2019

UNIVERSAL

REGISTRATION

DOCUMENT

Confidence
must be earned

Amundi

Contents

Amundi

UNIVERSAL REGISTRATION DOCUMENT 2019

Amundi is the European largest asset manager by assets under management[2] and ranks in the top 10 globally[1]. It manages 1,653 billion[2] euros of assets across six main investment hubs[3].Amundi offers its clients in Europe, Asia-Pacific, the Middle East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes. Clients also have access to a complete set of services and tools. Headquartered in Paris, Amundi was listed in November 2015.

Thanks to its unique research capabilities and the skills of close to 4,500 team members and market experts based in nearly 40 countries, Amundi provides retail, institutional and corporate clients with innovative investment strategies and solutions tailored to their needs, targeted outcomes and risk profiles.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The AMF (French Financial Markets Authority) has conducted no verification of the content of this document. Only the French version of the Universal Registration Document ("Document d'enregistrement universel") has been controlled by the AMF. This Universal Registration Document has been filled on 14 April 2020 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.
The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

(1) Source IPE "Top 400 asset managers" published in June 2019 and based on AUM as of end December 2018.
(2) Amundi figures as of December 31, 2019.
(3) Investment hubs: Boston, Dublin, London, Milan, Paris and Tokyo.

Xavier
MUSCA

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

For 2019, Amundi once again recorded growth in both its business and its financial results.

With the return of favourable market conditions in 2019, Amundi delivered solid growth and made substantial improvement in global net inflows. This acceleration of business went hand in hand with a considerable improvement in net income (+6.6 %[(1)] as compared to an average annual target of +5%). By keeping a good control on operating expenses, Amundi further improved its operating efficiency, with a cost-income ratio[(1)] that improved by 70 basis points year-on-year from 2018, to 50.9%.

These various indicators all attest the strength of Amundi's business model and the efficiency of the strategy the company has implemented over the last ten years. They are fully in line with the Crédit Agricole Group's 2022 Medium-Term Plan, a pillar of which is to consolidate Amundi's leading position in the asset management industry. Amundi's many initiatives contributing to a financial sector that better respects the environment and promotes the social cohesion all support the Crédit Agricole Group's ambition of becoming the leading European player in terms of responsible investment.

"2019 was in line with Amundi's history of performance since its creation."

The 2020 fiscal year has begun under highly unusual circumstances due to the COVID-19 pandemic and the ensuing crisis, whose size and duration are difficult to predict. Thanks to its robust business model, however, Amundi is well equipped to see the crisis through.

(1) Adjusted data: excluding amortisation of the distribution contracts and, in 2018, excluding costs associated with the integration.

Yves
PERRIER
Chief Executive Officer of Amundi

The excellent results in 2019 are fully in line with our objectives.

In 2019, Amundi achieved the largest net inflows of its history (108 billion euros), recording a 10th consecutive year of growth to net income, which totalled 959 million euros (+12%), in line with our announced ambitions. Meanwhile, Amundi's cost-income ratio, already amongst the industry's lowest, was further improved to 50.9%.

In the last decade, Amundi has achieved massive transformation to become the leading European asset manager, ranked among the Top Ten worldwide, with 1.653 trillion euros under management. In this period, the company's assets under management and net income increased by a factor of 2.5.

This success is the outcome of clear strategic choices, implemented with unswerving determination. Our growth has been primarily organic, with certain targeted acquisitions, notably Pioneer Investments, which has now been successfully integrated. International business has been a strong driver, and represents two thirds of assets under management (insurance excluded) today, as compared to just a quarter in 2010.

And lastly, the company that as early as 2010 made responsible investment one of its four founding pillars is today a leading player in this area, with 323 billion euros in responsibly managed assets.

Going forward, this development strategy will benefit from two significant partnerships that have recently been announced: the creation of a joint venture with Bank of China in China and the signature of a strategic agreement with Banco Sabadell in Spain.

The year 2020 has begun with the crisis caused by the COVID-19 pandemic, whose unprecedented proportions affect every aspect of economic and financial activity worldwide. The full effects and duration of this crisis are difficult to anticipate. Thanks to its business model and organisation, however, Amundi is prepared to face these exceptional circumstances. The company's IT systems have been deployed to ensure uninterrupted support of portfolio management and client servicing. All our teams are committed to navigating this storm.

> "Once again, Amundi has succeeded in combining growth with operational efficiency. The company achieved the highest net inflows of its history, while simultaneously improving its cost-to-income ratio."

AMUNDI, THE LEADING EUROPEAN ASSET MANAGER

Our clients benefit from the expertise and advice of 4,500 professionals in nearly 40 countries. This global presence, combined with our research capabilities and solid experience, enables us to offer our clients a comprehensive range of savings and investment solutions.

More than
100
million clients

A presence in nearly
40
countries

4 500
employees

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

Investment hubs
Local investment centres
Other Amundi entities
Joint ventures

At 31/12/2019.

Our business model

Amundi, a trusted partner that acts every day in the interest of its clients and society

Our business

With our full range of expertise and services, our capacity for innovation and our organisation, which is both global and local, we offer our clients – Retail, Institutional and Corporate – tailored savings and investment solutions.

Our strengths

1. Management platforms present across all asset classes
- Active and passive management
- Traditional and real assets
- 6 international hubs (Boston, Dublin, London, Milan, Paris and Tokyo)

2. Great capacity for innovation
- We are constantly developing new savings and investment solutions

3. A diversified profile
- Entities in nearly 40 countries
- 100 million Retail clients, via our partner networks and our third-party distributors
- ~ 1,500 Institutional clients

4. State-of-the-art technology
- ALTO[1]: a high-quality proprietary back-to-front tool

5. Experienced, committed employees
- 4,500 employees, of which 750 investment professionals covering all asset classes
- Committed employees (ERI score[2] of 67%)

6. A strong commitment to social responsibility
- Recognised ESG analysis capabilities
- A position adopted since our creation and amplified in 2018 with a new ESG action plan

7. A solid financial position
- Fitch Ratings rating: A+ with stable outlook
- A strong balance sheet and stable shareholder base
- Excellent operational efficiency

OUR ORGANISATION

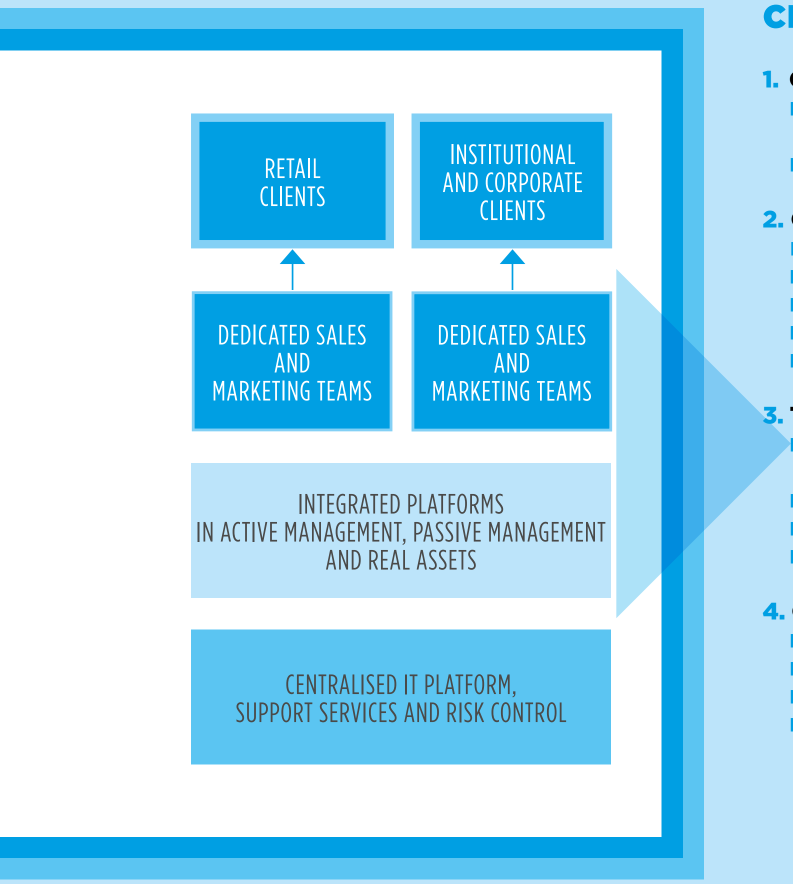
It is focused on our clients, with an industrial approach. Our management platforms and our risk control are fully integrated for the entire Group. Our sales teams are dedicated to each client profile, in close to 40 countries, so as to adapt to specific local requirements.

(1) Amundi Leading Technologies & Operations. (2) Engagement and Recommendation Index – Average of positive answers to the 21 questions asked in the survey and used to measure the ERI. (3) Adjusted data: excluding amortisation of distribution contracts; average annual growth between 2018 and 2022 (based on market-neutral assumptions over the period). (4) Adjusted data: excluding amortisation of distribution contracts (based on market-neutral assumptions over the period). (5) When technically possible. (6) Figures as at end-December 2019. (7) Over 5 years - scope of open-ended funds.

Our ambition

To be among the top 5 in the global asset management industry and to be recognised for:

- the quality of expertise and services provided to our clients
- our growth and profitability momentum, with two major objectives:
  - a 5% average annual growth in adjusted net earnings from 2018 to 2022(3)(12)
  - a cost-to-income ratio(4) of less than or equal to 53%(12)
- our positioning as a committed financial player, with the ambition to incorporate ESG criteria into 100% of the assets managed in our actively-managed open-ended funds(5)



Our value creation for(6)...

1. Our clients

- 78% of assets under management in the 1st and 2nd quartiles of the Morningstar ranking(7)
- 78% of positive recommendations from consultants(8)

2. Our employees

- > 400 new hires
- Average annual remuneration: €144k(9)
- Fairness ratio: 20.8(10)
- 55% of employees trained
- 921 interns

3. The company

- €323bn in Responsible Investment assets under management
- €260m in impact investing assets under management
- 8,000 issuers ESG rated
- Taxes paid: €540m, of which €384m in France(11)

4. Our shareholders

- + 16% in assets under management
- + 12% growth in net income, Group share
- Excellent cost-to-income ratio: 50.9%
- Dividend payout rate: 65%(12)

(8) Global consultants: AonHewitt, Cambridge Associates, Mercer, Russell, Willis Towers Watson, Bfinance, rating December 2019. (9) Global scope - Wages and salaries of employees divided by the average workforce. (10) Managerial internal fairness ratio (methodology available in the Section 2.4 of this Universal Registration Document for 2019). (11) Taxes and social security contributions. (12) The Covid-19 epidemic is an intense crisis; its extent and duration are unknown. Its impact on Amundi is difficult to assess at this stage. In accordance with the recommendations published by the European Central Bank, Amundi decided not to submit a dividend payout to its General Assembly of May 12th 2020.

2019 Key figures

2019 was another year of transformation, in line with the trajectory charted by Amundi since its creation. Amundi is now the European leader in the asset management sector, with €1,653 billion in assets under management at end-2019.

+€107.7bn
Net inflows(1)

€1,653bn
Assets under management(1)

€323bn
Assets under responsible investment management

Financial results

€2,707m
Net revenues(2)

€1,331m
Gross operating income(2)

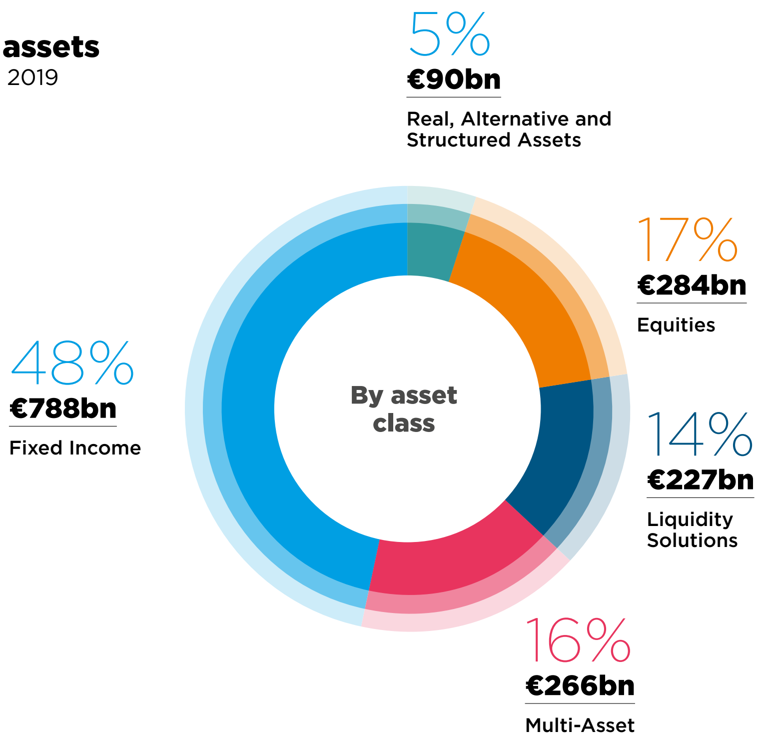
€1,009m
Net income, Group share (adjusted)(2)

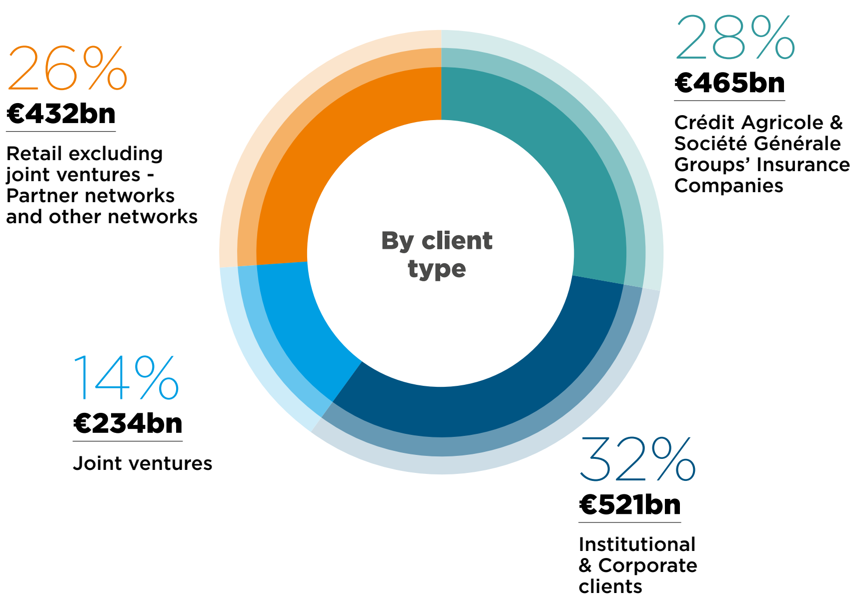
Cost-income ratio(2)
50.9%

(1) Net inflows and assets include assets under management and under advisory and assets sold and take into account 100% of the Asian joint ventures' net inflows and assets under management. For Wafa in Morocco, assets are reported on a proportional consolidation basis. (2) Adjusted data: excluding amortisation of distribution contracts (UniCredit, Société Générale and Bawag).

