	2,884,681	2,624,974	259,707	-
Treasury bills and similar securities	-	-	-	-
Funds	1,691,448	1,691,448	-	-
Bonds and other fixed-income securities	933,526	933,526	-	-
Shares and other variable-income securities	259,707	-	259,707	-
Loans and receivables due from credit institutions	663,615	-	663,615	-
Available-for-sale financial assets	**1,478,869**	**1,403,169**	**71,735**	**3,964**
Treasury bills and similar securities	-	-	-	-
Funds	1,205,596	1,199,649	1,983	3,964
Shares, other variable-income securities, and non-consolidated equity investments	273,272	203,520	69,752	-
Available-for-sale receivables	-	-	-	-
TOTAL FINANCIAL ASSETS MEASURED AT FAIR VALUE	**7,062,724**	**4,028,143**	**3,030,617**	**3,964**

7.4 FINANCIAL LIABILITIES AT FAIR VALUE ON THE BALANCE SHEET

In € thousands	Total 31/12/2016	Quoted prices in 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**	**-**

In € thousands	Total 31/12/2015	Quoted prices in 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	**1,980,984**	**-**	**1,980,984**	**-**
Due to credit institutions	-	-	-	-
Derivative instruments	1,980,984	-	1,980,984	-
Financial liabilities designated at fair value through profit and loss	**1,879,347**	**-**	**1,879,347**	**-**
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**3,860,331**	**-**	**3,860,331**	**-**

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, the Amundi Group considers that the collateral paid and received is recognised at its fair value under “Accruals, prepayments and sundry assets” and “Accruals, deferred income and sundry liabilities”.

The 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.

	31/12/2016			
	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	885,341	885,341	-	885,341
Financial assets designated 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	**17,479,129**	**17,479,129**	**-**	**17,479,129**
TOTAL NON-CONSOLIDATED STRUCTURED ENTITIES	**76,483,810**	**N.A.**	**N.A.**	**N.A.**

	31/12/2015			
	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	604,320	604,320	-	604,320
Financial assets designated at fair value through profit and loss	1,163,448	1,163,448	-	1,163,448
Available-for-sale financial assets	1,227,103	1,227,103	-	1,227,103
Loans and receivables	-	-	-	-
Financial assets held to maturity	-	-	-	-
Assets recognised vis-à-vis non-consolidated structured entities	**2,994,871**	**2,994,871**	**-**	**2,994,871**
Equity instruments	-	n.a.	n.a.	-
Financial liabilities held for trading	1,265,244	n.a.	n.a.	1,265,244
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	**1,265,244**	**-**	**-**	**1,265,244**
Commitments given				
Financing commitments	n.a.	-	-	-
Guarantee commitments	n.a.	18,149,818	-	18,149,818
Other	n.a.	-	-	-
Provisions – Commitments made	n.a.	(6,367)	-	(6,367)
Off-balance sheet commitments net of provisions vis-à-vis non-consolidated structured entities	**18,143,451**	**18,143,451**	**-**	**18,143,451**
TOTAL NON-CONSOLIDATED STRUCTURED ENTITIES	**82,397,372**	**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 €8,157 thousand at 31 December 2016 and €6,367 thousand at 31 December 2015.

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 INFORMATION BY OPERATING SEGMENT

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 all of this information constitutes more of a monitoring of commercial activity than a measurement of operating performance for making resource allocation decisions. 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 complementary information to that required by IFRS 8:

In € millions	2016	2015
Retail	981	958
Institutional	529	508
Institutional, *Corporate* and Employee saving plans	388	363
Insurers[1]	142	144
Net fees and commissions income sub-total	**1,510**	**1,466**
Performance fees	115	138
Net asset management revenue	**1,625**	**1,603**
Net financial income	**72**	**76**
Other net income	**(20)**	**(23)**
NET REVENUE	**1,677**	**1,657**

(1) Crédit Agricole group

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

In € millions	2016	2015
France	1,246	1,235
Foreign	432	422
NET REVENUE	**1,677**	**1,657**

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. "Consolidation scope" The transactions carried out and the assets under management at the end of the period between the companies of the Group consolidated by full consolidation 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.

The Crédit Agricole group is a distributor of Amundi's financial products, a lender and borrower, 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 Transactions with related parties

The following tables show the transactions conducted with the Crédit Agricole Group as well as 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	2016	2015
NET INCOME		
Net interest and similar income	(1,784)	(4,363)
Net fee and commission income	(230,834)	(287,842)
Other net income	(9,726)	(7,703)
Operating expenses	(8,124)	(9,431)
BALANCE SHEET	**31/12/2016**	**31/12/2015**
Assets		
Loans and receivables due from credit institutions	266,092	495,794
Accruals, prepayments and sundry assets	56,161	39,094
Financial assets at fair value through profit and loss	2,790,693	1,654,350
Equity and liabilities		
Due to credit institutions	86,069	460,363
Accruals, deferred income and sundry liabilities	162,586	133,932
Financial liabilities at fair value through profit and loss	91,947	77,488
Off-balance sheet items		
Guarantees given	1,172,846	880,578
Guarantees received	-	-

	Associates and joint ventures	
In € thousands	2016	2015
NET INCOME		
Net interest and similar income		
Net fee and commission income	(5,325)	(7,831)
Operating expenses		
BALANCE SHEET	**31/12/2016**	**31/12/2015**
Assets		
Loans and receivables due from credit institutions	-	-
Accruals, prepayments and sundry assets	509	689
Financial assets at fair value through profit and loss	-	-
Equity and liabilities		
Due to credit institutions	-	-
Accruals, deferred income and sundry liabilities	858	3,355
Off-balance sheet items		
Guarantees given	-	-
Guarantees received	-	-

9.3 CONSOLIDATION SCOPE

9.3.1 Scope at 31 December 2016 and change over the period

Consolidated companies	Notes	Change in scope	Method	31/12/2016 % control	31/12/2016 % interest	31/12/2015 % control	31/12/2015 % 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 AI SAS		Exit	Full	-	-	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		Entry	Full	100.0	100.0	-	-	France
AMUNDI IT SERVICES			Full	95.4	95.4	83.1	83.1	France
AMUNDI PRIVATE EQUITY FUNDS			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
CLAM PHILADELPHIA	*(3)*	Exit	Full	-	-	100.0	100.0	France
CPR AM			Full	100.0	100.0	100.0	100.0	France
ÉTOILE GESTION			Full	100.0	100.0	100.0	100.0	France
LCL ÉMISSIONS			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		Entry	Equity-accounted	25.6	25.6	-	-	France
TOBAM		Entry	Equity-accounted	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			Full	99.4	99.4	98.9	98.9	Hong Kong
AMUNDI PERFORMANCE ABSOLUE EQUILIBRE			Full	100.0	100.0	100.0	100.0	France
CEDAR		Entry	Full	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
GENAVENT PARTNERS LP		Exit	Full	-	-	100.0	100.0	United States
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 ÉMISSIONS			Full	100.0	100.0	100.0	100.0	France
PEG – PORTFOLIO EONIA GARANTI			Full	96.4	96.4	95.1	95.1	France
RED CEDAR		Entry	Full	100.0	100.0	-	-	France

Consolidated companies	Notes	Change in scope	Method	31/12/2016 % control	31/12/2016 % interest	31/12/2015 % control	31/12/2015 % interest	Principal place of business
FOREIGN COMPANIES								
AMUNDI ASSET MANAGEMENT DEUTSCHLAND	(1)		Full	100.0	100.0	100.0	100.0	Germany
AMUNDI AUSTRIA			Full	100.0	100.0	100.0	100.0	Austria
AMUNDI ASSET MANAGEMENT BELGIUM	(1)		Full	100.0	100.0	100.0	100.0	Belgium
AMUNDI IBERIA SGIIC SA			Full	100.0	100.0	55.0	55.0	Spain
AMUNDI HELLAS			Full	100.0	100.0	100.0	100.0	Greece
KBI GLOBAL INVESTORS LTD	(4)	Entry	Full	87.5	100.0	-	-	Ireland
KBI FUND MANAGERS LTD		Entry	Full	87.5	100.0	-	-	Ireland
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD		Entry	Full	87.5	100.0	-	-	Ireland
AMUNDI REAL ESTATE ITALIA SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI SGR SPA			Full	100.0	100.0	100.0	100.0	Italy
AMUNDI 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
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
INVESTICNI KAPITALOVA SPOLECNOST KB, A.S.			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI AI SAS LONDON BRANCH	(2) (3)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI ASSET MANAGEMENT LONDON BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI LTD			Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI SUISSE			Full	100.0	100.0	100.0	100.0	Switzerland
WAFA GESTION			Equity-accounted	34.0	34.0	34.0	34.0	Morocco
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
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
SBI FUNDS MANAGEMENT PRIVATE LIMITED			Equity-accounted	37.0	37.0	37.0	37.0	India
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 JAPAN SECURITIES	(3)	Exit	Full	-	-	100.0	100.0	Japan
AMUNDI MALAYSIA SDN BHD			Full	100.0	100.0	100.0	100.0	Malaysia
AMUNDI SINGAPORE LTD			Full	100.0	100.0	100.0	100.0	Singapore
AMUNDI DISTRIBUTORS USA LLC			Full	100.0	100.0	100.0	100.0	US
AMUNDI SMITH BREEDEN			Full	100.0	100.0	100.0	100.0	US
AMUNDI USA INC			Full	100.0	100.0	100.0	100.0	US

(1) Amundi Asset Management branches.
(2) Amundi Ai SAS branch.
(3) Mergers.
(4) Acquisition of 12.5% of equity in KBI Global Investors was made as a firm sale with deferred payment.