Breakdown of combined assets

as of 31 December 2019





1 OVERVIEW OF AMUNDI

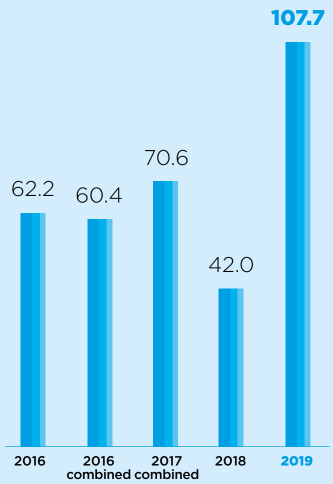
Key figures

A record inflow in 2019, significant growth in assets under management, positioning Amundi as the European leader and in the top ten globally

A diversified profile

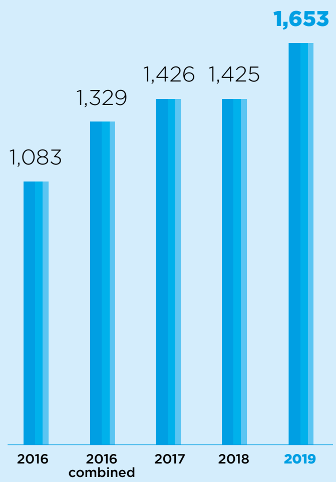
Net inflows

(in € billions) [(1)]

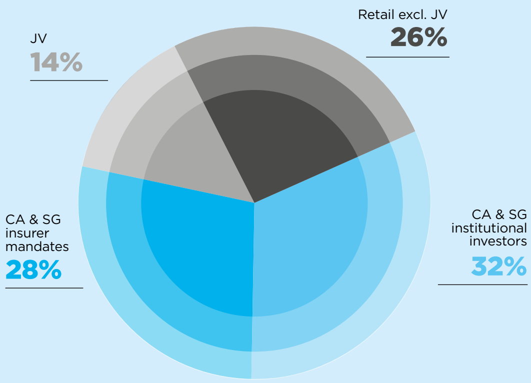


Assets under management

(in € billions) [(1)]

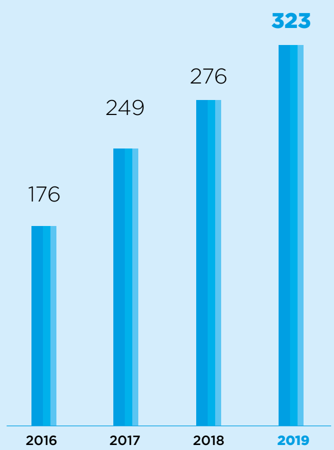


Breakdown of assets by major client segment at 31/12/2019



Assets under management under responsible investment

(in € billions)



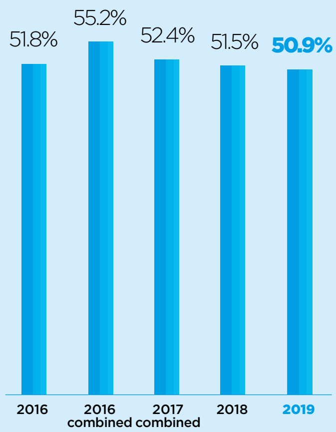
NB. The combined data corresponds to the sum of 12 months of Amundi activity and 12 months of Pioneer activity in 2016 and 2017, thus giving a clear view of the Group's performance on a comparable basis.

(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), NH-CA Asset Management Co. Ltd (South Korea), and not the sum of the assets representing the stake held by Amundi in each of the joint ventures, to which is added 34% of the assets of Wafa Gestion (Morocco), i.e. pro rata to Amundi's equity interest since Amundi does not have any dedicated employees within this joint venture, unlike the others. Since 2014, AuM includes the non-managed distributed assets and assets under advisory. A detailed breakdown of the assets by client segment and asset class can be found in Chapter 4.

Improved operational efficiency, high profitability and steady growth

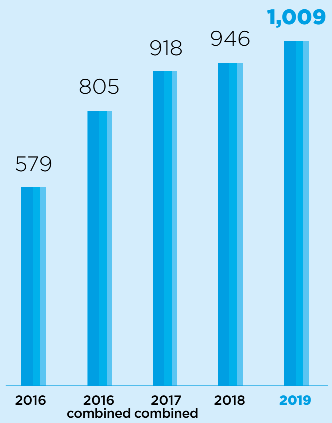
Adjusted cost-to-income ratio

(in %) (1) (2)



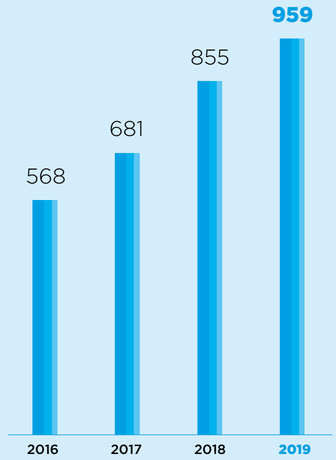
Adjusted net income, Group share

(in € millions) (1)



Accounting net income, Group share

(in € millions)



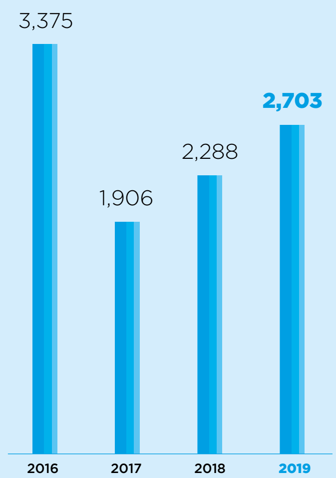
(1) *Adjusted data: restatement of net revenue for the amortisation of the distribution agreements (UniCredit, SG and Bawag), i.e. €71 million before tax and €50 million after tax in 2019, and in 2017 and 2018 restatement of operating expenses for the integration costs of Pioneer.*

(2) *Operating expenses/net revenues.*

A solid financial structure

Tangible equity

(in € millions) (1)



(1) *Tangible equity: Equity Group share excluding goodwill and intangible assets*

Common Equity Tier 1 Ratio (in %) end 2019

15.9%(1)

Fitch Credit Rating

A+

(with outlook stable)

Confirmed on 21 May 2019

(1) *Including the provisioning of dividend, which won't be proposed for vote at the AGM (decision of April 1st, 2020). The allocation of the entire 2019 results to previous retained earnings will positively impact this ratio by more than 500 bps to over 20%.*

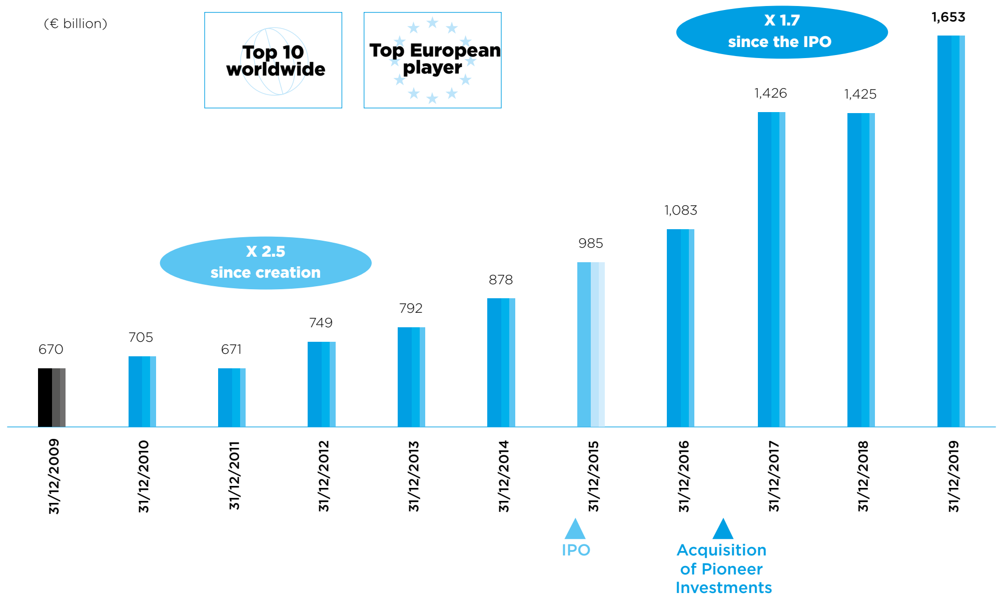
1.1 AMUNDI'S STRATEGY AND FINANCIAL AND EXTRA-FINANCIAL VALUE CREATION

A European leader in asset management, ranked in the top ten globally, Amundi has built its growth on a unique and differentiating business model: thanks to its strengths and its industrial model, Amundi creates sustainable value for its clients, employees, the Company and its shareholders.

This business model, shown on pages 6 and 7, summarises Amundi's strategic positioning and encapsulates its aim: to be a trusted partner acting in the interests of its customers and of society on a daily basis.

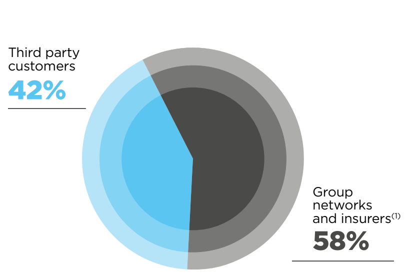
1.1.1 2010-2019: creation of the European leader with a global scale

Since its creation at the beginning of 2010, Amundi has been able to combine growth and profitability, becoming the European leader in asset management with a global presence. Between 2010 and 2019, Amundi's assets under management have multiplied by 2.5, primarily through organic growth:

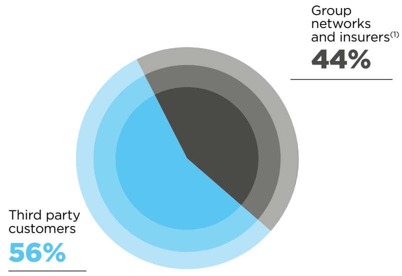


This growth was accompanied by the successful transformation of Amundi from a captive asset manager into an open platform, with particularly strong growth outside France (notably in Asia and Europe), and outside of the Group networks.

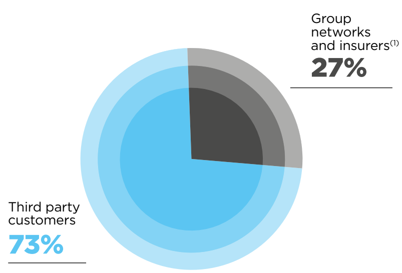
Breakdown of AuM as at 01/01/2010 (€670bn)



Breakdown of AuM as at 31/12/2015 (€985bn)

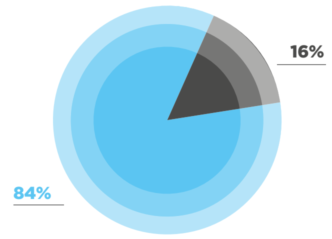


Breakdown of AuM as at 31/12/2019 (€1,653bn)



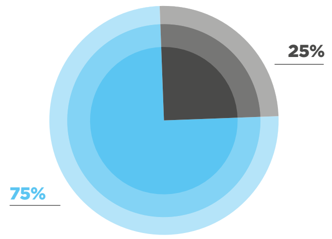
1. *Assets associated with Group shareholders = assets managed in 2010 for SG networks in France and abroad + CA and SG insurers' mandates; in 2019: for CA only.*

Breakdown of AuM as at 01/01/2010



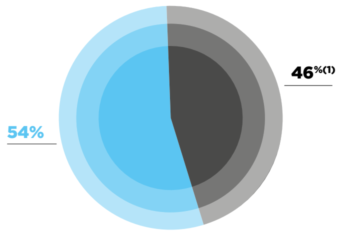
France / International

Breakdown of AuM as at 31/12/2015



France / International

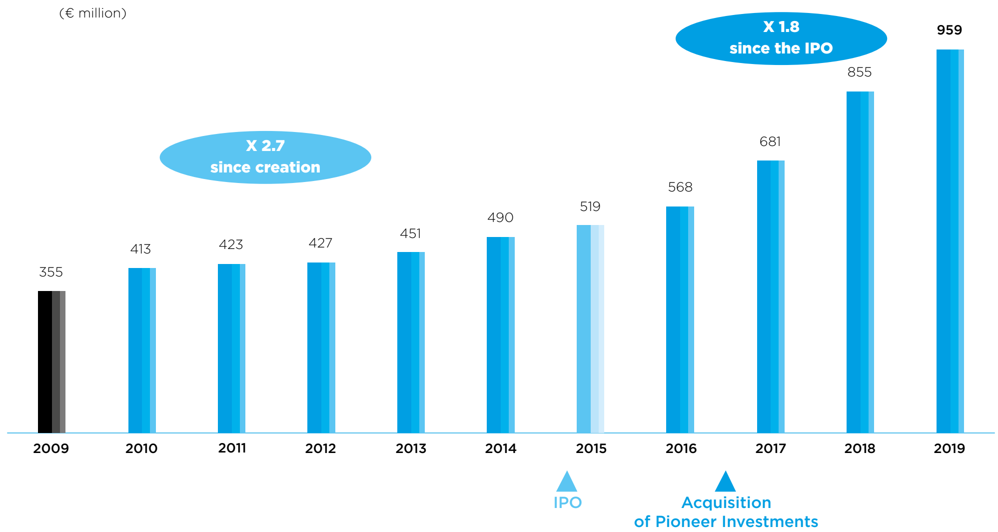
Breakdown of AuM as at 31/12/2019



France / International

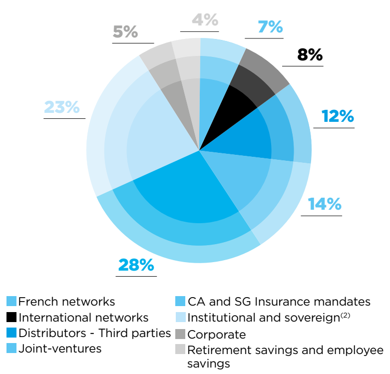
1. *63% excluding CA and SG insurers' mandates.*

During this period **profitability has remained high** in all market contexts, with growth in its accounting net income for the 10th year in a row:



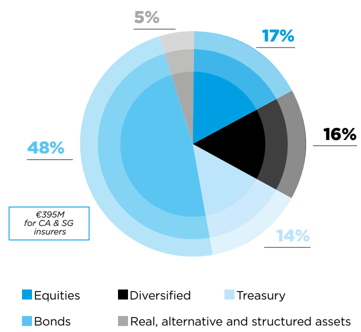
This trajectory demonstrates the resilience of the Amundi profile, which benefits, in particular, from its diverse income sources by client type, by asset class and by geographical area, as well as its ability to maintain an operational efficiency which is among the best in the industry (cost-to-income ratio of 50.9% in 2019, compared with an average of around 65% for other asset managers).

Breakdown of assets[1] by customer segment (31/12/2019)



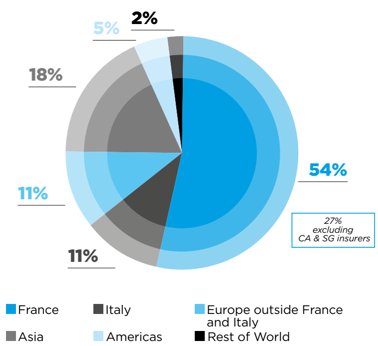
A very diverse customer base

Breakdown of assets[1] by asset class (31/12/2019)



A comprehensive range of expertise

Breakdown of assets[1] by geographic zone (31/12/2019)



A strong international presence

1. *The assets under management include assets under advisory and marketed assets and take into account 100% of the assets and inflows of Asian joint ventures. For Wafa in Morocco, the assets are shown at their proportional share.*
2. *Including funds of funds.*

1.1.2 Organised around two client segments

Amundi focuses on two client segments: retail and institutional.

- **Retail includes the distribution of savings solutions for clients of partner networks in France and abroad and third party distributors. The Joint Ventures are also based on strong banking networks** (particularly in China, India and Korea) to distribute local products managed locally.
- Institutional **includes direct sales to institutional investors** (sovereign funds and central banks, insurers, pension funds, etc.) **and businesses** (cash management, employee savings and retirement plans), as well as 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.

Each client segment has its own sales, marketing and customer service teams which are often located in close proximity thanks to Amundi's presence in nearly 40 countries. These teams are tasked with designing products and services that address the specific needs of clients. They accomplish this with the support of management platforms, back-office and risk management functions and an integrated IT infrastructure.

This type of organisation facilitates client access to Amundi's international expertise, a high level of customisation in the products offered, and economies of scale.

A key player in the retail segment

	Customers/distribution channels	Assets as at 31 December 2019
Partner distribution networks in France	Crédit Agricole, LCL, Société Générale, Crédit du Nord	€111bn
International partner distribution networks	UniCredit, Crédit Agricole, BAWAG PSK, HypoVereinsbank, Resona, Bank Austria, KB, eurobank, Crédit Agricole	€128bn
Third-party distributors	Preferred distributors; Private banks/Asset Management Advisors, etc.	€194bn
TOTAL RETAIL excluding joint ventures		**€432bn**
JV[1]	中国农业银行 Agricultural Bank of China; भारतीय स्टेट बैंक State Bank of India; NH NongHyup	€234bn
TOTAL RETAIL		**€666bn**

1. Mainly in Asia: India, China, South Korea.

Retail client activities are part of Amundi's DNA. Given its origins, it has developed a unique partnership approach with distribution networks (particularly banking networks), thereby positioning the Group internationally as the key player in this segment. Most notably, Amundi's value proposition is based on a range of products, services and tools adapted to each partner distribution network.

Locally-based (local networks) or centralised (for cross-border flagship funds) teams exclusively serve partner networks and third party distributors to provide the best response to their specific needs, including the deployment of innovative and customised digital tools to adapt to changes in the distribution environment.

Amundi is the leader in France thanks to its four main partner networks (Crédit Agricole, LCL, Société Générale and Crédit du Nord), with which it has distribution agreements guaranteeing it quasi-exclusivity in the marketing of funds. These two agreements have a five-year term and were renewed in November 2015.

Outside France, at the time of the Pioneer acquisition in 2017, Amundi entered into a ten-year distribution agreement with the UniCredit networks in Italy, Germany, Austria and in Eastern Europe. Amundi also remains the preferred supplier for the Crédit Agricole and Société Générale networks in Italy (CA Italie), the Czech Republic (Komerčni Banka) and Poland (CA Polska). Amundi is also in partnership with BAWAG P.S.K. in Austria and Resona in Japan. **In January 2020, Amundi announced a new long-term strategic partnership in Spain with Banco Sabadell and the acquisition of 100% in Sabadell AM.**

In addition, Amundi has joint ventures operating in India (with State Bank of India, the largest bank in the country), in China, (with Agricultural Bank of China, one of the top three Chinese banks), in South Korea (with Nonghyup Bank, one of the five top banking groups in Korea) and in Morocco (with the Wafa banking group). In December 2019, the Chinese banking regulator approved the forthcoming creation of a new joint venture management company in the wealth management sector with Bank of China Wealth Management, a subsidiary of Bank of China, with Amundi having a majority share.

This distribution capacity is complemented by third-party distributors, private banks and wealth management advisers, for whom dedicated offers and specific commercial initiatives are deployed.

A large and diversified institutional client base

A broad and diversified customer base		Assets as at 31 December 2019
Sovereign and institutional	**A diversified institutional client base worldwide:** - Longstanding presence with central banks and sovereign funds - Pension funds, insurers, other financial institutions and non-profit organisations	€376bn[1]
Corporate	**European leader in the corporate segment:** - Strong presence in France - European leader in cash/money market solutions - Corporate pension funds	€79bn
Employee savings	**Unique expertise in employee savings:** - Employee share ownership, employee savings, retirement solutions - No. 1 in France[2]	€66bn
Insurers' mandates Crédit Agricole & Société Générale	**Two longstanding clients with significant and stable assets:** - Crédit Agricole Assurances (France and Italy) - Sogecap (insurance subsidiary of Société Générale)	€465bn
TOTAL INSTITUTIONAL		€987bn

1. *Including funds of funds.*
2. *Source: AFG, December 2019*

Amundi is the trusted partner of a large number of institutional clients. Through its dedicated sales, marketing and client servicing teams, Amundi provides a wide range of products and services to its institutional clients to address their need to optimise the yield-risk-cost triangle:

- a comprehensive range of expertise and customisation capacity *via* its worldwide investment platform;
- a multi-faceted approach offering more than just asset management, thanks to consulting, services and an intimate knowledge of key institutional trends, supported by Amundi's internal research teams;
- continuous development of new services and products.

The institutional segments can be broken down into four client categories:

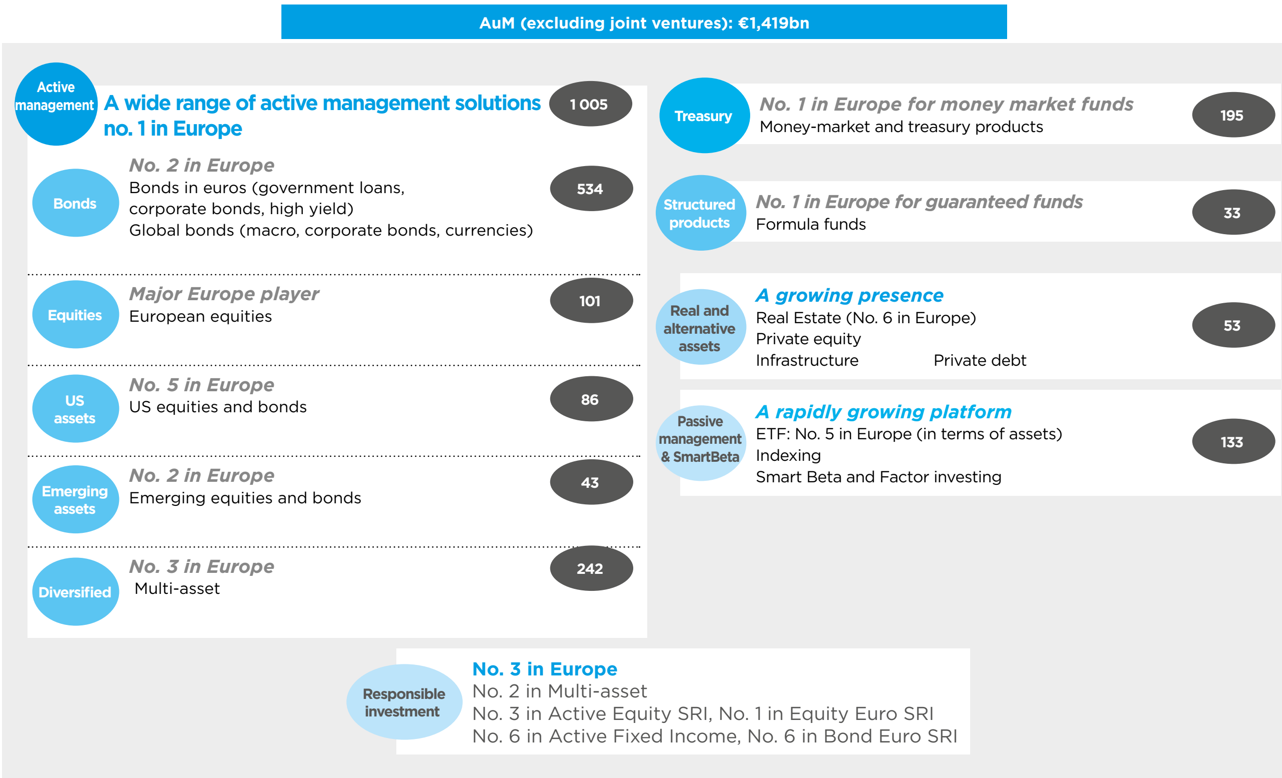
- **institutional investors** (sovereign funds and central banks, insurers, pension funds, etc.): Amundi is the leader in France and one of the top players in the European market, providing advisory and management services to a wide range of institutional investors worldwide;
- **corporates:** Amundi is number one in France and in the euro zone for treasury products for large businesses(1);
- **employee savings and retirement schemes:** Amundi is also number one in France for employee savings schemes, with 3.8 million employee holders in around 110,000 small, medium and large businesses ;
- **mandates from the insurance companies of the Crédit Agricole and Société Générale groups,** mainly for the management of euro-denominated life insurance policy assets.

(1) Source: Broadridge, end December 2019, open-ended funds domiciled in Europe.

1.1.3 A comprehensive and effective range of products and services

Amundi is one of the only asset managers to offer its clients a diversified range of expertise pertaining to the main asset classes, in active and passive management and in real asset investment.

Thanks to its innovation policy, Amundi regularly expands its range with differentiated products that address the changing needs of its clients.



Source: Broadridge (November 2019), ETFGI, December 2019 (open-ended funds sold in Europe, excluding mandates, dedicated funds and EMTN)

A comprehensive range of management skills

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

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

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

In **structured products,** Amundi is the European leader[(1)] in the guaranteed funds segment, thanks to a product offer that ensures full or partial protection of capital or revenue. It also issues structured notes (EMTNs), which aim to replicate the performance of equity and real estate portfolios. Amundi systematically covers its market risk exposure on these products with leading international financial counterparties. See Chapter 5 of this Universal 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.

In **passively managed products,** Amundi manages ETFs (Exchange-Traded Funds) as well as a wide variety of indexing solutions covering equity, fixed income and other asset classes. Amundi is ranked fifth in Europe[(2)] in the ETF segment in terms of assets under management and fourth for net inflows. Amundi is also developing Smart Beta solutions, building on its own expertise.

(1) Source: Broadridge, December 2019, open-ended funds domiciled in Europe.
(2) Source: ETF GI, December 2019.

Amundi deploys its management expertise from six main management platforms: Boston, Dublin, London, Milan, Paris and Tokyo. These types of expertise are bolstered by unique know-how in internal research and analysis. A centralised and independent compliance and risk management system ensures compliance with restrictions established by regulations and by clients.

Amundi Services

Amundi has invested heavily in its technology platform and operations, and has a high level of industrialization, which ensures one of the best cost-to-income ratios in the sector. In addition, this hub continued to expand through its most recent acquisitions, particularly that of Pioneer Investment. **The Amundi Services business line was created to expand Amundi's presence throughout the value chain.** This business line aims to open Amundi's high level technical platform to third party asset management companies and institutional investors for whom Amundi has been providing three main services for over three years:

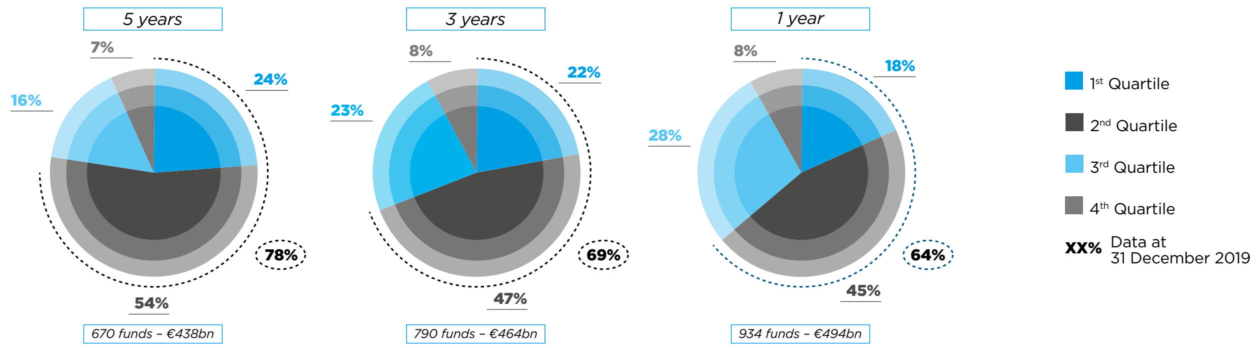
- the **ALTO** (Amundi Leading Technology & Operations) portfolio management system, based on an integrated and modular model, to include services such as middle-office and reporting;
- outsourcing the performance table for a wide range of asset classes and a global organization for better availability and proximity to markets;
- and Fund Hosting for the hosting of funds in several countries: France, Luxembourg, Ireland and Austria.

High-quality management performance

Thanks to its unique model, Amundi can offer its clients high quality, solid, and regular performance. In 2019, the management teams demonstrated this quality in most areas of expertise:

Good performance (open-ended funds[1]) with almost 80% of assets in the first 2 quartiles over 5 years

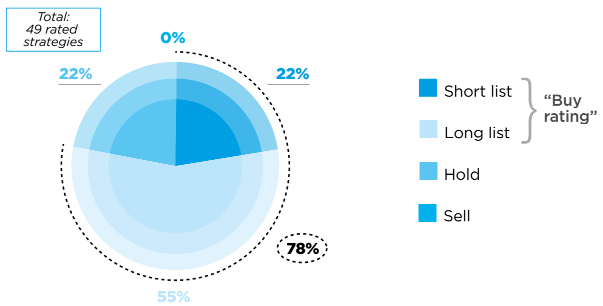
Morningstar fund rankings by AuM.



195 Amundi funds(3) with a Morningstar©4 4 and 5 star rating

MORNINGSTAR®

Consultants[2]: 78% positive recommendations



1. *Source: Morningstar Direct, open-ended funds and ETFs, global scope, excluding feeder funds, 31 December 2019.*
2. *Global consultants: AonHewitt, Cambridge Associates, Mercer, Russel, Willis Towers Watson, Bfinance, December 2019 rating.*
3. *596 Amundi open-ended funds were rated by Morningstar at 31 December 2019.*
4. *© 2019 Morningstar. All rights reserved.*

1.1.4 Responsible investment

From its inception, Amundi defined responsible investment as one of the foundations of its business. This policy has been implemented in three areas:

- **the incorporation of ESG criteria in investment policies in addition to traditional financial analysis criteria.** This approach is based on the rating of issuers (over 8,000 currently) carried out by a dedicated Amundi team. This serves as a strong incentive for businesses to incorporate their environmental and social impact into their strategy; over 50% of open-ended funds today incorporate ESG criteria;
- **the creation of dedicated funds and specific initiatives,** particularly with regard to energy transition or social cohesion;
- **support for companies in the social economy** *via* a dedicated fund – Amundi Solidarité.

This commitment was confirmed in October 2018 by **the announcement of a three-year plan to give new scope to its ambitions. Since then, Amundi has continued to implement this plan.**

The total assets managed as responsible investment rose from €276 billion at the end of 2018 to €323 billion at the end of 2019, including €12 billion (compared with €10 billion at the end of 2018) of **assets related to specific initiatives** (energy transition, etc.) and €257 million (compared to €219 million at the end of 2018) of assets for the *Finance and Solidarity Fund*.

This increase in assets has benefited from the pursuit of an active policy of developing responsible investment, illustrated by the participation in new "sustainable finance" initiatives and innovations in products and solutions:

- **launch of a new climate bond fund** of $500 million, designed to finance infrastructure in emerging countries, in partnership with AIIB (Asian infrastructure Investment Bank);
- **launch of the Green Credit Continuum programme** with the EIB (European Investment Bank): an investment solution aimed at promoting the development of the green fixed income market (in addition to existing green bonds), in particular by financing SMEs;
- **launch of new ESG[1] investment solutions,** in various asset classes: Amundi Funds Multi-Asset Sustainable Future (Multi Asset), CPR Invest Climate Action (global equities), CPR Invest Smart Beta Credit ESG (euro bonds), expansion of the ISR ETF range (passive management).