9.3.2 Significant changes in the scope during the year

Acquisition of KBI Global Investors

Amundi and Oddo & Cie finalised an agreement dated 31 August 2016. Under this agreement, Amundi acquired the shares of the Irish asset management company KBI at an acquisition price of €154.5 million.

The acquisition price was allocated as follows on the date control was taken:

In € thousands	**31/08/2016**
Net assets 100% acquired	19,996
Net assets to the holders of a non-controlling interest	-
Goodwill on the share acquired	134,492
ACQUISITION PRICE (FAIR VALUE OF COUNTERPARTY TRANSFERRED TO SELLER) [1]	**154,488**

(1) The acquisition price includes a valuation of the earn-out provisions carried under "Accruals, deferred income and sundry liabilities" in the amount of €23,038 thousand (note 5.9.2).

Acquisition of Crédit Agricole Immobilier Investors (CAII)

On 27 October 2016, Amundi and Agricultural Credit Immobilier finalised agreements leading to the acquisition of 100% of the equity in Crédit Agricole Immobilier Investors (CAII) for an acquisition price of €29.3 million.

In € thousands	**27/10/2016**
Net assets 100% acquired	3,793
Net assets to the holders of a non-controlling interest	-
Goodwill on the share acquired	25,457
ACQUISITION PRICE (FAIR VALUE OF COUNTERPARTY TRANSFERRED TO SELLER) [1]	**29,250**

(1) This transaction led to the issuance of Amundi shares as payment for the CAII shares contributed by Crédit Agricole Immobilier. Based on a valuation of CAII of €29,250 thousand and a valuation of Amundi at €43.00 per share (see note 5.14.1).

In accordance with IFRS 3, the Group made a temporary allocation of the acquisition cost of these various transaction as at the balance sheet date and, as a result, the amounts allocated to identifiable assets and liabilities acquired and to goodwill may be amended within one year of the combination.

In addition, the full consolidation of these two entities in the Amundi consolidated financial statements contributed to net income for the entire consolidation as follows:

In € thousands	**KBI**	**CA Immobilier Investors**
Contribution to "Net revenues" line	11,233	691
Contribution to "Net income" line	3,804	431

Acquiring significant influence in TOBAM

On 31 October 2016, in the framework of the strengthening of a strategic partnership, Amundi acquired an additional stake in Tobam Holding Company and Tobam (Tobam Holding Company exercising exclusive control of Tobam).

This additional equity interest resulted in consolidation by the equity method of the two entities mentioned.

The accounting effect of the first-time consolidation of the entire stake in TOBAM was the following:

In € thousands	31/10/2016
Acquired share of net assets	1,934
Goodwill on acquired share (contained in the equity-accounted value)	28,591
ACQUISITION PRICE (FAIR VALUE OF COUNTERPARTY TRANSFERRED TO SELLER)[1]	**30,525**

(1) It includes a valuation of the earn-out provisions carried under "Accruals, deferred income and sundry liabilities" in the amount of €13,011 thousand at 31 December 2016 (note 5.9.2).

9.4 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments include:

- fund guarantee commitments of €17,487 million at 31 December 2016 and €18,150 million at 31 December 2015;

In € thousands	31/12/2016	31/12/2015
Guarantee commitments given	17,487,286	18,149,818

- the financial commitments for the Revolving Credit Facility granted to Amundi for €1,750,000 thousand;
- 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	31/12/2016	31/12/2015
Interest rate instruments	2,160,968	2,029,951
Other instruments	40,037,867	41,853,997
NOTIONAL TOTAL	**42,198,835**	**43,883,948**

- non-cancellable operating lease commitments amounting to €155,155 thousand at 31 December 2016 (see note 9.5).

9.5 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	31/12/2016	<= 1 year	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**

In € thousands	31/12/2015	<= 1 year	Between 1 and 5 years	> 5 years
Commitments given	183,896	33,980	119,415	30,501
Commitments received (sub-leases)	(2,529)	(655)	(1,223)	(651)
NON-CANCELLABLE OPERATING LEASE COMMITMENTS	**181,368**	**33,325**	**118,192**	**29,850**

9.6 SUBSEQUENT EVENTS

None.

9.7 FEES PAID TO THE STATUTORY AUDITORS

The allocation of fees by firm and type of assignment recognised in the 2015 and 2016 results is provided below:

	2016			2015		
In € thousands	PWC	E&Y	Total	PWC	E&Y	Total
Statutory audit, certification, audit of the individual and consolidated financial statements	1,152	1,228	2,380	1,023	1,257	2,280
Other procedures and services directly related to the Statutory Auditors'role(1)	295	212	507	901	929	1,830
Services other than certification of the accounts(2)	1,307	109	1,415	-	-	-
STATUTORY AUDITORS'FEES	**2,754**	**1,548**	**4,303**	**1,924**	**2,186**	**4,110**

(1) For 2016, services from January 1 through 16 June 2016.
(2) For 2016, services from 17 June 2016 forward.

6.4 STATUTORY AUDITORS'REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the Group's management report.

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

For the year ended 31 December 2016

To the Shareholders,

In compliance with the assignment entrusted to us by the General Shareholders'Meetings, we hereby report to you for the year ended 31 December 2016, on:

- the audit of the Amundi consolidated financial statements, as appended to this report;
- the justification of our assessments;
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform procedures to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements for the year ended 31 December 2016 give, in line with IFRS standards as adopted in the European Union, a true and fair picture of the assets and liabilities, of the financial position and of the results of the Company taking into account the people and entities included in the consolidation.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L.823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

- as stated in notes 1.4.6 "Goodwill impairments" and 5.12. "Goodwill" of the notes to the financial statements, your Group carries out goodwill impairment tests. We examined the implementation procedures and the main parameters and assumptions used for the tests and ensured that the information provided in the notes to the financial statements was appropriate.
- your Group makes other accounting estimates as part of its consolidated financial statements preparation process, as shown in note 1.3 to the financial statements, in particular with respect to the valuation and impairments of securities available for sale, provisions for guarantees granted to structured funds, provisions for legal and regulatory risks and provisions for retirement commitments. Our work consisted in examining the methods and assumptions used and in checking that the resulting accounting estimates are based on documented methods compliant with the principles described in this note to the financial statements.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed, which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

In accordance with professional standards applicable in France, we also carried out the specific verifications required by law regarding the information provided about the Group in the management report.

We have no observations to make as to its fair presentation and consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, 20 February 2017

The Statutory Auditors

PricewaterhouseCoopers Audit
Emmanuel Benoist

ERNST & YOUNG et Autres
Olivier Drion

6.5 *PRO FORMA* FINANCIAL INFORMATION

6.5.1 Description of the transaction

On 11 December 2016, Amundi signed a Master Sale and Purchase Agreement for the acquisition of certain entities of the Pioneer Investments group from Pioneer Global Asset Management S.p.A, ("PGAM"), a subsidiary of UniCredit.

Tracing its history to 1928, Pioneer Investments is an international asset management company operating in 27 countries. Pioneer Investments operates mainly in Milan, Boston, Dublin and London and has a significant presence in Germany, Austria, Eastern Europe and elsewhere. It has approximately 1,900 employees and its assets under management amounted to almost €224 billion at 31 December 2016.

This transaction will allow Amundi to be ranked in the top ten asset managers in the world with over €1,300 billion under management. The combined entity will serve all client segments with a diversified offer of products and solutions together with a first-rate quality of service and commitment.

The €3,545 million cash transaction will be financed to the extent of some €1.5 billion with available capital, a €1.4 billion capital increase and €0.6 billion of senior and subordinate debt.

This transaction remains subject to the customary conditions, in particular the approval of the relevant regulatory and antitrust authorities. The transaction is expected to be completed before the end of the second quarter of 2017.

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 2016. 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 to date, 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).

The *pro forma* financial information includes the following information:

- an income statement for the year ended 31 December 2016, as if the acquisition had occurred on 1 January 2016;
- a balance sheet as at 31 December 2016 (as if the acquisition had occurred on 31 December 2016); and
- explanatory disclosures.

This financial information was prepared using the acquisition method.