The engagement policy has been updated, with two main priorities relating to dialogue with issuers and voting policy:

- contribution to energy transition;
- contribution to social cohesion.

This engagement policy is also illustrated by the recent participation of Amundi in two international initiatives:

- Participation in July 2019 (with seven other global asset managers) in the **One Planet Sovereign Wealth Fund Asset Manager** Initiative, designed to support sovereign funds in integrating climate change into the management of their investments.
- Participation in the **TCFD[2] Consortium Initiative in Japan** created in May 2019 under the aegis of the Japanese ministries of the economy and the environment, and aimed at improving the knowledge of issuers of environmental issues.

1.1.5 Growth levers

In an environment which holds many challenges for asset managers (long-term low interest rate, development of passive/index management, increased competition in particular from American players, aversion to consumer risk, significant technological change, etc.), **Amundi has a number of considerable advantages for continuing its profitable growth,** based on the following strategic priorities:

- **accelerate the growth of Amundi in its two client segments: retail and institutional:**
  - consolidate its leading position as a preferred partner for retail networks, through the provision of solutions, services and tools adapted for each distribution network,
  - increase the penetration of institutional clients due to its comprehensive range of expertise and its consulting and services offering;
- **invest in high-growth areas of expertise** (*e.g.* passive/Smart Beta management, real assets) and the development of new solutions (*e.g.* management under mandate);
- **consolidate its leading position in Europe and boost its development in Asia,** through its direct presence, its joint ventures and new partnerships;
- **take advantage of the efficiency of its industrial model** to maintain some of the lowest processing costs in the industry, a key competitive advantage in the context of sustained low rates;
- **transform technology into a new growth driver:**
  - continue to invest in the technical platform (IT in particular), and enhance it through the Amundi Services offer,
  - expand the support offer to distribution networks by deploying innovative and personalized digital tools.

(1) ESG criteria: Environmental, Social and Governance.
(2) Task Force on Climate-related Financial Disclosure.

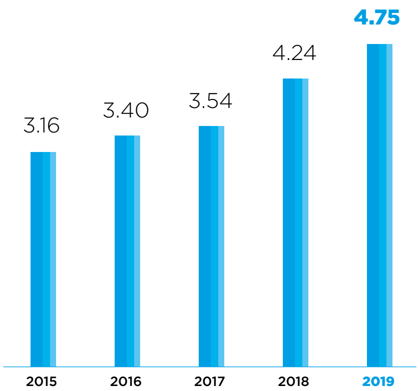
1.2 STOCK MARKET DATA

1.2.1 Strong creation of shareholder value

Amundi share data

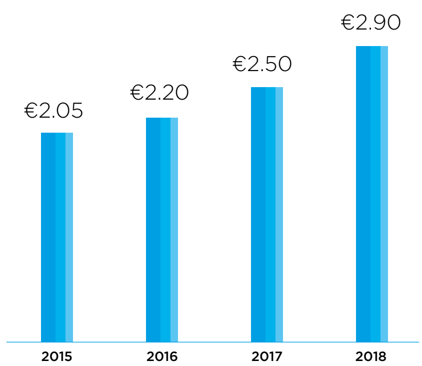
ISIN Code	FR0004125920
Ticker (Reuters, Bloomberg):	AMUN.PA, AMUN.FP
Flotation price on 11 November 2015	€45
Price at end-December 2019	€69.90
Highest price of 2019 (at closing)	€70.65
Lowest price of 2019 (at closing)	€44.88
Average daily volumes in 2019 *(in number of shares)*	152,000
Market capitalisation as of 31 December 2019	€14,131 million

A steady growth of accounting net income per share (1) *(in € per share)*



(1) Accounting net income/Average number of shares for the financial year.

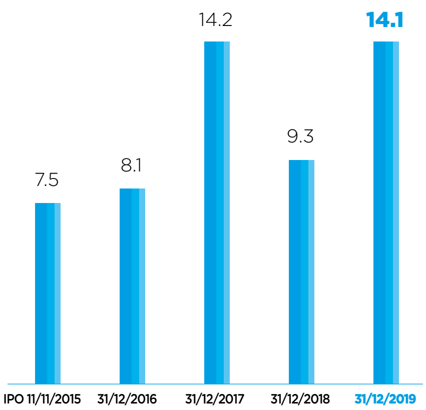
Significant increase of the dividend per share since the IPO (1) *(in € per share)*



(1) In accordance with the recommendations published by the European Central Bank, Amundi has announced on April 1st, 2020, its decision not to submit to its AGM on 12 May 2020 the dividend payout.

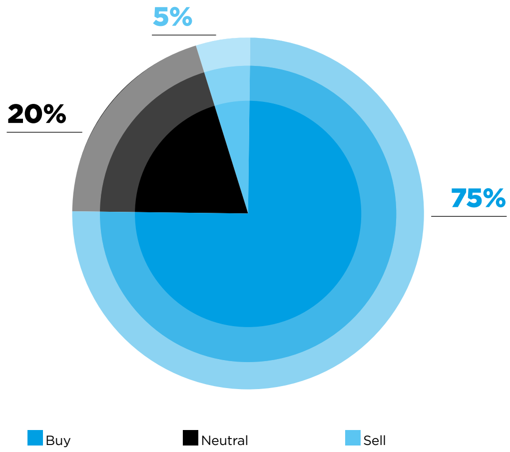
Market capitalization almost doubled since the IPO

(in € billions)



Sell-side analysts hold broadly positive view

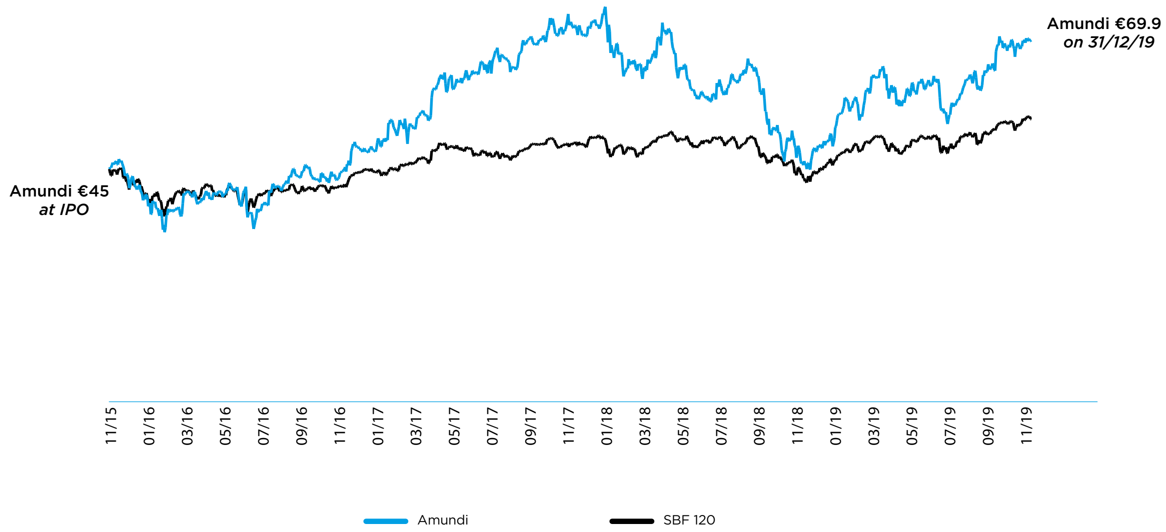
(data at 31/12/2019)



1.2.2 Amundi on the stock markets

Change in share price from 11 November 2015 (initial listed price) to 31 December 2019

COMPARISON WITH THE SBF 120 INDEX (RECALCULATED USING THE AMUNDI SHARE PRICE AS BASE)



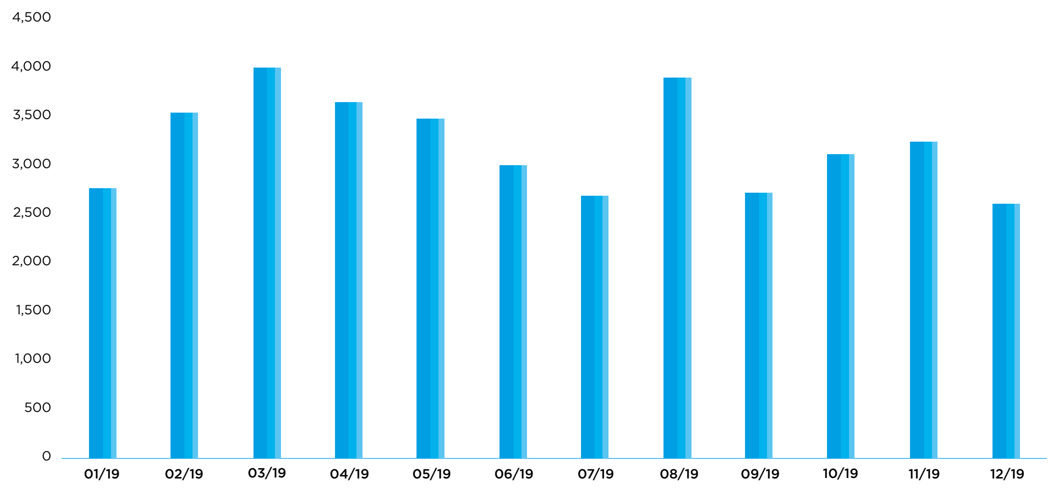
Source: Refinitiv (ex-Reuters).

Initially listed at €45 on 11 November 2015, the Amundi share price has performed well thereafter (+55.3%[1]), outperforming listed European peers and the SBF 120 index.

As was the case for all financial securities, 2019 was a good year on the stock markets for the Amundi share, which ended the year at €69.9, on bullish markets. The share price thus increased by 51.4% in 2019, more than twice that of the French market (25.2% for the SBF 120).

Amundi had market capitalisation of €14.1 billion at end-2019. It remains the leader among listed traditional asset managers in Europe and is in the top five worldwide.

Monthly volume of shares traded *(in thousands of shares traded)*



Source: Refinitiv (ex-Reuters) Volumes on Euronext Paris.

(1) At 31 December 2019.

The average daily trading volume on Euronext (around 50% of the total, the remainder being traded on alternative platforms such as Chi-X or Turquoise) was 152,000 securities per day in 2019, in comparison to:

- 2016: an average of 50,000 securities traded each day;
- 2017:
  - before the capital increase (10 April 2017): an average of 114,000 securities traded each day,
  - after the capital increase: an average of 180,000 securities traded each day.
- 2018: an average of 126,000 securities traded each day.

Low liquidity (24% float until 10 April 2017) acted as a brake for some investors. With a float of nearly 30% at 31 December 2019, liquidity showed noticeable improvement, which helped to attract new investors.

Stock market indices

The security became part of the French SBF 120 index on 18 March 2016. In November 2017, the share also joined the MSCI index family, thanks to the improved liquidity resulting from the capital increase of April 2017.

Amundi is also a member of the responsible investment indices[1] FTSE4Good and Euronext Vigeo Eiris, which reflects its good CSR[2] profile (see Chapter 3 of this Universal Registration Document).

FTSE4Good EURONEXT vigeo eiris MSCI

Relations with shareholders and the financial community

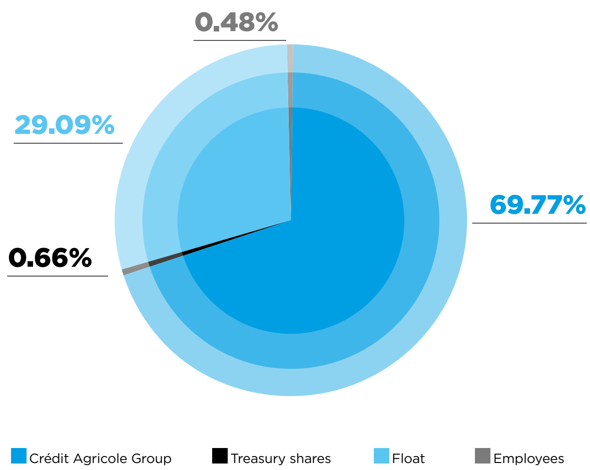
In addition to the required regulated financial disclosures, Amundi has, since its listing, implemented a policy regarding disclosure and communication with the financial community that is aimed at maintaining a relationship based on trust:

- **quarterly results:** Amundi's senior management presents quarterly results to the market *via* conference calls or face-to-face meetings;
- **relations with investors and shareholders:** the management or the Investor Relations team meet around 400 French and foreign institutional investors during roadshows and at general or industry-specific conferences;
- **sell-side analysts:** as at 31 December 2019, the Amundi stock is covered by 20 French and foreign brokers. The majority of these brokers see a positive outlook for the Amundi share (15 "buy" ratings, 4 "hold" ratings and 1 "sell" rating)[3]. Their average target price was €71.4.
- **Investor and financial analyst opinions on Amundi have remained very positive:** the share price trajectory since initial listing has highlighted the Group's capacity for growth and the resilience of its results, thanks to its diversified business model. Despite the many challenges facing the asset management sector, Amundi is seen as a sound player with a significant growth outlook.

1.2.3 Information about the share capital and shareholders

At 31 December 2019, the Crédit Agricole Group held 69.77% of the share capital, employees held 0.48% (an increase taking into consideration the capital increase reserved for employees in November 2019), the free float represented 29.09% and treasury shares 0.66% (resulting on the one hand from the share buyback programme launched at the start of 2019 to cover the commitments made to employees under the performance share plans, and the current liquidity contract on the other). No shareholder has double voting rights.

The free float (29.1% of share capital) mainly consists of institutional investors whose geographical breakdown is the following: English-speaking countries represent 51%, French shareholders 20% and the remainder are found in continental Europe and Asia.



(1) RI: Responsible Investment.
(2) CSR: Corporate Social Responsibility.
(3) Data as at 31 December 2019.

Changes in the distribution of capital over the last three years:

Shareholders	At 31/12/2019 Number of shares	At 31/12/2019 % of share capital	At 31/12/2018 % of share capital	At 31/12/2017 % of share capital
Crédit Agricole Group	141,057,399	69.8%	69.9%	75.6%
Employees	969,190	0.5%	0.3%	0.2%
Float	58,802,752	29.1%	29.4%	24.1%
Treasury shares	1,333,964	0.6%	0.4%	0.1%
TOTAL	**202,163,305**	**100.0%**	**100.0%**	**100.0%**

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 2013	416,979,200	166,791,680
Share capital at 31 December 2014	416,979,200	166,791,680
Share capital increase reserved for employees	*1,133,893*	*453,557*
Share capital at 31 December 2015	418,113,093	167,245,237
Share capital increase related to the transfer of Crédit Agricole Immobilier business	*1,700,580*	*680,232*
Share capital at 31 December 2016	419,813,673	167,925,469
Capital increase associated with the Pioneer acquisition	*83,962,732*	*33,585,093*
Share capital at 31 December 2017	503,776,405	201,510,562
Share capital increase reserved for employees	*484,480*	*193,792*
Share capital at 31 December 2018	504,260,885	201,704,354
Share capital increase reserved for employees	*1,147,377*	*458,951*
SHARE CAPITAL AT 31 DECEMBER 2019	**505,408,263**	**202,163,305**

Amundi's share capital at 31 December 2019 thus amounted to €505,408,263, divided into 202,163,305 shares with a par value of €2.50 each, fully subscribed and paid up, and all of the same class:

- Amundi was created in 2010, through a merger of the asset management firms Crédit Agricole Asset Management and Société Générale Asset Management, following which the Crédit Agricole Group held 75% and Société Générale 25% of the capital. On 7 May 2014, Crédit Agricole S.A. acquired an additional 5% from Société Générale. Since that date and prior to the listing, Société Générale held 20% of Amundi's capital, and Crédit Agricole Group 80%. The number of Amundi shares had not changed since the merger;
- at the time of the listing on 11 November 2015, Société Générale sold its 20% shareholding in full, Crédit Agricole S.A. sold 2% to Agricultural Bank of China and 2.25% as part of the public offering, while Amundi carried out a capital increase reserved for employees, amounting to 453,557 shares, *i.e.* 0.3% of the capital;
- on 27 October 2016, 680,232 new shares were created (0.4% of the share capital), as part of the merger of Amundi Immobilier's specialised management activities with Crédit Agricole Immobilier Investors;
- on 10 April 2017, 33,585,093 new shares were created (20% of the share capital), as part of the financing arrangements for the acquisition of Pioneer;
- on 1 August 2018, 193,792 securities were created as a result of the capital increase reserved for employees, who now hold 0.3% of the share capital. This transaction, which was aimed at strengthening employees' feeling of belonging after the acquisition of Pioneer, was completed within the framework of existing legal authorisations approved by shareholder vote at the AGM of May 2017. The impact of this transaction on net earnings per share was negligible;
- on 14 November 2019, 458,951 securities were created as a result of the capital increase reserved for employees, who now hold 0.5% of the share capital.

1.2.4 Dividend policy

Amundi's objective is to distribute an annual dividend to its shareholders representing at least 65% of its consolidated net income, Group share (excluding integration costs relating to the Pioneer acquisition in 2017 and 2018).

In accordance with the recommendations published by the European Central Bank, the Board of Amundi has decided on April 1st, 2020, not to submit to its AGM on 12 May 2020 the dividend payout of €3.10 per share for the 2019 fiscal year, and to allocate the entire 2019 results to previous retained earnings.

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

	For FY 2019(1)	For FY 2018	For FY 2017	For FY 2016	For FY 2015
Net dividend per share *(in €)*		2.90	2.50	2.20	2.05
Total dividend *(in € millions)*		583	504	443	343
Dividend payout ratio *(in %)*		65.3%	65.5%	65.0%	65.0%

(1) In accordance with the recommendations published by the European Central Bank, Amundi has announced on April 1st, 2020, its decision not to submit to its AGM on 12 May 2020 the dividend payout.

1.2.5 2020 Financial Communication Calendar and contacts

2020 CALENDAR

- **Publication of Q1 2020 results:** **30 April 2020**
- **AGM for financial year 2019:** **12 May 2020**
- **Publication of H1 2020 results:** **31 July 2020**
- **Publication of 9M 2020 results:** **30 October 2020**

CONTACTS

- **Website: http://le-groupe.amundi.com**
- **Investor Relations and Financial Communication Department: Anthony Mellor; investor.relations@amundi.com**
- **Press Relations: Natacha Andermahr: servicepresse@amundi.com**

1.2.6 Summary table of authorisations relating to share capital

Table summarising the currently valid delegations granted to the Board of Directors by the AGM, and their use during 2019.

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2019
Purchases of shares/ buybacks	Purchase or arrange for the purchase of the Company's shares	**AGM of 16/05/2019** 16th resolution **For a period of:** 18 months **Entry into force:** 16/05/2019 **Expiry date:** 15/11/2020	**Upper limits of purchases/ buybacks:** 10% of the shares comprising the share capital **Maximum purchase price:** €100 **Maximum aggregate amount allocated to the buyback programme:** €1 billion	**see section listed below 1.2.7**
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	**AGM of 16/05/2019** 17th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 50% of the existing share capital on the date of the AGM of 16/05/2019. **Nominal upper limit for the issuance of debt securities:** €3.5 billion	**None**
	Increase the share capital through the issuance of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, by way of public offer(3)	**AGM of 16/05/2019** 18th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 10% of the existing share capital on the date of the AGM of 16/05/2019(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 way of private placement pursuant to Article L. 411-2 II of the French Monetary and Financial Code(3)	**AGM of 16/05/2019** 19th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 10% of the existing share capital on the date of the AGM of 16/05/2019(1)(2). **Nominal upper limit for the issuance of debt securities:** €1.5 billion	**None**
	Issuance of shares and/or securities giving immediate or future access to shares to be issued by the Company in consideration for contributions in kind consisting of shares or securities giving access to share capital	**AGM of 16/05/2019** 20th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 10% of the existing share capital on the date of the AGM of 16/05/2019(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	**None**

(1) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the overall limit on capital increases provided for in paragraph 2 of the 17th resolution of the AGM of 16 May 2019 (set at 50% of the existing share capital on the date of the AGM of 16 May 2019).

(2) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the nominal limit on capital increases without preferential subscription rights, provided for in paragraph 3 of the 18th resolution of the AGM of 16 May 2019 (set at 10% of the existing share capital on the date of the AGM of 16 May 2019).

(3) The Annual General Meeting of 12 May 2020 will be requested to take note, with the 19th resolution, that the 18th and 19th resolutions adopted by the AGM of 16 May 2019 shall be interpreted as being applicable to offers to the public other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, and to offers to the public referred to in Article L. 411-2 1° of the French Monetary and Financial Code, respectively.

Type of authorisation	Purpose of authorisation	Validity of authorisation	Upper limits	Use during 2019
	Determining the issue price, in connection with a share capital increase through the issuance of equity securities without preferential subscription rights	**AGM of 16/05/2019** 21st resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 10% of the share capital per 12-month period(1)(2).	**None**
	Increase the share capital through the capitalisation of premiums, reserves, profits or any other sums	**AGM of 16/05/2019** 22nd resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal upper limit for capital increases:** 20% of the existing share capital on the date of the AGM of 16/05/2019(1)	**None**
	Increase the number of shares to be issued in the event of a capital increase, with or without preferential subscription rights	**AGM of 16/05/2019** 23rd resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Upper limit of the number of shares to be issued:** Limits stipulated by applicable regulations as of the date of issuance (currently 15% of the initial issue); limit deductible from the limit stipulated in the resolution setting the amount of the initial issuance(1)	**None**
Operations in favour of employees, personnel and/or Company officers	Carry out capital increases reserved for participants in Company savings plans without preferential subscription rights	**AGM of 16/05/2019** 24th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Nominal total upper limit for capital increases:** 1% of the share capital as of the date of the Board of Directors' decision(1)	**Used by the Board of Directors during its meeting of 30/07/2019 (number of shares issued: 458,951)**
	Grant performance shares (outstanding or to be issued) to some or all Group employees and corporate officers	**AGM of 16/05/2019** 25th resolution **For a period of:** 38 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2022	**Total upper limit on the number of performance shares, existing or to be issued, granted:** 2% of the share capital as of the date of the Board of Directors' decision(1) **Total upper limit on the number of performance shares, existing or to be issued, granted to senior executives and company officers:** 10% of the performance shares granted during said financial year pursuant to this authorisation	**Used by the Board of Directors during its meeting of 12 December 2019 (number of shares granted: 64,390)**
Cancellation of shares	Decrease the share capital through the cancellation of treasury shares	**AGM of 16/05/2019** 26th resolution **For a period of:** 26 months **Entry into force:** 16/05/2019 **Expiry date:** 15/07/2021	**Upper limit on total number of shares to be cancelled:** 10% of the share capital per 24-month period	**None**

(1) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the overall limit on capital increases provided for in paragraph 2 of the 17th resolution of the AGM of 16 May 2019 (set at 50% of the existing share capital on the date of the AGM of 16 May 2019).

(2) The maximum aggregate nominal amount of capital increases that may be carried out pursuant to this delegation is deducted from the nominal limit on capital increases without preferential subscription rights, stipulated in paragraph 3 of the 18th resolution of the AGM of 16 May 2019 (set at 10% of the existing share capital on the date of the AGM of 16 May 2019).

1.2.7 Purchase by the Company of its treasury shares in 2019

The sixteenth resolution approved at the Amundi ordinary AGM on 16 May 2019 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 15 November 2020;
- the Company may not, under any circumstances, hold over 10% of the share capital;
- the purchase cannot take place at a price higher than €100 per share;
- in any case, the maximum amount that the Company can dedicate to the buyback of its own ordinary shares is €1 billion.

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

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

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

The Amundi AGM to be held on 12 May 2020 will be asked to approve the renewal of the authorisation granted to the Board of Directors to perform transactions on Amundi shares, which will enable the continued operation of the share buyback programme currently in progress, as described below in section 1.2.8.

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

The Board of Directors informs the AGM of the following activities undertaken in accordance with the buyback programme for the period 1 January to 31 December 2019.

During the 2019 financial year, transactions completed under the buyback programme had two distinct objectives:

1. market-making purposes, by an investment services provider under a liquidity contract signed with an Investment Services Provider (Kepler Cheuvreux), in compliance with the Code of Conduct of the French Association of Financial Markets (AMAFI);
2. covering the commitments to employees under the performance share plans in accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code.

The purchases were completed in accordance with the authorisation granted to the Board of Directors by Amundi's Ordinary General Meeting of 16 May 2019 (sixteenth resolution).

Amundi launched a share buyback programme *via* a mandate granted to an Investment Services Provider (Kepler Cheuvreux) to cover the performance share plans established for key Group managers. This programme offered a maximum redemption price of €100 per share, with no more than €200 million being allocated to this programme as the total amount. The relevant Amundi shares are those listed for trading on the Euronext Paris regulated market, under ISIN code FR0004125920. This programme was implemented from 21 November 2018 to 25 April 2019. The number of shares redeemed under the programme amounted to 1,387,069, representing 0.7% of the share capital, for a sum of approximately €81 million.

Number of shares registered in the Company's name at 31/12/2018	**814,081**
Of which treasury shares held under the liquidity contract	*201,150*
Of which treasury shares held under the share buyback programme	*612,931*
Percentage of share capital held by the Company at 31/12/2018	**0.40%**
Number of shares purchased in 2019	**2,040,734**
Of which shares bought back under the liquidity contract	*653,665*
Of which shares bought back under the share buyback programme	*1,387,069*
Number of shares used as part of the liquidity agreement (purchases – sales)(1)	/
Average purchase price of shares acquired in 2019	*€59.39*
Value of shares acquired in 2019 (valued at purchase price)	€121,205,343
Trading costs	14,571
Number of shares sold in 2019	**815,315**
Average price of shares sold in 2019	*€62.04*
Number of treasury shares at 31/12/2019	**1,333,964**
Of which treasury shares held under the liquidity contract	*39,500*
Of which treasury shares held under the share buyback programme	*1,294,464*
Total book value of shares(2)	€78,832,268
Par value	€2.50
Percentage of share capital held by the Company at 31/12/2019	**0.66%**

(1) Shares purchased and sold under a liquidity agreement in 2019.

(2) Shares acquired under the liquidity contract are recognised as trading securities and valued at market value at each reporting date (€2,761,050 at 31/12/2019). Shares held under the share buyback programme are valued at their cost of purchase (€76,071,217 at 31/12/2019).

1.2.8 Description of Amundi share buyback programme to be submitted to the next AGM of 12 May 2020

During the AGM to be held on 12 May 2020, shareholders will be asked to renew for a period of 18 months the share buyback authorisation granted to the Board of Directors. Pursuant to the provisions of Article 241-2 of the AMF General Regulation, the description of this programme can be found below.

Number of securities and portion of the share capital directly held by Amundi

At 31 December 2019, the number of shares directly held by Amundi was 1,333,964 shares, *i.e.* 0.66% of the share capital.

Breakdown of securities held according to objective

At 31 December 2019, the shares held by Amundi could be broken down as follows:

- 1,294,464 shares intended to cover the commitments to employees under the performance share plan;
- 39,500 shares held under the liquidity contract for market making purposes.

Share buyback programme objectives

Under the share buyback programme that will be submitted to the combined AGM of 12 May 2020, the shares may be acquired at any time within the limits permitted by legal or regulatory provisions in effect, including during takeover bids or public exchange offers initiated by the Company or those targeting the securities of the Company, particularly in view of the following allocations:

- the allocation or sale of shares to employees as part of a profit sharing agreement or the implementation of any company or group savings schemes (or a similar scheme) under the terms and conditions provided by law, particularly Articles L. 3332-1 *et seq.* of the French Labour Code;
- the allocation of performance shares pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- generally, to honour the obligations associated with share allocation programmes for employees or company officers of the issuer or an associated company;

- the distribution of shares at the time of the exercise of the rights attached to securities giving access to the capital through reimbursement, conversion, exchange, presentation of a warrant or in any other way;
- the cancellation of all or of a portion of the securities thus bought back;
- the stimulation of the secondary market or of liquidity for Amundi shares by an investment services provider under the terms of a liquidity contract in compliance with the Code of Conduct recognised by the AMF.

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

Maximum amount allocated to the buyback programme, maximum number and characteristics of the securities that may be acquired

Purchases of Company shares may involve a number of shares such that, as of the date of each buyback, the total number of shares purchased by the Company since the start of the buyback programme (including those involved in said buyback) does not exceed 10% of the shares making up the share capital of the Company on that date (taking into account transactions impacting this number after the AGM of 12 May 2020), *i.e.* for information purposes, at 31 December 2019, an upper limit for buybacks of 20,216,330 shares. It is moreover specified that (i) the number of shares acquired in view of their retention and subsequent assignment under the terms of a merger, demerger or contribution may not exceed 5% of the Company's share capital; and (ii) when the shares are bought back to promote liquidity under the conditions defined by the AMF General Regulation, the number of shares taken into account to calculate the 10% limit stipulated above is the number of shares purchased, minus the number of shares resold during the validity of the authorisation.

The overall amount allocated to the share buyback programme cannot exceed €1 billion. The securities that Amundi intends to acquire are exclusively shares.

Maximum authorised unit purchase price

The maximum purchase price of the shares under the buyback programme will be €120 per share (or the exchange value of this amount on the same date in any other currency). It is proposed that the AGM delegates to the Board of Directors, in the event of a change in the par value of the share, a capital increase *via* the capitalisation of reserves, the allocation of performance shares, the split or reverse split of securities, the distribution of reserves or any other assets, the redemption of share capital, or any other transaction involving the share capital or equity, the power to adjust the aforementioned maximum purchase price to take into account the impact of these transactions on the value of the share.

Duration of the share buyback programme

The share buyback programme may be implemented for a period of eighteen months from the date of the AGM of 12 May 2020.

The authorisation presented to shareholders during this AGM will supersede, effective 12 May 2020, any prior delegation, up to its unused portion where applicable, granted to the Board of Directors to transact on the Company's shares.