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 2016:

- the audited financial statements of the Amundi Group for the year ended December 31, 2016;
- the consolidated financial statements of the Pioneer Investments Group for the year ended 31 December 2016, prepared to meet the needs of Amundi and reflecting the scope of the entities involved in this transaction[(1)]. These accounts were audited by Pioneer Investments' Statutory Auditors.

Moreover, in compliance with AMF Recommendation 2013-08, adjustement for the following items were 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.

6.5.3.1 *PRO-FORMA* INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

		A	B		C		D		E=A+B+C+D
31/12/2016	*Note*	**Amundi Published**	**Pioneer Investments***		**Adjustments pro forma**		**Non-recurrent items**		**Financial information pro forma**
Net asset management revenue		1,625	838		-		-		2,463
of which performance fees		*115*	*18*		-		-		*133*
Net financial income	6.5.4.3	72	(1)		(40)	(a)	-		31
Other net income		(20)	4		-	(b)	-		(16)
Net revenue		**1,677**	**841**		**(40)**		**-**		**2,478**
Operating expenses	6.5.4.2	(878)	(524)		-		14	(c)	(1,388)
Gross operating income		**800**	**316**		**(40)**		**14**		**1,090**
Cost of risk		(1)	(5)		-		-		(6)
Share of net income of equity-accounted entities		28	-		-		-		28
Net gains (losses) on other assets		0	(0)		-		-		(0)
Change in value of goodwill		-	-		-		-		-
Pre-tax income		**828**	**311**		**(40)**		**14**		**1,113**
Income tax charge	6.5.4.5	(258)	(103)	**	14		(5)		(352)
Net income for the year		**569**	**208**	**	**(26)**		**9**		**760**
Non-controlling interests		(1)	(0)		-		-		(1)
NET INCOME - GROUP SHARE		**568**	**208**	**	**(26)**		**9**		**760**

* *Audited consolidated financial statements of Pioneer Investments for the scope concerned by the above transaction (see (1)).*

** *The financial statements of Pioneer Investments for the year ended 31 December 2016 include an extraordinary net income tax expense. Based on a standard income tax rate of 28%:*

- *the income tax expense would have been -€87 million (instead of -€103 million above);*
- *net income for the year would have been €224 million (instead of the €208 million above).*

(a) *Adjustment of items of a recurring nature relating to:*

- *the exclusion at 1 January 2016 of the short-term investment portfolio sold in view of the financing of the acquisition and the non-collection of -€30 million in associated income;*
- *and the recognition of interest expenses incurred by entering into two new lines of credit in the amount of -€10 million.*

These impacts are explained in note 6.5.4.3.

(b) *Since goodwill has not been allocated at this stage, no impairment charge was estimated in the absence of any valuation of the distribution contracts (see note 6.5.4.1).*

(c) *Adjustment for the non-recurring effect of acquisition costs on the Amundi financial statements at 31 December 2016* (consulting fees, legal fees, etc.). *(see note 6.5.4.2).*

(1) *The Polish subsidiaries of Pioneer Investments are excluded from the pro forma financial information as at the time it was prepared they were the object of a planed transaction between UniCredit and a third party.*

6.5.3.2 *PRO FORMA* BALANCE SHEET AS AT 31 DECEMBER 2016

		A	B	C		D	E=A+B+C+D
Assets	*Note*	**Amundi Published**	**Pioneer Investments ***	**Adjustments pro forma**		**Non-recurrent items**	**Financial information pro forma**
Cash and central banks		0	0	-			0
Financial assets at fair value through profit and loss	6.5.4.3	6,247	40	(260)	(d)		6,027
Available-for-sale financial assets	6.5.4.3	1,923	82	(1,240)	(d)		764
Loans and receivables due from credit institutions	6.5.4.1	513	667	(112)	(e)		1,068
Current and deferred tax assets		111	145	-			255
Accruals, prepayments and sundry assets		1,645	450	-			2,095
Investments in equity-accounted entities		169	-	-			169
Property, plant and equipment		41	5	-			46
Intangible assets		108	20	-			128
Goodwill	6.5.4.1	3,162	1,664	1,348	(f)		6,174
TOTAL ASSETS		**13,918**	**3,072**	**(263)**		**-**	**16,727**

		A	B	C		D	E=A+B+C+D
Equity and liabilities	*Note*	**Amundi Published**	**Pioneer Investments ***	**Adjustments pro forma**		**Non-recurrent items**	**Financial information pro forma**
Financial liabilities at fair value through profit and loss		5,226	-	-			5,226
Due to credit institutions	6.5.4.3	95	21	325	(d)		441
Current and deferred tax liabilities		87	80	-			167
Accruals, deferred income and sundry liabilities		1,792	615	-			2,407
Provisions		73	45	-			117
Subordinated debt		-	-	320	(d)		320
Total debt		**7,273**	**761**	**645**		**-**	**8,679**
Equity, Group share	***6.5.4.1***	***6,644***	***2,308***	***(908)***	***(g)***	***-***	***8,044***
Share capital and reserves		1,570	1,566	(166)			2,970
Consolidated reserves		4,432	548	(548)			4,432
Gains and losses recognised directly in equity		75	(13)	13			75
Net income (loss) for the year		568	208	(208)			568
Non-controlling interests		0	3	-			4
Total equity		**6,645**	**2,312**	**(908)**		**-**	**8,048**
TOTAL LIABILITIES		**13,918**	**3,072**	**(263)**		**-**	**16,727**

* *Audited consolidated financial statements of Pioneer Investments for the scope concerned by the above transaction (see note (1) on the preceeding page).*

(d) *Recurring adjustment as to the financing of the transaction by selling part of Amundi's investment portfolio (for €260 million and €1,240 million) and the conclusion of two loans (of €325 million and €320 million).*
Details on the assumptions relating to the financing are explained in note 6.5.4.3.

(e) *Impact of dividends payable to PGAM (the Seller) before the completion date of the transaction (see note 6.5.4.1).*

(f) *Net effect of cancelling historical goodwill in the audited accounts of Pioneer Investments (-€1,664 million) and recognising unallocated goodwill (+€3,012 million) calculated on the expected acquisition price.(see note 6.5.4.1).*

(g) *Net Impact of cancelling the equity of Pioneer Investments in the amount of -€2,308 million (see note 6.5.4.1) and the capital increase by Amundi's issue of new shares in the amount of +€1400 million (see note 6.5.4.3).*

6.5.4 Explanatory disclosures concerning the pro forma financial information

6.5.4.1 GOODWILL

Goodwill (€3,012 million) was calculated on the basis of the acquisition price estimated to date (€3,545 million), and the net adjusted position of Pioneer Investments (€533 million), the calculation of which is explained below.

The net position presented in the audited financial statements of Pioneer Investments (€2,308 million) was adjusted for the following items with a recurring impact:

- cancellation of the goodwill appearing on the consolidated financial statements of Pioneer Investments (€1,664 million at 31 December 2016). This goodwill, moreover, was not impaired during FY2016 in the Pioneer Investments financial statements;
- recognition of a dividend payment by Pioneer Investments to PGAM prior to the completion date of the transaction in the amount of €112 millions.

In accordance with the agreements signed between Amundi and UniCredit, a total dividend payment to PGAM of €315 million is planned prior to the transaction completion date. At 31 December 2016, €203 million has already been debited to the net position of Pioneer Investments.

As of the date this *pro forma* financial information was prepared, and given the complexity of the transaction, this goodwill has not been allocated. Furthermore, no intangible assets (such as distribution contracts) were recognised on the balance sheet and thus no amortisation expense was recognised in the *pro forma* income statement.

In accordance with IFRS 3 Revised (Business Combinations), the Amundi Group will have a period of one year from the date of acquisition to finalise the allocation of the acquisition price to the identifiable assets and liabilities of Pioneer Investments.

6.5.4.2 ACQUISITION EXPENSES

In this transaction, the expenses for legal, financial and accounting advice were incurred and recognised in accordance with IFRS 3 Revised in the Amundi Group income statement, on the line "Operating expenses".

These costs, which by their nature are unlikely to have a recurring impact on the consolidated financial statements, have been restated in the *pro forma* financial information in the amount of €14 million (before tax effect).

6.5.4.3 FINANCING AND ASSOCIATED EXPENSES

Amundi intends to finance the acquisition price estimated at €3,545 million in the following manner:

Sale of a portion of the short-term investments in the following accounts for a total of €1,500 million

- available-for-sale financial assets for €1,240 million;
- financial assets designated at fair value through profit and loss for €260 million.

In presenting the *pro forma* income statement for the period ended 31 December 2016 (as if the transaction had occurred on 1 January 2016), the net income produced by these different short-term investments in FY2016 was estimated on the basis of an assumed yield of 2%, reflecting the yield on the investments in 2016.