1.3 ORGANISATIONAL STRUCTURE OF THE GROUP AS AT 31 DECEMBER 2019

Crédit Agricole Group

69.8%

Amundi

Amundi Asset Management

Management companies

- Amundi Immobilier
- Amundi Private Equity
- Funds
- BFT Investment
- Managers
- CPR Asset
- Management
- Etoile Gestion
- Société Générale
- Gestion (S2G)

Other entities

- Amundi Finance
- Amundi ESR
- Amundi Intermédiation

Subsidiaries

- **Amundi Austria GmbH** *(Austria)*
- **Amundi Czech Republic investiční společnost, a.s. & Amundi Czech Republic Asset Management, a.s.** *(Czech Republic)*
- **Amundi Deutschland GmbH** *(Germany)*
- **Amundi Investment Fund Management • • Private Limited** *(Hungary)*
- **KBI Global Investors Ltd** *(Ireland)*
- **Amundi Ireland Limited** *(Ireland)*
- **Amundi SGR SpA** *(Italy)*
- **Amundi Luxembourg SA** *(Luxembourg)*
- **Amundi Polska** *(Poland)*
- **Amundi Asset Management SAI SA** *(Romania)*
- **Amundi Iberia SGIIC, SA** *(Spain)*
- **Amundi Suisse SA** *(Switzerland)*
- **Amundi UK Ltd** *(United Kingdom)*

- **Amundi Canada Inc** *(Canada)*
- **Amundi Pioneer Asset Management, Inc & Amundi Pioneer Institutional Asset Management, Inc & Amundi Pioneer Distributor, Inc** *(United States)*

- **Amundi Asset Management Australia Ltd** *(Australia)*
- **Amundi Hong-Kong Ltd** *(China)*
- **Amundi Investment Advisory** *(Beijing)* **Limited** *(China)*
- **Amundi Japan Ltd** *(Japan)*
- **Amundi Islamic Malaysia Sdn Bhd et Amundi Malaysia Sdn Bhd** *(Malaysia)*
- **Amundi Singapore Ltd & Amundi Intermédiation Asia PTE, Ltd** *(Singapore)*
- **Amundi Taiwan Ltd** *(Taiwan)*
- **Amundi Mutual Fund Brokerage Securities Company Ltd** *(Thailand)*

Branches

Amundi Asset Management: Belgium, UK, the Netherlands, UAE, Hong Kong, Chile, Mexico

Amundi Intermediation: UK, Ireland

Amundi Czech Republic Asset Management, a.s.: Slovakia, Bulgaria

Representative offices

Amundi Asset Management: Finland, Beijing, Sweden

Amundi Pioneer Distributor: Miami

Joint-Ventures

- **33.33 % ABC-CA Fund Management Co Ltd** *(China)*
- **37 % SBI Funds Management** *(India)*
- **30 % NH-Amundi Asset Management Co Ltd** *(South Korea)*
- **50 %Fund Channel SA** *(Luxembourg)*
- **34 % Wafa Gestion** *(Morocco)*
  51% Amundi ACBA Asset Management *(Armenia)*
- **60 % Amundi Transition Energétique** *(France)*

International

France

All companies are wholly owned unless stated otherwise.

Amundi is the holding company for the Amundi Group. The majority of its shares are held by the Crédit Agricole Group (69.8%). It mainly performs its asset management activities through subsidiaries in France and abroad, through joint ventures (particularly in Asia) and through other entities.

For a list of Amundi's consolidated subsidiaries please refer to note 9.3 of the consolidated financial statements.

1.4 COMPANY HISTORY

- **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 Group'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, asset management subsidiary of the Austrian bank BAWAG P.S.K. and the fixed-income activities of KAF Asset Management (Malaysia).
- **2015:** the stock market listing of Amundi, through the sale of all of the 20% holding of Société Générale and 4.25% of the holding of Crédit Agricole S.A.
- **2016:** Amundi is included in the SBF 120 index, acquires KBI GI (Ireland), launches a new Services business line for third parties and merges its real-estate management businesses with those of Crédit Agricole Immobilier.
- **2017:** Amundi acquires Pioneer Investments, consisting of the asset management subsidiaries of the UniCredit banking group (€243 billion under management at 30 June 2017), a transformative transaction that consolidates Amundi's leadership position in Europe, and strengthens the Group in three ways: distribution capacity, expertise and skills.
- **2018:** virtual end of Pioneer's integration, achieved in 18 months, and the total amount of cost synergies was revalued at €175 million, compared to the €150 million announced initially. Announcement of a three-year ESG plan.
- **2019:** confirmation of Amundi's strategic ambitions under the 2022 Medium-Term Plan of Crédit Agricole S.A.; success of the capital increase reserved for employees; announcement of the upcoming creation in China of a joint venture with Bank of China.
- **2020:** announcement of strategic partnership in Spain with Banco Sabadell.

2 CORPORATE GOVERNANCE

Summary

15
members on the Board of Directors

7 proposed by Crédit Agricole S.A.:
Xavier Musca, Yves Perrier, Henri Buecher, Michel Mathieu, Christian Rouchon, Andrée Samat, Renée Talamona

1 proposed by Société Générale:
William Kadouch-Chassaing

4 independent directors:
Virginie Cayatte, Laurence Danon-Arnaud, Robert Leblanc, Hélène Molinari

1 elected by the employees:
Éric Taze-Bernard

2 non-voting members:
Jean-Michel Forest, Gianni Franco Papa

5
Specialised committees

Strategic and CSR
Audit
Risk
Compensation
Appointments

Overview of the Board of Directors

6 meetings

33% independent directors[1][5]

60.6 average age

95.5% attendance rate[2]

4 areas of international expertise covered[3]

42% women[4][5]

Overview of the Group's Management Bodies

MANAGEMENT COMMITTEE

13 members

3 nationalities

3 women

EXECUTIVE COMMITTEE

27 members

7 nationalities

5 women

(1) In accordance with Recommendation 9.3 of the AFEP-MEDEF Code, the director elected by employees is not taken into account when calculating the percentage.

(2) Overall attendance rate at committee meetings and Board of Directors' meetings in 2019.

(3) The areas covered are the EU (10 members), Asia (2 members), the USA (2 members) and Africa/Middle East (1 member).

(4) In accordance with Article L. 225-27 para. 2 of the French Commercial Code, the Director elected by the employees is not taken into account when calculating the percentage.

(5) In the absence of regulatory constraints, non-voting members are not taken into account in calculations.

Compensation of the Chief Executive Officer

Proposed compensation for 2019

FIXED

€ 1,000 k

VARIABLE

€ 1,000 k[(1)]

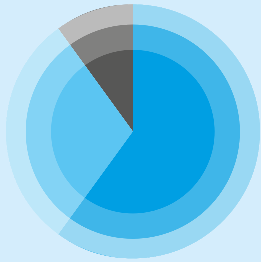
INTERNAL FAIRNESS RATIO

Legal	Managerial
25.2[(2)]	20.8[(2)]

30% WITH NO DELAY

10% INDEXED WITH A SIX-MONTH PAYMENT DELAY

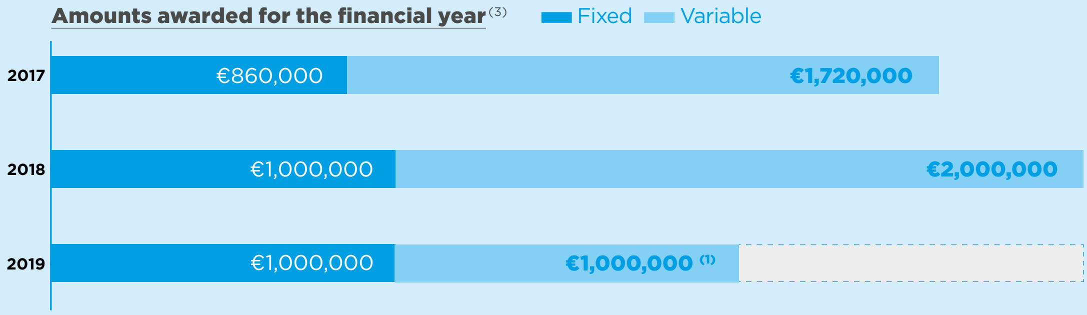
- 85% indexed on Amundi shares
- 15% indexed on CASA shares

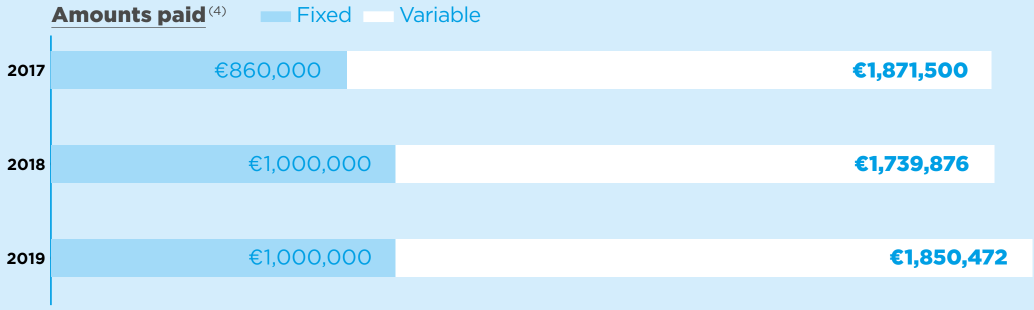


60% DEFERRED OVER 3 YEARS, INDEXED, CONDITIONAL

- 85% indexed on Amundi shares
- 15% indexed on CASA shares

Compensation over the last three years





(1) ***During its meeting held on 11 February 2020, the Board of Directors set the variable remuneration at € 2,000,000. However, taking into consideration the Coronavirus crisis, Yves Perrier decided to waive half of his variable remuneration as per 2019. Therefore, the variable compensation due for the 2019 year will be brought down to €1,000,000. The amount corresponding to the waived amount will feed the Crédit Agricole Group's new Solidarity Fund for the elderly. Amundi's Board of Directors took note of this decision on 7 April 2020, and propose to the AGM to consider this modified amount when voting the 6th resolution (approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the 2019 fiscal year, or granted for the 2019 fiscal year, to Yves Perrier, Chief Executive Officer).***

(2) *Details pages 82 and 83. Ratios calculated prior to the waiver of the Chief Executive Officer to 50% of the variable compensation allocated in respect of 2019.*

(3) *Excluding benefits in kind.*

(4) *Taking into account the indexing rules; not including €5,000 of benefits in kind.*

Preamble

2019 Financial year
Dear shareholders,

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

- the Secretariat to the Board of Directors prepared the items relating to the presentation of governance and the work of the Board of Directors and its committees in 2019;
- the Appointments Committee prepared the items relating to the analysis of the workings of the Board, its composition, diversity policy, and the individual contributions of the directors, in line with AMF and AFEP-MEDEF recommendations;
- the Board of Directors analysed the compliance with the recommendations of the AFEP-MEDEF Code and the regulated agreements;
- the Compensation Committee and the Board of Directors prepared items on compensation policy and the breakdown of items of compensation of Senior Executives and Company Officers and Board members.

This report was approved by the Board of Directors during its meeting of 11 February 2020 and has been actualised by a Board of Directors decision on 7 April 2020.

The Company's governance is structured around its Board of Directors, supported by its specialised committees (2.2), and by Senior Executives and Company Officers assisted by internal management bodies (2.3).

In accordance with Articles L. 225-37-2 and L. 225-37-3 of the French Commercial Code, this report on corporate governance also sets out in a clear and understandable way the compensation policy for Company Officers and the compensation items relating to the financial year 2019 (2.4).

Additional items on the individual members of the Board, including a list of all offices and functions in all companies during the year, are provided in 2.1.

Finally, Chapters 1 and 8 of the Universal Registration Document present the information stipulated by Articles L. 225-37-4 and L. 225-37-5 of the French Commercial Code, specifically:

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

2.1 OVERVIEW OF THE COMPANY OFFICERS

Xavier MUSCA

CHAIRMAN OF THE BOARD OF DIRECTORS

Member of the Strategic and CSR Committee, the Compensation Committee and the Appointments Committee

Age: 59 **Nationality**: French
Date of first appointment: 24/07/2012
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2021
Number of shares held: 300

Biography

Xavier 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, Édouard 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, Finance 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.

Xavier Musca has been Deputy Chief Executive Officer of Crédit Agricole S.A. since 2012 and the Second Executive Director since 2015. He has been the Chairman of Amundi's Board of Directors since 2016.

3 main areas of expertise

- Accounting and financial information
- Management of an international group
- Banking regulations

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2012: ■ Deputy Chief Executive Officer, Member of the Management Committee, Member of the Crédit Agricole Executive Committee; ■ Vice-Chairman of the Board of Directors of Predica; ■ Director of CA Assurances and CA Italia** (formerly Cariparma); ■ Permanent representative of Crédit Agricole S.A., Director of Pacifica. **Since 2015:** ■ Chairman of the Board of Directors of CA Consumer Finance; ■ Vice-Chairman of the Board of Directors of CA Italia** (formerly Cariparma).	**From 2012 to 2015:** ■ Chairman of the Appointments Committee and Compensation Committee of Amundi*; ■ Vice-Chairman of the Supervisory Board of Crédit du Maroc**; ■ Vice-Chairman of the Board of Directors of CA Egypt** and UBAF. **From 2012 to 2015:** ■ Director of Amundi*. **From 2012 to 2017:** ■ Director of Crédit Agricole Creditor Insurance; ■ Member of the Compensation Committee of Cariparma.
IN OTHER LISTED COMPANIES	
Since 2014: ■ Director of CAP Gemini. **Since 2016:** ■ Chairman of the CAP Gemini Audit Committee.	None
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
None	

* *Amundi Group company.*
** *Foreign company.*

Yves PERRIER

DIRECTOR AND CHIEF EXECUTIVE OFFICER

Member of the Strategic and CSR Committee

Age: 65 **Nationality:** French
Date of first appointment: 23/12/2009
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2021
Number of shares held: 2,700(1)

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, he took over as Head of Asset Management and Institutional Client Services at Crédit Agricole S.A., as Chairman and CEO of Crédit Agricole Asset Management and Chairman of the CACEIS Board of Directors. In 2009, he was the architect behind the creation of Amundi and was appointed its CEO on 1 January 2010.

Since 2015, Yves Perrier has been acting as Deputy CEO of Crédit Agricole S.A. and is responsible for the Savings and Real Estate Division as at 1 January 2020.

Since 1 January 2020 Yves Perrier is also responsible for managing the social project of the Crédit Agricole Group.

3 main areas of expertise

- Asset management and financial markets
- Strategic planning
- Accounting and financial information

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2015: ■ Deputy Chief Executive Officer, Head of the Savings and Real Estate division of Crédit Agricole S.A.; ■ Director of Pacifica and Crédit Agricole Assurances; ■ Permanent representative of Crédit Agricole S.A.; ■ Director of Predica and Crédit Agricole Immobilier; ■ Permanent Representative of Crédit Agricole S.A., Director of Predica and Crédit Agricole Immobilier. **Since 2018:** ■ Chairman of Amundi Asset Management* SAS.	**From 2007 to 2015:** ■ Head of Asset Management and Institutional Client Services division of Crédit Agricole S.A.; ■ Chairman of the Board of Directors of CACEIS; ■ Member of the Supervisory Board of CA Titres. **From 2007 to 2018:** ■ Chairman-CEO of Amundi Asset Management*. **From 2009 to 2015:** ■ Chairman of the Board of Directors of Société Générale Gestion*. **From 2013 to 2015:** ■ Director of Euro Securities Partners. **From 2014 to 2016:** ■ Director of LCH Clearnet SA and LCH Clearnet Group.
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	**From 2013 to 2016:** ■ Member of the Supervisory Board of Maike Automobile SAS.
IN OTHER ENTITIES	
Since 2017: ■ Honorary Chairman of the AFG. **Since 2018:** ■ Vice-Chairman of the Board of Directors of Paris Europlace.	**From 2015 to 2017:** ■ Chairman of the AFG.

(1) 2,700 shares are also held by a closely related person.
** Amundi Group company.*

Henri BUECHER

DIRECTOR CO-OPTED BY THE BOARD OF DIRECTORS OF 16 MAY 2019

Age: 66 **Nationality**: French
Date of first appointment: 16/05/2019
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2020
Number of shares held: 200

Biography

At the end of 2019, Henri Buecher retired as a winegrower in Wettolsheim in the Haut-Rhin region. He was in partnership with his son in the family business, which has been in business since the end of the seventeenth century. Henri Buecher was elected in 1991 as Director of Caisse locale Vignoble et Coteaux, whose registered office is in Colmar. He has been its Chairman since 1996. Director of Caisse Régionale Alsace from 1997 to 2001, he was elected Director of Caisse Régionale Alsace Vosges in 2001 after the merger of the Alsace and Vosges Caisses Régionales. In 2006, he became Vice-Chairman and then Chairman in 2016. In addition, Henri Buecher was a member of the Chamber of Agriculture from 2001 to 2016. He represents Crédit Agricole within the Société d'Aménagement Foncier et d'Établissement Rural Alsace (SAFER), of which he was a Director from 2006 to 2016. From 2001 to 2018, he was a member of the Haut-Rhin Commission départementale d'orientation agricole (CDOA). Finally, Henri Buecher has been involved in public life and has been a municipal councillor of Wettolsheim since 1989.

3 main areas of expertise

- Risk management, compliance checking, internal audit
- Asset management and financial markets
- Commercial/ marketing

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 1996: ■ Chairman of Caisse Locale Vignoble et Coteaux. **Since 2002:** ■ Director of Caisse Locale Alsace. **Since 2016:** ■ Chairman of Caisse Régionale of Crédit Agricole Alsace Vosges; ■ Member of the Markets, Clients and Innovation Committee of the Fédération Nationale du Crédit Agricole (FNCA). **Since 2018:** ■ Director of Foncaris.	**From 2006 to 2016:** ■ Vice-Chairman of Caisse Régionale of Crédit Agricole Alsace Vosges; ■ Director of SAFER Alsace. **From 2006 to 2019:** ■ Member of the Loans Committee of the Caisse Régionale of Crédit Agricole Alsace Vosges. **From 2011 to 2016:** ■ Director of the SICA for Caves Historiques des Hôpitaux de Strasbourg. **From 2015 to 2016:** ■ Member of the Risk Committee and the Appointments Committee of Caisse Régionale of Crédit Agricole Alsace Vosges.
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	**From 1983 to 2019:** ■ Manager of GAEC Buecher Paul et Fils.
IN OTHER ENTITIES	
Since 1989: ■ Municipal councillor of Wettolsheim Council. **Since 2017:** ■ Member of the Comité de l'Agriculture et de l'Agroalimentaire and the Comité Relais de Croissance; ■ Chairman of Amicale du Nord et de l'Est.	**From 2001 to 2016:** ■ Member of the Alsace Chamber of Agriculture. **From 2001 to 2018:** ■ Member of the Haut Rhin Commission Départementale d'Orientation Agricole. **From 2016 to 2019:** ■ Member of the Alsace Lorraine Champagne Ardennes Chamber of Agriculture.

Virginie CAYATTE

INDEPENDENT DIRECTOR

Member of the Audit Committee and the Risk Management Committee

Age: 49 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2021
Number of shares held: 250

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, she returned to AXA IM where she was appointed Corporate Finance and Strategy Director, then Chief Financial Officer in 2010. She became Director of AXA IM IF and left the Group at the end of 2014.
From January 2015, Virginie Cayatte was CFO with responsibility for Finance, Real Estate and Purchasing at Solocal Group, a role she left at the end of 2017.
In 2018, she joined as CFO the Adisseo Group, whose major shareholder is the Chinese group BlueStar Chemchina and is listed on the Shanghai Stock Exchange.

3 main areas of expertise

- Accounting and financial information
- Risk management, compliance checking, internal audit
- Asset management and financial markets

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
None	
IN OTHER LISTED COMPANIES	
None	**From 2015 to 2017:** ■ Financial Director and member of the Executive Committee of Solocal Group.
IN OTHER UNLISTED COMPANIES	
Since 2018: ■ Financial Director of Adisseo; ■ Director of Adisseo Animal Nutrition Private Limited*; ■ Director of Asia Pacific Pte Ltd*; ■ Director of Adisseo Life Science (Shanghai) Co., Ltd*; ■ Director and Vice-President of Adisseo USA Inc.*; ■ Supervisor of Bluestar Adisseo Nanjing Co., Ltd*; ■ Member of the Management Committee of the Drakkar Group S.A. Branch* ; ■ Supervisor of Nutriad Holding B.V.* **Since 2019:** ■ Director of Adisseo España S.A.* ; ■ Member of the Supervisory Committee of Adisseo Eurasia SARL*; ■ Director of Adisseo Venture*.	**From 2015 to 2017:** ■ Director of Pages Jaunes SA.
IN OTHER ENTITIES	
Since 2019: ■ Member of the Management Committee of Association Sportive du Bois de Boulogne.	None

* *Foreign company.*

Laurence DANON-ARNAUD

INDEPENDENT DIRECTOR

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

Age: 63 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2019
Number of shares held: 480

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 two in adhesives. Appointed as Chairwoman and CEO of Printemps and member of PPR's Executive Committee in 2001, she left her post in 2007 after the successful sale of Printemps in October 2006.

Laurence Danon then joined Edmond de Rothschild Corporate Finance in 2007 as a Management Board member, and was then Chairwoman of the Management Board until December 2012. She joined the investment bank Leonardo & Co. in early 2013 as Chairwoman of the Board of Directors.

Subsequent to the sale of Leonardo & Co. SAS to Natixis in June 2015, Laurence Danon joined her family business.

3 main areas of expertise

- Strategic planning
- Accounting and financial information
- Governance and compensation

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
None	
IN OTHER LISTED COMPANIES	
Since 2010: ■ Director and Chairwoman of the Audit Committee of TF1. **Since 2017:** ■ Director of Gecina; ■ Director of Bruxelles Lambert Group*.	**From 2006 to 2015:** ■ Director of the Diageo Plc.
IN OTHER UNLISTED COMPANIES	
Since 2015: ■ Chairwoman of Primerose SAS.	None
IN OTHER ENTITIES	
Since 2015: ■ Member of the Academy of Technologies.	None

* *Foreign company.*

William KADOUCH-CHASSAING
DIRECTOR

Age: 50 **Nationality**: French
Date of first appointment: 01/08/2018
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2020
Number of shares held: 200

Biography

William Kadouch-Chassaing began his career in 1992 in the office of the Minister of Transport. He concurrently worked as a *professeur agrégé* (associate professor) in economics and social sciences at the university level. In 1996, he joined JP Morgan as an economist and strategist before joining the Mergers & Acquisitions Department in 1998, where he was notably in charge of the coverage of media groups in Europe. In 2007, he became a senior banker for Société Générale Corporate & Investment Banking. Six years later, he was appointed Deputy Chief Financial Officer and Head of Group Strategy, becoming a member of the Group's General Management Committee.

William Kadouch-Chassaing has held the position of Chief Financial Officer of the Société Générale Group since May 2018.

3 main areas of expertise

- Accounting and financial information
- Strategic planning
- Banking regulations

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
None	**From 2013 to 2015:** ■ Director of Amundi*.
IN OTHER LISTED COMPANIES	
Since 2013: ■ Member of the Management Committee of the Société Générale Group. **Since 2018:** ■ Chief Financial Officer of Société Générale Group.	**From 2013 to 2018:** ■ Director of Strategy of Société Générale Group; ■ Deputy Chief Financial Officer of the Société Générale Group. **From 2016 to 2018:** ■ Member of the Supervisory Board of Société Générale Algeria**.
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
None	**From 2015 to 2018:** ■ Director at the New Sorbonne University.

* *Amundi Group company.*
** *Foreign company.*

Robert LEBLANC

INDEPENDENT DIRECTOR

Member of the Audit Committee and of the Appointments Committee, Chairman of the Compensation Committee

Age: 62 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2021
Number of shares held: 200

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 Medef between 2008 and 2013 and Chairman of the Movement of Christian Entrepreneurs and Managers *(Mouvement des entrepreneurs et dirigeants chrétiens)* between 2010 and 2014. Robert Leblanc is currently the Chairman and CEO of Aon France (since 2009) and is a member of the Global Executive Committee of Aon Risk Solutions. Author of “Le libéralisme est un humanisme” [Liberalism is a humanism] (Albin Michel, 2017).

3 main areas of expertise

- Strategic planning
- Governance and compensation
- Management of an international group

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
None	
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
Since 2007: ■ Manager of RL Conseil. **Since 2009:** ■ Manager of Aon Holdings France SNC; ■ Chairman and Chief Executive Officer of Aon France SAS. **Since 2019:** ■ Chairman of Chapka, a subsidiary of Aon France; ■ Chairman of Ovatio, a subsidiary of Aon France; ■ Chairman of Apollo, a subsidiary of Aon France.	**From 2010 to 2018:** ■ Director of Aon Tunisia*. **From 2009 to 2019:** ■ Director of International Space Brokers France – ISB France.
IN OTHER ENTITIES	
Since 2008: ■ Honorary Chairman of Chambre Syndicale des Courtiers d’Assurance. **Since 2017:** ■ Director of Aspen France. **Since 2019:** ■ Vice-Chairman of Fondation Notre-Dame.	**From 2016 to 2018:** ■ Chairman of the Medef Ethics Committee. **From 2014 to 2019:** ■ Chairman of Fondation Avenir Patrimoine in Paris.

* *Foreign company.*

Michel MATHIEU

DIRECTOR

Age: 61 **Nationality**: French
Date of first appointment: 28/04/2016
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2020
Number of shares held: 200

Biography

Michel Mathieu began his career at Crédit Agricole Gard in 1983. He went on to become Manager in 1990 and in 1995 joined Caisse Régionale du Midi as Deputy CEO. In 1999, he was appointed CEO of Caisse Régionale du Gard and then, from 2005, of Caisse Régionale du Midi. Caisses Régionales du Gard and Caisse Régionale du Midi were merged in 2007 and Michel Mathieu took charge as CEO of the newly created merged Bank, 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. (LCL and International), Member of the Executive Committee.

3 main areas of expertise

- Asset management and financial markets
- Banking regulations
- Strategic planning

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2010: ■ Director of CA Italia* (formerly Cariparma). **Since 2012:** ■ Director of Crédit Agricole Egypt*. **Since 2015:** ■ Deputy CEO, Head of Subsidiaries and Local Banking division of Crédit Agricole S.A.; ■ Vice-Chairman of the Supervisory Board of Crédit du Maroc*. **Since 2016:** ■ CEO of LCL; ■ Permanent Representative of LCL, Director of Prédica; ■ Chairman of the Board of Directors of Crédit Agricole Creditor Insurance.	**From 2011 to 2016:** ■ Director of Prédica. **From 2012 to 2016:** ■ Director of Crédit Agricole-CIB. **From 2013 to 2016:** ■ Director of LESICA. **From 2015 to 2016:** ■ CA Payment Services Director.
IN OTHER LISTED COMPANIES	
None	**From 2012 to 2017:** ■ Member of the Supervisory Board of Eurazeo.
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
None	

* *Foreign company.*

Hélène MOLINARI

INDEPENDENT DIRECTOR

Chairwoman of the Appointments Committee

Age: 56 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2019
Number of shares held: 200

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.

3 main areas of expertise

- Commercial/marketing
- Governance and compensation
- Asset management and financial markets

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
None	
IN OTHER LISTED COMPANIES	
Since 2012: ■ Member of the Supervisory Board and Member of the Nominations, Compensation and Governance Committee of Lagardère SCA.	None
IN OTHER UNLISTED COMPANIES	
Since 2013: ■ Member of the Strategic Committee of Be Bound. **Since 2014:** ■ Manager of Ahm Conseil. **Since 2019:** ■ Director of Albingia.	**From 2014 to 2018:** ■ Senior Advisor of Capival.
IN OTHER ENTITIES	
Since 2010: ■ Member of the Steering Committee of the "Tout le monde chante contre le cancer" association. **Since 2013:** ■ Member of the Steering Committee for the "Prix de la femme d'influence" (Women of Influence Awards).	**From 2013 to 2018:** ■ Director of the Boyden Foundation.

Christian ROUCHON

DIRECTOR

Chairman of the Audit Committee and the Risk Management Committee

Age: 59 **Nationality**: French
Date of first appointment: 23/12/2009
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2019
Number of shares held: 200

Biography

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

Six months later, in April 2007, he became Chief Executive Officer.

3 main areas of expertise

- Accounting and financial information
- Risk management, compliance checking, internal audit
- Banking regulations

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2007: ■ Chief Executive Officer of Caisse Régionale of Crédit Agricole Sud Rhône Alpes; ■ Director of Square Habitat Sud Rhône Alpes. **Since 2008:** ■ Non-partner manager of Sep Sud Rhône Alpes. **Since 2010:** ■ Director of BforBank. **Since 2018:** ■ Credit Agricole Home Loan SFH Director; ■ Member of the FNCA Financial Organisation Committee; ■ Member of the FNCA Transformation and Performance Commission. **Since 2019:** ■ Non-voting member of Crédit Agricole-CIB.	**From 2009 to 2015:** ■ Chairman of SAS Capida. **From 2010 to 2017:** ■ Chairman of the Board of Directors of BforBank. **From 2013 to 2017:** ■ Chairman of COPIL OFI; ■ Chairman of Credit Agricole Home Loan SFH. **From 2013 to 2018:** ■ 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 of the FNCA. **From 2015 to 2018:** ■ Director of CA-Chèques.
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
None	**From 2011 to 2018:** ■ Vice-Chairman of ANCD.

Andrée SAMAT
DIRECTOR

Age: 69 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2019
Number of shares held: 200

Biography

Andrée Samat began her career with the Crédit Agricole Group in 1996 as Director of Caisse Locale du Beausset, where she became Chairwoman in 2000.

From 2003 to 2014, she served as Director of Caisse Locale à Vocation Départementale du Var, and became Deputy Chairwoman in 2008. In 2006, she also served as Director of Caisse Régionale de Provence Côte d'Azur, where she became Chairwoman of the Board of Directors in March 2009.

Andrée Samat is also a Municipal Councillor, Deputy Mayor of Saint-Cyr sur Mer and Deputy Chairwoman of Var Departmental Council.

3 main areas of expertise

- Commercial/marketing
- Governance and compensation
- Banking regulations

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2000: ■ Chairwoman of Caisse Locale de Beausset. **Since 2009:** ■ Chairwoman of the Board of Directors of Caisse Régionale of Crédit Agricole Provence Côte d'Azur; ■ Chairwoman of Fondation d'Entreprise of Crédit Agricole Provence Côte d'Azur; ■ Representative of CRCAM Provence Côte d'Azur, Director of Sofipaca S.A. **Since 2010:** ■ Director of Crédit Foncier de Monaco Indosuez Wealth. **Since 2011:** ■ Director of FNCA, Handicap et Emploi at Crédit Agricole. **Since 2012:** ■ Representative of Caisse Régionale du Crédit Agricole Provence Côte d'Azur, Chair of SASU CREAZUR **Since 2013:** ■ Deputy Chairwoman of FNCA, Handicap et Emploi at Crédit Agricole; ■ Member of the FNCA Health and Aging Committee. **Since 2015:** ■ Member of the FNCA Client Relations Committee. **Since 2018:** ■ Member of the Nominations and Compensation Committee of Crédit Foncier de Monaco Indosuez Wealth.	**From 2011 to 2015:** ■ Member of the FNCA Finance and Risk Management Committee. **From 2013 to 2015:** ■ Chairwoman of the Fédération Régionale of Crédit Agricole Provence Côte d'Azur. **From 2011 to 2019:** ■ Director of Crédit Agricole Carispezia. **From 2017 to 2019:** ■ Member of the Related Parties Committee of Crédit Agricole Carispezia.
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
Since 2008: ■ First Deputy Mayor of the Saint-Cyr sur Mer Council. **Since 2015:** ■ Vice-Chairman of Var Departmental Council.	None

Renée TALAMONA

DIRECTOR

Member of the Risk Management Committee

Age: 62 **Nationality**: French
Date of first appointment: 30/09/2015
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2020
Number of shares held: 200

Biography

Renée Talamona began her career at Caisse Nationale de Crédit Agricole, where she was named Head of Economic Studies in 1980. She was appointed Head of Studies for Finance Management in 1983, Internal Auditor in 1986 and then Project Leader for the Internal Audit Department. In 1992, she was named Finance and Risk Director at CRCAM Sud Méditerranée and then, in 1996, Marketing Director at 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 Caisse Régionale in the Spanish Basque region. 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.