On this assumption, an adjustment to remove income of €30 million was made in the "*Pro forma* income statement"

Capital increase by issuance of new shares in the approximate amount of €1,400 million net of issue costs

In accordance with regulations, the expenses relating to this share issuance will be charged to the Group's equity for their after-tax amount.

Two loan agreements totalling €645 million

For the purposes of preparing the *pro forma* financial information, the following assumptions were made:

- a senior debt of €325 million maturing in five years at a fixed rate of 0.6%;
- a 10-year subordinated debt (Tier 2 format) of €320 million at a fixed rate of 2.5%.

The rates used to estimate the cost of these various lines of credit correspond to market conditions observed in early 2017.

The annual cost of this financial debt was adjusted for in the *pro forma* income statement at -€10 million (recurring items) on the line "Net financial income".

Aside from these items, the transaction will not make any difference to the Group's terms of finance.

6.5.4.4 INTRA-GROUP TRANSACTIONS AND RELATIONS WITH THE SUBSIDIARIES

In accordance with 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 transactions:

- no material reciprocal transactions were identified in the historical financial data of Amundi and Pioneer Investments;
- 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.

6.5.4.5 CORPORATE INCOME TAX

In accordance with AMF recommendation No. 2013-08, the tax effects applied to the various adjustments made are the same as those used in the historical accounts of the two companies (Amundi and Pioneer Investments):

- with regard to the adjustments to Amundi's audited consolidated financial statements, where the various adjustments relate to French entities, the tax rate used equals the legal tax rate of 34.43%;
- with regard to the adjustments to Pioneer Investments's audited consolidated financial statements, any tax effects were calculated using the average tax rate experienced at the Group level, of about 28%.

6.5.5 Statutory auditors report on the pro forma financial information as of 31 december 2016

This is a free translation into English of the auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional 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 the company Amundi relative to the year ended 31 December 2016, set out in section 6.5 of the registration document.

The *pro forma* financial information has been prepared for the sole purpose of illustrating the impact that the acquisition of the company Pioneer Investments by Amundi might have had (i) on the consolidated balance sheet as at 31 December 2016 of the company Amundi (as if the acquisition had occurred on 31 December 2016) ; and (ii) on the consolidated income statement for the year ended 31 December 2016 of the company Amundi, as if the acquisition had occurred on 1 January 2016. By its very nature, this information is based on a hypothetical situation and does not represent the financial position or performance that would have been reported, had the operation 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) n°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) n°809/2004, as to the proper compilation of the *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 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 financial information, 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 the company Amundi to obtain the information and explanations that we deemed necessary.

In our opinion:

- the *pro forma* financial information has been properly compiled on the basis stated; and
- that basis is consistent with the accounting policies of the issuer.

This report has been issued solely:

- for the purpose of registering the registration document with the AMF;
- and the admission to trading of new shares on the regulated market of Euronext in Paris, and, as applicable, the public offering of new shares in France and, as applicable, other European Union member states in which the Prospectus registered by the AMF would be notified

and cannot be used for any other purpose.

Neuilly-sur-Seine and Paris-La Défense, on March 13, 2017

The statutory auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Emmanuel Benoist	Olivier Drion

07

Parent company financial statements

7.1 ANNUAL FINANCIAL STATEMENTS

Balance sheet at 31 December 2016

ASSETS

In € thousands	Notes	31/12/2016	31/12/2015
Interbank transactions and similar items		**371,415**	**311,401**
Cash, due from central banks			
Treasury bills and similar securities			
Loans and receivables due from credit institutions	3	371,415	311,401
Loans and receivables due from customers	**4**	**214,279**	**25,300**
Securities transactions		**2,139,922**	**2,576,155**
Bonds and other fixed-income securities	5		
Shares and other variable-income securities	5	2,139,922	2,576,155
Fixed assets		**2,716,179**	**2,520,989**
Equity investments and other long-term equity investments	6 -7	219,451	203,510
Investments in subsidiaries and affiliates	6 -7	2,496,692	2,317,432
Intangible assets	7		
Property, plant and equipment	7	36	47
Due from shareholders – unpaid capital			
Treasury shares	**8**	**3,035**	
Accruals, prepayments and sundry assets		**415,949**	**461,909**
Other assets	9	415,396	460,867
Accruals	9	552	1,042
TOTAL ASSETS		**5,860,779**	**5,895,755**

EQUITY AND LIABILITIES

In € thousands	Notes	31/12/2016	31/12/2015
Interbank transactions and similar items		**358,751**	**798,991**
Due to central banks			
Due to credit institutions	11	358,751	798,991
Due to customers	**12**	**1,422,000**	**994,906**
Debt securities	**13**		
Accruals, deferred income and sundry liabilities		**422,589**	**430,091**
Other liabilities	14	404,227	418,402
Accruals	14	18,362	11,689
Provisions and subordinated debt		**49**	
Provisions	15 -16 -17	49	
Subordinated debt	19		
Fund for general banking risks (FGBR)	**18**	**37,149**	**37,149**
Equity excluding FGBR	**20**	**3,620,241**	**3,634,618**
Share capital		419,814	418,113
Share premiums		1,152,225	1,124,675
Reserves		53,741	53,741
Revaluation gains/losses			
Regulated provisions and investment subsidies			
Retained earnings		1,695,335	1,576,910
Interim dividend			
Net income (loss) for the year		299,126	461,179
TOTAL EQUITY AND LIABILITIES		**5,860,779**	**5,895,755**

OFF-BALANCE SHEET

In € thousands	Notes	31/12/2016	31/12/2015
COMMITMENTS GIVEN			
Financing commitments	26		
Guarantee commitments	26	308,939	63,000
Commitments on securities	26		

In € thousands		31/12/2016	31/12/2015
Commitments received			
Financing commitments	26	1,750,000	1,750,000
Guarantee commitments	26		
Commitments on securities	26		

Income statement for the year ended December 31, 2016

(In € thousands)	Notes	31/12/2016	31/12/2015
Interest and similar income	28-29	10,910	40,768
Interest and similar expenses	28	(8,183)	(35,225)
Income from variable-income securities	29	270,438	454,470
Fees and commissions (income)	30	327	
Fees and commissions (expenses)	30	(116)	(314)
Net gains (losses) on trading book	31	1,273	
Net gains (losses) on short-term investment portfolios and similar	32	58,636	46,376
Other income from banking operations	33	9,815	8,670
Other expenses from banking operations	33	(10,052)	(9,071)
Net banking income		**333,048**	**505,675**
Operating expenses	34	(28,834)	(20,932)
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets		(11)	(6)
Gross operating income		**304,204**	**484,737**
Cost of risk	35		
Results of operations		**304,204**	**484,737**
Net gains (losses) on fixed assets	36		
Pre-tax income on ordinary activities		**304,204**	**484,737**
Net extraordinary income			
Income tax charge	37	(5,078)	(23,558)
Net allocation to FGBR and regulated provisions			
NET INCOME		**299,126**	**461,179**

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 2016

1.1 LEGAL AND FINANCIAL BACKGROUND

Amundi is a French *société anonyme* (public limited company) with share capital of €419,813,672.50 (i.e. 167,925,469 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:

- 73.86% by Crédit Agricole S.A.;
- 24.33% by the public (including employees);
- 1.77% by the other Crédit Agricole Group companies;
- 0.04% in treasury shares.

1.2 SIGNIFICANT EVENTS IN 2016

- Amundi awarded Kepler Cheuvreux an automatically renewable one-year liquidity contract starting 3 February 2016 on its ordinary shares (Paris – ISIN code FR0004125920) in compliance with the Code of Conduct of the French Association of Financial Markets (AMAFI) as approved by the AMF on 21 March 2011.

  To carry out this agreement, the following assets were allocated to the liquidity account: €10 million.
- Acquisition of Crédit Agricole Immobilier Investors

  Amundi and Crédit Agricole Immobilier finalised their agreement to combine their real estate management activities by merging their dedicated management companies Amundi Immobilier and CA Immobilier Investors (CAII).

  Under this arrangement, Amundi acquired 100% of the equity in CA Immobilier Investors (CAII) in exchange for an issue of Amundi shares. The transaction was finalised on 27 October 2016.

  Amundi then proceeded with the merger of CA Immobilier Investors with Amundi Immobilier effective 31 October 2016.
- Agreement signed for the acquisition of Pioneer Investments

  On 12 December 2016, Amundi and UniCredit signed a binding agreement for Amundi to acquire the business activities of Pioneer Investments.

  At 31 December 2016 this transaction remained subject to the usual closing conditions, in particular the approval of the relevant regulatory authorities (regulators and antitrust). The transaction could be completed before the end of the second quarter of 2017.

1.3 EVENTS AFTER THE 2016 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

Amounts due from credit institutions and customers are allocated by initial term or type: demand deposits (current accounts and overnight loans) and term deposits for credit institutions, other customer outstandings.

Only payables and receivables meeting the following conditions were netted out 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 liabilities with institutions;
- Other liabilities for customers (these include financial customers).

The interest accrued on these debts is recognised under related payables with a 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 provision 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 2016 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 SUBSCRIPTIONS PLANS OFFERED TO EMPLOYEES AS PART OF THE COMPANY SAVINGS PLAN

Share award plan

A performance share plan granted to certain categories of employees was created following the decision of the Board of Directors on 11 February 2016.

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.

This award scheme is described below:

Performance share plans	Amundi
Date of the General Shareholders' Meeting authorising the plan	30/09/2015
Date of Board meeting	11/02/2016
Date of share grant	11/02/2016
Number of shares granted	4,839
Methods of payment	Amundi shares
Vesting period	11/02/2016 -11/02/2019
Performance conditions(1)	Yes
Continued employment condition	Yes
Shares remaining at 31 December 2016	4,839
Fair value of one share at time of grant	27.28

(1) Performance conditions are based on net income Group share, amount of deposit-taking and the Group's cost-to-income ratio.

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 2016, 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

	31/12/2016							31/12/2015
(In € thousands)	< 3 months	>3 months <1 yr	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and loans:								
▪ demand	221,310				221,310		221,310	111,231
▪ term		50,000			50,000	65	50,065	100,130
Pledged securities								
Securities received under repurchase agreements								
Subordinated loans				100,000	100,000	40	100,040	100,040
Total	**221,310**	**50,000**		**100,000**	**371,310**	**105**	**371,415**	**311,401**
Write-downs								
NET CARRYING AMOUNT	**221,310**	**50,000**		**100,000**	**371,310**	**105**	**371,415**	**311,401**

NOTE 4 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY REMAINING MATURITY

4.1 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY REMAINING MATURITY

	31/12/2016							31/12/2015
In € thousands	< 3 months	>3 months <1 yr	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Trade receivables								
Other customer loans	39,000	24,000		150,000	213,000	1,279	214,279	25,300
Securities bought under repurchase agreements								
Current accounts in debit								
Write-downs								
SETTLEMENT ACCOUNTS	**39,000**	**24,000**		**150,000**	**213,000**	**1,279**	**214,279**	**25,300**

4.2 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – GEOGRAPHIC ANALYSIS

In € thousands	31/12/2016	31/12/2015
France (including overseas departments and territories)	213,000	25,300
Other EU countries		
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
International organisations		
Total principal	**213,000**	**25,300**
Accrued interest	1,279	
Write-downs		
NET CARRYING AMOUNT	**214,279**	**25,300**

4.3 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – DOUBTFUL LOANS AND WRITE-DOWNS GEOGRAPHIC ANALYSIS

	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**				

	31/12/2015				
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)	25,300				
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					
CARRYING AMOUNT	**25,300**				

4.4 LOANS AND RECEIVABLES DUE FROM CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

	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
Individual customers					
Farmers					
Other small businesses					
Financial institutions	213,000				
Corporates					
Public authorities					
Other customers					
Accrued interest	1,279				
CARRYING AMOUNT	**214,279**				

	31/12/2015				
In € thousands	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	25,300				
Corporates					
Public authorities					
Other customers					
Accrued interest					
CARRYING AMOUNT	**25,300**				

NOTE 5 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES

	31/12/2016					31/12/2015
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						
Settlement accounts						
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						
Settlement accounts						
Shares and other variable-income securities		2,177,016			2,177,016	2,615,070
Accrued interest						
Write-downs		(37,094)			(37,094)	(38,915)
Settlement accounts		**2,139,922**			**2,139,922**	**2,576,155**
TOTAL		**2,139,922**			**2,139,922**	**2,576,155**
Estimated values		**2,187,719**			**2,187,719**	**2,656,722**

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 31/12/2016	Net exposures 31/12/2015
Government and central banks (including States)		
Credit institutions		
Financial institutions	2,176,911	2,604,928
Local authorities		
Corporates, insurance companies and other customers	105	10,142
Other and non-allocated		
Total principal	**2,177,016**	**2,615,070**
Accrued interest		
Write-downs	(37,094)	(38,915)
NET CARRYING AMOUNT	**2,139,922**	**2,576,155**

5.2 BREAKDOWN OF LISTED AND UNLISTED SECURITIES BETWEEN FIXED- AND VARIABLE- INCOME SECURITIES

	31/12/2016				31/12/2015			
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			2,177,016	2,177,016			2,615,070	2,615,070
Accrued interest								
Write-downs			(37,094)	(37,094)			(38,915)	(38,915)
NET CARRYING AMOUNT			**2,139,922**	**2,139,922**			**2,576,155**	**2,576,155**

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	NBI or Rev excl. tax of last complete year	Net income (profit or loss for the latest fiscal year ended) [(a)]	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	326,430	23.87%	227,357	227,357	100,000		192,495	136,425	52,514
3) Investments in other subsidiaries and affiliates (over 50% of share capital)											
AMUNDI AM	EUR	747,264	363,047	100.00%	1,273,773	1,273,773	150,000		1,138,341	496,097	80,099
SOCIÉTÉ GÉNÉRALE GESTION	EUR	567,034	45,987	100.00%	582,437	582,437			223,641	44,798	51,549
ÉTOILE GESTION	EUR	29,000	2,990	100.00%	155,000	155,000			79,246	9,227	9,299
CPR ASSET MANAGEMENT	EUR	53,446	19,161	86.36%	99,563	99,563			130,323	34,552	37,909
BFT IM	EUR	1,600	30,024	99.99%	60,374	60,374			39,270	11,653	
AMUNDI IMMOBILIER	EUR	16,685	26,558	100.00%	63,989	63,989			127,788	35,468	27,284
AMUNDI PRIVATE EQUITY FUNDS	EUR	12,394	30,022	59.93%	33,998	33,998			31,808	7,639	3,917
4) Other equity investments (10% to 50% of share capital)											
Equity investments with a book value lower than 1% of share capital of Amundi											
	EUR				341	201					
TOTAL SUBSIDIARIES AND EQUITY INVESTMENTS					**2,496,832**	**2,496,692**					

(1) "Net income for the year ended" concerns income for the current financial year.

6.1 ESTIMATED VALUE OF EQUITY INVESTMENTS

	31/12/2016		31/12/2015	
In € thousands	Carrying amount	Estimated value	Carrying amount	Estimated value
Investments in subsidiaries and affiliates				
Unlisted securities	2,496,832	2,496,692	2,317,578	2,317,432
Listed securities				
Advances available for consolidation				
Accrued interest				
Write-downs	(141)		(146)	
Settlement accounts	**2,496,692**	**2,496,692**	**2,317,432**	**2,317,432**
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	219,451	283,979	203,510
Advances available for consolidation				
Accrued interest				
Write-downs	(64,528)		(80,469)	
Sub-total other long-term equity investments	**219,451**	**219,451**	**203,510**	**203,510**
Settlement accounts	**219,451**	**219,451**	**203,510**	**203,510**
TOTAL EQUITY INVESTMENTS	**2,716,142**	**2,716,142**	**2,520,942**	**2,520,942**

	31/12/2016		31/12/2015	
In € thousands	Carrying amount	Estimated value	Carrying amount	Estimated value
Total gross value				
Unlisted securities	2,496,832	2,496,692	2,317,578	2,317,432
Listed securities	283,979	219,451	283,979	203,510
TOTAL	**2,780,811**	**2,716,142**	**2,601,557**	**2,520,942**

NOTE 7 CHANGES IN FIXED ASSETS

7.1 FINANCIAL ASSETS

In € thousands	01/01/2016	Increases (acquisitions)	Decreases (disposals and redemptions)	Reversals movements	31/12/2016
Investments in subsidiaries and affiliates					
Gross values	2,317,578	179,254			2,496,832
Advances available for consolidation					
Accrued interest					
Write-downs	(146)			5	(141)
Net carrying amount	**2,317,432**	**179,254**		**5**	**2,496,692**
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	(80,469)			15,941	(64,528)
Net carrying amount	**203,510**			**15,941**	**219,451**
TOTAL	**2,520,942**	**179,254**		**15,946**	**2,716,142**

7.2 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

In € thousands	01/01/2016	Increases (acquisitions)	Decreases (disposals and redemptions)	Other movements	31/12/2016
Property, plant and equipment					
Gross values	53				53
Amortisation and write-downs	(6)			(11)	(17)
Net carrying amount	**47**			**(11)**	**36**
Intangible assets					
Gross values	420				420
Amortisation and write-downs	(420)				(420)
Net carrying amount					
TOTAL	**47**			**(11)**	**36**

NOTE 8 TREASURY SHARES

	31/12/2016				31/12/2015
(In € thousands)	Trading securities	Short term investment securities	Fixed assets	Total	Total
Number (in units)	61,045			61,045	
Carrying amounts	3,035			3,035	
Market value	3,035			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	31/12/2016	31/12/2015
Other assets		
Financial options bought		
Inventory accounts and miscellaneous		
Miscellaneous debtors (1) (2)	415,396	460,867
Collective management of account (LDD) securities Livret de développement durable (Sustainable development passbook)		
Settlement accounts Net carrying amount		
Accruals	**415,396**	**460,867**
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	343	1,033
Prepaid expenses	209	9
Deferred charges		
Other accruals		
Net carrying amount	**552**	**1,042**
TOTAL	**415,949**	**461,909**

(1) Amounts include accrued interest.
(2) Including €84 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 31/12/15	Write-downs	Reversals and utilisations	Accretion	Other movements	Balance at 31/12/16
On interbank transactions and similar items						
On loans and receivables due from customers						
On securities transactions	119,529	5,634	(23,668)		268	101,762
On fixed assets						
On other assets						
TOTAL	**119,529**	**5,634**	**(23,668)**		**268**	**101,762**

NOTE 11 AMOUNTS DUE TO CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY

	31/12/2016							31/12/2015
In € thousands	≤3 months	>3 months ≤ 1 year	>3 months ≤5 yrs	>5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and borrowings:								
■ demand	295,006				295,006		295,006	386,202
■ term	292	63,397			63,689	55	63,744	412,788
Securities sold under repurchase								
Securities sold under repurchase agreements								
CARRYING AMOUNT	**295,298**	**63,397**			**358,695**	**55**	**358,751**	**798,991**

NOTE 12 DUE TO CUSTOMERS

12.1 DUE TO CUSTOMERS – ANALYSIS BY REMAINING MATURITY

	31/12/2016							31/12/2015
In € thousands	< 3 months	>3 months <1 year	>3 months <5 years	> 5 years	Total principal	Accrued interest	Total	Total
Current accounts in credit								
Special savings accounts:								
■ demand								
■ term								
Other amounts due to customers	1,422,000				1,422,000		1,422,000	994,906
■ demand	1,389,800				1,389,800		1,389,800	921,300
■ term	32,200				32,200		32,200	73,606
Securities sold under repurchase agreements								
CARRYING AMOUNT	**1,422,000**				**1,422,000**		**1,422,000**	**994,906**

12.2 DUE TO CUSTOMERS – GEOGRAPHIC ANALYSIS

In € thousands	31/12/2016	31/12/2015
France (including overseas departments and territories)	1,422,000	994,900
Other EU countries		
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	**1,422,000**	**994,900**
Accrued interest		6
CARRYING AMOUNT	**1,422,000**	**994,906**

12.3 DUE TO CUSTOMERS – ANALYSIS BY CUSTOMER TYPE

In € thousands	31/12/2016	31/12/2015
Individual customers		
Farmers		
Other small businesses		
Financial institutions	1,422,000	994,900
Corporates		
Public authorities		
Other customers		
Total principal	**1,422,000**	**994,900**
Accrued interest		6
CARRYING AMOUNT	**1,422,000**	**994,906**

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	31/12/2016	31/12/2015
Other liabilities[1]		
Counterparty transactions (trading securities)		
Liabilities relating to stock lending transactions		
Optional instruments sold		
Settlement and negotiation accounts		
Miscellaneous creditors	404,227	418,402
Payments outstanding on securities		
Carrying amount	**404,227**	**418,402**
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	18,362	11,689
▪ Other accruals		
Carrying amount	**18,362**	**11,689**
ON OTHER ASSETS	**422,589**	**430,091**

(1) The amounts include accrued interest.

NOTE 15 PROVISIONS

In € thousands	Balance at 01/01/2016	Increases	Reversals used	Decreases and reversals not used	Other movements	Balance at 31/12/2016
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 risk						
For restructuring						
For taxes						
For equity investments						
For operational risk						
Other provisions		49				49
CARRYING AMOUNT		**49**				**49**

NOTE 16 HOME PURCHASE SAVINGS CONTRACTS

None.

NOTE 17 LIABILITIES TO EMPLOYEES – POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

Change in actuarial liability

In € thousands	31/12/2016	31/12/2015
ACTUARIAL LIABILITY AT 31/12/N-1	**464**	**515**
Cost of services rendered during the period	23	28
Effect of discounting		9
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Changes in scope		
Early retirement allowances		
Benefits paid	(170)	
Actuarial (gains)/losses	1	(88)
ACTUARIAL LIABILITY AT 31/12/N	**318**	**464**

Breakdown of the net charge recognised in the income statement

In € thousands	31/12/2016	31/12/2015
Cost of services rendered during the period	23	28
Financial cost	5	9
Expected return of assets during the period		
Amortisation of past service cost	(13)	(20)
Other gains or losses		
NET CHARGE RECOGNISED IN THE INCOME STATEMENT	**15**	**17**

Change in fair value of plan assets

In € thousands	31/12/2016	31/12/2015
FAIR VALUE OF ASSETS/RIGHT TO REIMBURSEMENT AT 31/12/N-1	**972**	**947**
Expected return on assets	13	20
Actuarial gains (losses)	40	5
Employer contributions		
Employee contributions		
Benefit plan changes/ withdrawals/ settlement		
Changes in scope		
Early retirement allowances		
Benefits paid by the fund	(170)	
FAIR VALUE OF ASSETS/RIGHT TO REIMBURSEMENT AT 31/12/N	**855**	**972**

Net position

In € thousands	31/12/2016	31/12/2015
ACTUARIAL LIABILITY AT 31/12/N	**318**	**464**
Impact of asset restriction		
Fair value of assets at year-end	(855)	(972)
NET POSITION (LIABILITIES)/ASSETS AT 31/12/N	**537**	**508**

NOTE 18 FUND FOR GENERAL BANKING RISKS

In € thousands	31/12/2016	31/12/2015
Fund for General Banking Risks	37,149	37,149
CARRYING AMOUNT	**37,149**	**37,149**

NOTE 19 SUBORDINATED DEBT – ANALYSIS BY REMAINING MATURITY

None.

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 shareholder equity
Balance at 31 December 2015	**418,113**	**2,755,326**			**461,179**	**3,634,618**
Dividends paid for 2015		(342,754)[1]				(342,754)
Changes in share capital	1,701					1,701
Change in share premium and reserves		27,549				27,549
Allocation of parent company net income		461,179			(461,179)	
Unappropriated retained earnings						
Net income for the 2016 fiscal year					299,126	299,126
Other changes						
BALANCE AT 31 DECEMBER 2016	**419,814**	**2,901,301**			**299,126**	**3,620,241**

(1) The amount of dividends paid in 2016 by Amundi after neutralization of treasury shares (€99 thousand).

NOTE 21 COMPOSITION OF CAPITAL

In € thousands	31/12/2016	31/12/2015
Equity	3,620,241	3,634,618
Fund for General Banking Risks	37,149	37,149
Subordinated debt and participating securities		
Mutual security deposits		
TOTAL CAPITAL	**3,657,390**	**3,671,767**

NOTE 22 TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES AND EQUITY INVESTMENTS

In € thousands	Balance at 31 December 2016 — Transactions with subsidiaries and affiliates and equity investments	Balance at 31 December 2015 — Transactions with subsidiaries and affiliates and equity investments
Loans and receivables	**585,694**	**336,701**
Credit institutions and financial institutions	371,415	311,401
Due from customers	214,279	25,300
Bonds and other fixed-income securities		
Debt	**1,780,751**	**1,793,897**
Credit institutions and financial institutions	358,751	798,991
Due from customers	1,422,000	994,906
Debt securities and subordinated debt		
Commitments given	**18,933**	
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	18,933	
Securities acquired with repurchase options		
Other commitments given		

NOTE 23 BREAKDOWN OF THE BALANCE SHEET BY CURRENCY

	31/12/2016		31/12/2015	
In € thousands	Assets	Equity and liabilities	Assets	Equity and liabilities
Euro	5,558,535	5,846,026	5,299,664	5,581,397
Other European Union currencies	303	292	310,381	313,347
Swiss franc				
Dollar	3,269	14,460	4,515	1,011
Yen	298,669		281,192	
Other currencies	3		3	
TOTAL	**5,860,779**	**5,860,779**	**5,895,755**	**5,895,755**

NOTE 24 FOREIGN EXCHANGE TRANSACTIONS, LOANS AND BORROWINGS

In € thousands	31/12/2016		31/12/2015	
	To be received	To be delivered	To be received	To be delivered
Spot foreign exchange transactions				
Currency				
Euros				
Forward foreign exchange transactions				
Currency				
Euros				
Lending and borrowing in foreign currencies			13,080	
TOTAL			13,080	

NOTE 25 FORWARD FINANCIAL INSTRUMENTS

None.

NOTE 26 COMMITMENTS GIVEN OR RECEIVED

In € thousands	31/12/2016	31/12/2015
COMMITMENTS GIVEN	**308,939**	**63,000**
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
■ Confirmed credit lines		
■ Documentary credits		
■ Other confirmed credit lines		
■ Other commitments to customers		
Guarantee commitments	**308,939**	**63,000**
Commitments from credit institutions		
■ Confirmed documentary credit lines		
■ Other guarantees		
Customers	308,939	63,000
■ Real estate guarantees		
■ Financial guarantees		
■ Other customer guarantees	308,939	63,000
Commitments on securities		
■ Securities acquired with repurchase options		
■ Other commitments to be given		
COMMITMENTS RECEIVED	**1,750,000**	**1,750,000**
Financing commitments	**1,750,000**	**1,750,000**
Commitments from credit institutions[(1)]	1,750,000	1,750,000
Commitments from customers		
Guarantee commitments		
Commitments from credit institutions		
Commitments from customers		
Commitments on securities		
Securities sold with repurchase options		
Other commitments received		

(1) The finance cost of Amundi's €1,750,000 thousand revolving credit facility was €1,436 thousand at 31 December 2016.

NOTE 27 INFORMATION ON COUNTERPARTY RISK ON DERIVATIVE PRODUCTS

None.

NOTE 28 NET INTEREST AND SIMILAR INCOME

In € thousands	31/12/2016	31/12/2015
On transactions with credit institutions	9,426	14,266
On transactions with customers	1,279	20
On bonds and other fixed-income securities		
Net income on macro-hedging transactions		
Other interest and similar income	205	26,481
Interest and similar income	**10,910**	**40,768**
On transactions with credit institutions[1]	(5,541)	(13,039)
On transactions with customers	6	(21)
Net expenses on macro-hedging transactions		
On bonds and other fixed-income securities		
Other interest and similar expenses	(2,648)	(22,165)
Interest and similar expenses	**(8,183)**	**(35,225)**
TOTAL NET INTEREST AND SIMILAR INCOME	**2,727**	**5,543**

(1) Including €1,436 thousand in respect of the cost of financing of the "Revolving Credit Facility" granted to Amundi of €1,750,000 thousand.

NOTE 29 INCOME FROM SECURITIES

In € thousands	31/12/2016	31/12/2015
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	268,594	451,959
Short-term investment securities and medium-term portfolio securities	1,844	2,512
Other securities transactions		
Income from variable-income securities	**270,438**	**454,470**
TOTAL INCOME FROM SECURITIES	**270,438**	**454,470**

NOTE 30 NET FEE AND COMMISSION INCOME

In € thousands	31/12/2016			31/12/2015		
	Proceeds	Expenses	Net	Proceeds	Expenses	Net
On transactions with credit institutions						
On transactions with customers						
On securities transactions		(116)	(116)		(314)	(314)
On forward financial instruments and other off-balance sheet transactions	327		327			
On financial services						
Provisions for fee and commission risks						
TOTAL NET FEE AND COMMISSION INCOME	**327**	**(116)**	**211**		**(314)**	**(314)**

NOTE 31 NET GAINS (LOSSES) ON TRADING BOOK

In € thousands	31/12/2016	31/12/2015
Net gains/(losses) on trading account securities	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	**1,273**	

NOTE 32 NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

In € thousands	31/12/2016	31/12/2015
Short-term investment securities		
Write-down losses	(5,634)	(29,925)
Reversals of write-downs losses	23,668	2,007
Net write-downs	18,035	(27,917)
Gains on disposals	48,307	77,701
Losses on disposals	(7,706)	(3,408)
Net gains (losses) on disposals	40,601	74,293
Net gains (losses) on short-term investment securities	**58,636**	**46,376**
Medium-term portfolio securities		
Short-term investment securities		
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 SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR	**58,636**	**46,376**

NOTE 33 OTHER BANKING INCOME AND EXPENSES

In € thousands	31/12/2016	31/12/2015
Sundry income	1	1
Share of Joint Ventures		
Charge-backs and expense reclassification	9,814	8,669
Provision reversals		
Other income from banking operations	**9,815**	**8,670**
Sundry expenses		(20)
Share of Joint Ventures		
Charge-backs and expense reclassification	(10,052)	(9,050)
Provisions		
Other expenses from banking operations	**(10,052)**	**(9,071)**
OTHER INCOME AND EXPENSES FROM BANKING OPERATIONS	**(237)**	**(401)**

NOTE 34 OPERATING EXPENSES

The year (in € thousands)	31/12/2016	31/12/2015
Employee expenses		
Salaries	(745)	(2,287)
Social security charges	(536)	(492)
Profit-sharing and incentive plans	(61)	(109)
Payroll-related tax	(232)	(270)
Total employee expenses	**(1,573)**	**(3,157)**
Charge-backs and reclassification of employee expenses	60	58
Net employee expenses	**(1,513)**	**(3,099)**
Administrative costs		
Taxes(1)	(2,999)	(3,643)
External services and other Administrative expenses	(25,723)	(14,648)
Total administrative expenses	**(28,722)**	**(18,292)**
Charge-backs and reclassification of administrative expenses	1,402	459
Net administrative costs	**(27,320)**	**(17,833)**
OPERATING EXPENSES	**(28,833)**	**(20,932)**

(1) Including €576 thousand for the Resolution Fund.

34.1 HEADCOUNT BY CATEGORY

(in average number of employees)	31/12/2016	31/12/2015
Executives	9	9
Non-executives	1	1
ON OTHER ASSETS	**10**	**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 €563,518,059 for the fiscal year ended 31 December 2016.

No tax loss carryforwards were identified at Group level for the fiscal year ended 31 December 2016.

The total income tax charge generated by the companies within the scope and recognised as income for the parent company stands at €195,898,958.

The tax owed to the Public Treasury by the Company heading the Group is €191,213,816.

Income taxes amounted to -€4,685 thousand.

This expense mainly breaks down into the following items:

- Amundi tax expense taken individually for €9,763 thousand (essentially linked to the tax on dividends);
- a net tax income for the tax consolidation for €5,078 thousand.

By agreement, the subsidiaries pay the income tax charge they would have incurred in the absence of a tax consolidation group.

NOTE 38 PRESENCE IN NON-COOPERATIVE STATES OR TERRITORIES

None.

NOTE 39 COMPENSATION OF MEMBERS OF THE MANAGEMENT BODIES

Amundi paid €1.4 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 40 FEES PAID TO THE STATUTORY AUDITORS

The company is fully consolidation 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

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

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

For the year ended 31 December 2016

To the Shareholders,

In compliance with the assignment entrusted to us by the General Shareholders'Meetings, we hereby report to you for the year ended 31 December 2016, on:

- the audit of the Amundi annual financial statements, as appended to this report;
- the justification of our assessments;
- the specific verifications and information required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform procedures to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection to obtain audit evidence about the amounts and disclosures in the annual financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the annual financial statements give a true and fair view of the assets, liabilities and financial position of the company as of 31 December 2016 and the results of its operations for the year ended in accordance with French generally accepted accounting principles.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the provisions of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters

As part of its financial statements preparation process, your Company has made accounting estimates, particularly regarding the valuation of investments and other long-term securities, as well as equity investments in associates (Note 2.2). We have examined the assumptions used and verified that these accounting estimates are based on documented methods that comply with the principles set forth in note 2 "Accounting principles and methods" to the annual financial statements.

These assessments were made as part of our audit of the annual financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATIONS AND INFORMATION

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information provided in the management report of the Board of Directors and any in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, 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 your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris-La Défense, 20 February 2017

The Statutory Auditors

PricewaterhouseCoopers Audit
Emmanuel Benoist

Ernst & Young et Autres
Olivier Drion

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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 €419 813 672,50, represented by 167 925 469 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

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 ofholdings 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.

TITLE 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

No significant investment was made during 2014

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

Ongoing investments

Amundi announced on 12 December 2016 the acquisition of Pioneer Investments from UniCredit for a total cash payment of €3.545 billion.

This operation should be financed by its own funds, as well as a capital increase of around €1.4 billion and debt to the tune of €0.6 billion.

Signing of the final agreement remains subject to realisation of the usual closing conditions and in particular approval by the regulatory authorities. The transaction could be completed before the end of the 2nd quarter of 2017.

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

No contract, other than distribution agreements entered into with our network partners in France and internationally, in particular with Crédit Agricole and the Société Générale group or any other agreement entered into in the ordinary course of business containing a significant obligation or undertaking for Amundi has been entered into by any of its entities as of the date of this Registration Document.

SIGNIFICANT CHANGES

The 2016 financial statements were approved by the Board of Directors of 9 February 2017. 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 legroupe.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.

GENERAL SHAREHOLDERS' MEETING OF 18 MAY 2017

The agenda as well as the draft resolutions presented to the ordinary and extraordinary general shareholders' meeting of Thursday 18 May 2017 are available online at: shareholders.amundi.com

8.3 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS

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

General shareholders' meeting called to approve the financial statements for the year ended 31 December 2016

To the Shareholders,

In our capacity as the statutory auditors of your company, we present to you our report on the related party agreements and commitments.

It is our responsibility to inform you, on the basis of 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 have discovered during our audit, without commenting on their usefulness or merit or ascertaining the existence of other such agreements or commitments. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the benefits resulting from these agreements and commitments prior to their approval.

Furthermore, we must, where appropriate, give you the information stipulated in Article R. 225-31 of the French Commercial Code relating to the execution, during the year ended, of agreements and commitments already approved by the general shareholders' meeting.

We performed the work that we deemed necessary in accordance with professional guidance issued by the French institute of statutory auditors (*Compagnie Nationale des commissaires aux comptes*) for this type of engagement. Our work consisted of verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE GENERAL SHAREHOLDERS' MEETING

Agreements and commitments authorised in the course of the year

Pursuant to Article L. 225-40 of the French Commercial Code, we were informed of the following agreements and commitments previously approved by your Board of Directors.

With Crédit Agricole Immobilier

PERSON CONCERNED

- Mr Yves Perrier, Chief Executive Officer of your company and director of Crédit Agricole Immobilier.

NATURE AND PURPOSE

On 14 September 2016, your Board of Directors approved the acquisition by your company of Crédit Agricole Immobilier Investors through a contribution of shares in Crédit Agricole Immobilier Investors to your company in return for payment in Amundi shares.

CONDITIONS

As counterparty to this contribution, Crédit Agricole Immobilier Investors received 680,232 ordinary Amundi shares, each with a par value of € 43, corresponding to the average Amundi share price over the month ended 26 August 2016.

This acquisition was finalized on 27 October 2016, by a capital increase of € 29.25 million, incorporating a share premium of € 27.5 million.

REASONS JUSTIFYING THE INTEREST OF THE AGREEMENT AND THE COMMITMENT FOR THE COMPANY

This acquisition enables your company to bring a French real estate management player of European stature to the fore and to consolidate the Group's real estate positioning.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL SHAREHOLDERS' MEETING

Agreements and commitments approved in the course of previous financial years

Pursuant to Article R. 225-30 of the French Commercial Code, we were informed that the execution of the following agreements and commitments, already approved by the general shareholders' meeting in previous years, continued during the year ended.

1. With Crédit Agricole S.A.

PERSON CONCERNED

- Mr Xavier Musca, director of your company and Deputy Chief Executive Officer of Crédit Agricole S.A.

NATURE AND PURPOSE

Your Board of Directors of 17 June 2015 authorised the partnership agreement between your company, Société Générale and Crédit Agricole S.A., renewing all of the industrial agreements with the groups Société Générale and Crédit Agricole S.A. and the amendments to the subsequent agreements. This agreement was signed for a term of five years.

CONDITIONS

All of the transactions generated a net amount of € 231 million paid by the Amundi group to the Crédit Agricole group.

2. With Crédit Agricole S.A.

PERSONS CONCERNED

- Mr Xavier Musca, director of your company and Deputy Chief Executive Officer of Crédit Agricole S.A.
- Mr Yves Perrier, Chief Executive Officer of your company and Deputy Chief Executive Officer of Crédit Agricole S.A.

NATURE AND PURPOSE

On 15 September 2016, your Board of Directors authorised a charge-back agreement signed by your company 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.

CONDITIONS

As such, and during the year ended 31 December 2016, the expenses of this charge-back were € 2,519,116.

Neuilly-sur-Seine and Paris-La Défense, 3 March 2017

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Emmanuel Benoist	Olivier Drion

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.

13 March 2017
Yves Perrier
Chief Executive Officer of the Company

8.4.2 Statutory Auditors

Statutory Auditors

ERNST & YOUNG et Autres

Represented by Olivier Drion

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 general shareholders' meeting 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 general shareholders' meeting 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 general shareholders' meeting 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 general shareholders' meeting 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. To monitor its activities, Amundi has identified the following asset classes: cash, fixed income, multi-asset, equity, 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 a distinction between two types of asset within a portfolio: dynamic assets intended to produce the intended returns, 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.

DIVERSIFIED FUNDS

Diversified 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.

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.

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.

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.

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.

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 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 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

Investment funds are undertakings that collectively own financial assets. In France, these funds take various legal forms that are often very specific.

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.

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.

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.

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 families: formula funds and 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 than1,000 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 and 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.

No.	Topics covered in Annex I of the Directive	Pages
10.	**Liquidity and capital resources**	
10.1	Capital resources of the issuer	14-22; 155-158; 186-187; 193-195; 214; 230-231; 281
10.2	Sources and amounts of cash flows	196-197
10.3	Borrowing conditions and financing structure	156-158; 186-187
10.4	Restrictions on the use of capital	N.A.
10.5	Sources of funding expected	N.A.
11.	**Research and development, patents and licences**	**N.A.**
12.	**Information on trends**	**159-160; 247**
13.	**Profit forecasts or estimates**	**N.A.**
14.	**Administrative, management and supervisory and Senior Management**	
14.1	Composition – Statements	33-47; 56-72
14.2	Conflicts of interest	33-36; 56-72; 73
15.	**Compensation and benefits**	
15.1	Compensation and benefits in kind	43-44; 45; 74-95; 231-235
15.2	Pensions and other benefits	77-79; 232-234; 279
16.	**Functioning of administrative and management bodies**	
16.1	Terms of office of the members of the Board of Directors	56-72
16.2	Service contracts linking the members of the administrative bodies	33-38; 73
16.3	Information about the Audit Committee and the Compensation Committee	40-41; 43-44
16.4	Statement relating to corporate governance	32
17.	**Employees**	
17.1	Number of employees	5; 12; 112-117; 126-128; 150; 231-232; 288
17.2	Shareholdings of the issuers capital and stock options	16-18; 46; 58-72; 77
17.3	Agreements providing for employee participation in the issuer's capital	N.A.
18.	**Principal shareholders**	
18.1	Identification of the principal shareholders	16-17
18.2	Existence of different voting rights	16-17
18.3	Control of the issuer	16-17
18.4	Agreement that could result in a change of control	N.A.
19.	**Related party transactions**	**226-228; 241-242; 282; 301-302**
20.	**Financial information concerning the issuer's assets, financial position and operating results**	
20.1	Historical financial information(1)	190-249; 256-291
20.2	Pro forma financial information	250-254
20.3	Financial statements	190-247; 256-289
20.4	Verification of the annual historical financial information	248-249; 290-291
20.5	Date of the most recent financial information	189
20.6	Interim and other financial information	N.A.
20.7	Dividend distribution policy	18
20.8	Legal and arbitration proceedings	169; 230; 278
20.9	Significant change in the financial or business condition	300

No.	Topics covered in Annex I of the Directive	Pages
21.	**Additional information**	
21.1	Share capital	17; 230; 281; 294
21.1.2.	Shares not representing capital, number and main characteristics;	N.A.
21.1.3.	Number, carrying amount and nominal value of shares held by the issuer itself, on its behalf or by its subsidiaries	22
21.1.4.	Amount of convertible or exchangeable securities or securities with warrants;	N.A.
21.1.5.	Information on the terms and conditions governing any acquisition rights and/or any obligations attached to subscribed unpaid share capital or any company planning to increase capital	N.A.
21.1.6.	Information on the capital of any member of the Group under an option or with a conditional or unconditional agreement that would place it under an option	N.A.
21.1.7.	Evolution of share capitla over the period covered by historical financial information, highlighting any change	17
21.2	Constitutive documents and Articles of Association	294-299
21.2.1.	Corporate purpose of issuer indicating where this is written in its constitutive documents and articles of association	294
21.2.2.	Provisions in the issuer's constitutive documents, articles of association, charter or rules of procedure regarding members of its corporate bodies	33-38
21.2.3.	Rights, privileges and restrictions attached to each category of shares	295
21.2.4.	Actions required to change the rights of shareholders	N.A.
21.2.5.	Terms and conditions governing general meetings	298-299
21.2.6.	Provisions in the issuer's constitutive documents, articles of association, charter or rules of procedure which could have the effect of delaying, deferring or preventing a change of control	N.A.
21.2.7.	Provisions in the issuer's constitutive documents, articles of association, charter or rules of procedure setting the threshold above which shareholdings must be disclosed	294-295
21.2.8.	Conditions in the constitutive documents, articles of association, charter or rules of procedure governing changes in capital where these are stricter than required by law	N.A.
22.	**Material contracts**	**300**
23.	**Information from third parties, expert certifications and declarations of interest**	**N.A.**
24.	**Publicly available documents**	**300**
25.	**Information on equity investments**	**23-24; 226-228; 243-244; 272-273**

(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.*

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 € 419,813,672.50
Trade and Company Registry No. 314 222 902 R.C.S PARIS
91-93 boulevard Pasteur, 75015 PARIS - FRANCE

Internet site:
www.amundi.com

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