3 main areas of expertise

- Risk management, compliance checking, internal audit
- Asset management and financial markets
- Banking regulations

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2013: ■ Chief Executive Officer of Caisse Régionale of Crédit Agricole Lorraine. **Since 2014:** ■ Director of BFT Investment Managers*; ■ Member of the FNCA Commission Vie Mutualiste et Identité du Crédit Agricole. **Since 2016:** ■ Director and member of the Strategic and CSR Committee of Crédit Agricole S.A. **Since 2018:** ■ Rapporteur for the Transformation and Performance Committee of the FNCA.	**From 2014 to 2016:** ■ Director of GIE Coopernic. **From 2015 to 2016:** ■ Permanent Representative of SACAM Développement, Director of LCL. **From 2013 to 2019:** ■ Director of CALF. **From 2015 to 2019:** ■ Member of the Audit Committee and the Risk Management Committee of Crédit Agricole Leasing & Factoring. **From 2016 to 2019:** ■ Member of the Appointments Committee of Crédit Agricole Leasing & Factoring.
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
None	

* *Amundi Group company.*

Eric TAZÉ-BERNARD

DIRECTOR ELECTED BY THE EMPLOYEES

Member of the Risk Management Committee

Age: 63 **Nationality**: French
Date of first appointment: 12/10/2016
Term of office ends: Ordinary general meeting called to approve the financial statements for the year ending 31/12/2021
Number of shares held[(1)]: 579,9114 through the Amundi Actionnariat company mutual fund

Biography

Eric Tazé-Bernard began his career in 1983 as an economic development consultant at Sedes, part of the Caisse des Dépôts Group, before joining the Banque Indosuez Economic and Financial Research Department in 1987, 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 before becoming Chief Asset Allocation Advisor for institutional investors.

3 main areas of expertise

- Asset management and financial markets
- Strategic planning
- Governance and compensation

Other positions and offices held at 31/12/2019	Offices held in the last five years (2015-2019) which have expired
IN CRÉDIT AGRICOLE GROUP COMPANIES	
Since 2013: ■ Chief Asset Allocation Advisor for the institutional investors of Amundi Asset Management*. **Since 2015:** ■ Director of Amundi ACBA Asset Management* and **.	None
IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
Since 2009: ■ Member of the Finance Committee of the Fondation de France.	None

* *Amundi Group company.*
** *Foreign company.*

(1) *The Director elected by the employees has no obligation to hold shares in the Company.*

Jean-Michel FOREST

NON-VOTING MEMBER

Permanent guest on the Audit Committee and the Risk Management Committee

Age: 62 **Nationality**: French
Date of first appointment: 27/10/2015
Term of office ends: Board of Directors meeting called to approve the financial statements for the year ending 31/12/2020

Biography

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

3 main areas of expertise

- Strategic planning
- Governance and compensation
- Banking regulations

Other positions and offices held at 31/12/2019

IN CRÉDIT AGRICOLE GROUP COMPANIES

Since 1995:
- Chairman of Caisse Locale de Saint Germain Laval.

Since 2005:
- Member of the Board of Directors of Espace Solidarité Passerelle (Association);
- Director of Caisse Locale de Développement Loire Haute-Loire.

Since 2011:
- Chairman and Founding Director of Crédit Agricole Loire Haute-Loire (CRCAM LHL);
- Director of SA COFAM; SAS LOCAM; SAS SIRCAM (CRCAM LHL subsidiaries) and SAS Square Habitat Crédit Agricole Loire Haute-Loire;
- Member of the FNCA.

Since 2013:
- Director of BFORBANK SA;
- Member of the Executive Committee of SAS SACAM Avenir.

Since 2014:
- Director of LCL – Le Crédit Lyonnais SA.

Since 2016:
- Chairman and Founding Director of the Crédit Agricole Loire Haute-Loire Business Foundation for Innovation and the Auvergne Rhône-Alpes Crédit Agricole Federation (formerly FRACA);
- Member of the Appointments Committee of LCL – Le Crédit Lyonnais SA.

Since 2017:
- Member of the Senior Executives Committee and the National Compensation Committee of the Crédit Agricole Group.

Since 2018:
- President of Association des Présidents de Caisse Régionale;
- Permanent guest of the Federal Office of the FNCA;
- Member of the Training Programmes Committee for Chairpersons and Directors of the Caisse Régionale of IFCAM;
- Member of the ADICAM SARL Joint Management Committee of FOMUGEI.

Since 2019:
- Member of the FNCA Transformation and Performance Committee.

Offices held in the last five years (2015-2019) which have expired

April to November 2015:
- Director of Amundi*.

From 2012 to 2017:
- Director of SAS Pleinchamp;
- Member of the Executive Committee of SAS Sacam Pleinchamp.

From 2014 to 2019:
- Chairman of the Markets, Clients and Innovation Committee (formerly CRC) of the FNCA.

IN OTHER LISTED COMPANIES	
None	
IN OTHER UNLISTED COMPANIES	
None	
IN OTHER ENTITIES	
Since 2013: ■ Chairman of Confédération Régionale de la Mutualité, de la Coopération et du Crédit Agricole (CRMCCA) Rhône-Alpes. **Since 2016:** ■ Member of the Board as representative, appointed as Chairman of the Fédération Auvergne Rhône-Alpes du Crédit Agricole of the CRMCCA Rhône-Alpes.	**From 2010 to 2015:** ■ Cantonal commissioner at the 3rd Collège (Canton Saint-Étienne) of the MSA Ardèche Drôme Loire; ■ Member of the Comité Départemental Loire 3rd Collège of the MSA Ardèche Drôme Loire. **From 2013 to 2016:** ■ Member – Representative appointed by the CRMCCA Rhône Alpes of the CAR Rhône Alpes (Council of Regional Agriculture). **From 2013 to 2017:** ■ Member representing the CRMCCA Rhône Alpes in the CESER Rhône Alpes.

* *Amundi Group company.*

Gianni Franco PAPA
NON-VOTING MEMBER

Age: 63 **Nationality**: Italian
Date of first appointment: 08/02/2018
Term of office ends: Board of Directors meeting called to approve the financial statements for the year ending 31/12/2020

Biography

Gianni Franco Papa has occupied various positions in UniCredit Group's international divisions, serving as Director for Asia (2000 – 2002), then as Director for the Americas (2003 – 2005).

After covering the position of Chief Executive Officer of UniCredit Bank Slovakia and Chief Executive Officer of Ukrosas Bank Ukraine, he was appointed Head of the CEE division in 2010 and Deputy Chief Executive Officer of Bank Austria.

From 2015 to 2016, he headed the Corporate & Investment Banking (CIB) division.

From 2016 to 2019 Gianni Franco Papa was Chief Executive Officer of UniCredit. He was responsible for all the Group's business operations. His main goal was to develop UniCredit's client offering by maximising cross-sales and value creation in the various divisions and business activities of UniCredit, as well as digital strategy and bringing about change in the bank's service model. He was also a member of the Executive Committee of UniCredit, member of the international advisory board, and a member of the Executive Committee of the Associazione Bancaria Italiana (ABI).

In 2013, he was appointed *Commendatore Ordine al Merito della Repubblica Italiana* (Commander of the Order of Merit of the Italian Republic) on the recommendation of the Italian presidency of the Council of Ministers (*Presidenza del Consiglio dei Ministri*).

3 main areas of expertise

- Risk management, compliance checking, internal audit
- Asset management and financial markets
- Management of an international group

<table>
<tr><th>Other positions and offices held at 31/12/2019</th><th>Offices held in the last five years (2015-2019) which have expired</th></tr>
<tr><td colspan="2">IN CRÉDIT AGRICOLE GROUP COMPANIES</td></tr>
<tr><td colspan="2">None</td></tr>
<tr><td colspan="2">IN OTHER LISTED COMPANIES</td></tr>
<tr><td>None</td><td>From 2016 to 2019:
■ Chief Executive Officer of UniCredit*.</td></tr>
<tr><td colspan="2">IN OTHER UNLISTED COMPANIES</td></tr>
<tr><td>Since 2016:
■ Chairman of Anthemis EVO LLP*.
Since 2019:
■ Chairman of the Board of Directors of Casa di Cura La Madonnina S.p.a.*;
■ Director of the Istituti Clinici Zucchi S.p.a.*.</td><td>From 2010 to 2015:
■ Deputy Chief Executive Officer and Head of the CEE division of Bank Austria*.
From 2011 to 2015:
■ Member of the Supervisory Board of AO UniCredit Bank* and UniCredit Tiriac Bank S.A.*;
■ Vice-Chairman of the Board of Directors of KOC Finansal;
■ Member of the Advisory Board of Unicredit Turn-Around Management CEE GMBH*.
From 2013 to 2015:
■ Member of the Supervisory Board of Public Joint Stock Company Ukrsotbank*.
From 2015 to 2016:
■ Member of the Supervisory Board of Hizmetler AS*
■ Member of the Board of Directors and Chairman of the Audit Committee of Yapi Ve Kredi Bankasi AS*.
From 2015 to 2019:
■ Member of the Risk Committee of UniCredit Bank AG*.
From 2016 to 2019:
■ Chairman of the Supervisory Board and Member of the Appointments Committee of UniCredit Bank AG*;
■ Member of the Appointments Committee of UniCredit Bank Austria AG*.
From 2018 to 2019:
■ Member of the Supervisory Board of UniCredit Bank Austria AG*.</td></tr>
</table>

IN OTHER ENTITIES	
Since 2016: ■ Chairman of the Italy Advisory Board (IAB)*; ■ Member of the Executive Committee and the Board of Directors of Associazione Bacaria Italiana (ABI)*. **Since 2018:** ■ Member of the Executive Committee of FeBaf*.	None

* *Foreign company.*

2.2 THE BOARD OF DIRECTORS AND ITS COMMITTEES

2.2.1 Overview of the Board of Directors, its role and its functioning

2.2.1.1 Overview

2.2.1.1.1 Summary table at 31 December 2019

			Specialised committees of the Board of Directors					Term of office			
Directors	**Age**	**Gender**	**Audit Committee**	**Risk Management Committee**	**Strategic Committee**	**Compensation Committee**	**Appointments Committee**	**Date first appointed**	**End of current appointment**	**Years on Board**	**Attendance rate at Board meetings in 2019**
NON-EXECUTIVE COMPANY OFFICER											
Xavier Musca Chairman of the Board of Directors	59	M			✔	✔	✔	2012	2022 AGM	7	100%
DIRECTORS											
Yves Perrier Chief Executive Officer and Director	65	M			✔			2007	2022 AGM	12	100%
ADMINISTRATEURS											
Henri Buecher	66	M						Board of Directors Meeting 2019	2021 AGM	7.5 months	100%
William Kadouch-Chassaing	50	M						2018	2021 AGM	1	67%
Michel Mathieu	61	M						2016	2021 AGM	3	67%
Christian Rouchon	59	M	Chair	Chair				2009	2020 AGM	10	100%
Andrée Samat	69	F						2015	2020 AGM	4	100%
Renée Talamona	62	F		✔				2015	2021 AGM	4	67%
INDEPENDENT DIRECTORS											
Virginie Cayatte	49	F	✔	✔				2015	2022 AGM	4	100%
Laurence Danon-Arnaud	63	F			Chair	✔		2015	2020 AGM	4	100%
Robert Leblanc	62	M	✔			Chair	✔	2015	2022 AGM	4	84%
Hélène Molinari	56	F					Chair	2015	2020 AGM	4	100%
DIRECTOR ELECTED BY THE EMPLOYEES											
Eric Tazé-Bernard	63	M		✔				Election october 2016	Election before 2022 AGM	3	100%
NON-VOTING MEMBERS											
Jean-Michel Forest	62	M	✔	✔				Board of Directors Meeting 2015	Board of Directors Meeting 2021	4	100%
Gianni Franco Papa	63	M						Board of Directors Meeting 2018	Board of Directors Meeting 2021	2	67%

2.2.1.1.2 Changes in the composition of the Board of Directors and the committees during the year

Name	Office held in the Company	Renewal	Departure	Appointment/ Co-option
Éric Tazé-Bernard	Director elected by the employees and member of the Risk Management Committee	Re-elected on 17/04/2019		
Xavier Musca	Chairman of the Board of Directors, member of the Compensation Committee, the Appointments Committee and the Strategic Committee	AGM 16/05/2019		
Yves Perrier	Director, CEO and member of the Strategic Committee	AGM 16/05/2019		
Virginie Cayatte	Independent Director, member of the Audit Committee and the Risk Management Committee	AGM 16/05/2019		
Robert Leblanc	Independent Director, Chairman of the Compensation Committee and member of the Appointments Committee	AGM 16/05/2019		
Rémi Garuz	Director		Board meeting 16/05/2019	
Henri Buecher	Director			Board meeting 16/05/2019

2.2.1.1.3 Changes planned for 2020

During its meeting of 11 February 2020, and upon the recommendation of the Appointments Committee, the Board of Directors decided to propose to the General Meeting called to approve the financial statements for the year ended 31 December 2019, the renewal for a three-year term of office of:

- Laurence Danon-Arnaud, independent director;
- Hélène Molinari, independent director;
- Christian Rouchon, director;
- Andrée Samat, director.

It should also be noted that the Board of Directors will submit to the General Meeting the approval of the co-option of Henri Buecher to replace Rémi Garuz.

Pursuant to the recommendations of the AFEP-MEDEF Code, a biography outlining the highlights of their curriculum vitae will be provided to you in the individual presentations featured in Chapter 2.1 “Overview of the Company Officers”.

In addition, Renée Talamona has expressed her intention to resign from her directorship no later than the end of the General Meeting. Therefore, the Board, after consulting its Appointments Committee, will have to decide on her replacement.

2.2.1.2 Role and functioning of the Board of Directors

The missions and functioning of the Board of Directors are set out in the Board’s rules of procedure and in its Articles of Association. For any information pertaining to these items, please refer to Articles 12 and 14 of the Articles of Association as well as Articles 2 and 3 of the Rules of Procedure provided in their entirety in Chapter 8 of this Universal Registration Document.

Term and staggering of mandates: in accordance with recommendation 13.2 of the AFEP-MEDEF Code, the expiration of the three-year terms of office of directors is appropriately spread over time. Each year, the term of office of three to four directors expires, allowing for the renewal of the entire Board.

Board Diversity Policy: the Board of Directors’ diversity policy seeks to ensure an adequate balance and appropriate level of experience, skills, cultures, age, and seniority among members of the Board in order to best meet the needs of the Company. The profiles of each director are presented in section 2.1 “Overview of the Company Officers”. This policy also aims to achieve a composition that reflects the diversity of the Company’s stakeholders: partner networks, shareholders and employees.

With regard to cultural diversity, particularly in relation to international skills, it should be noted that apart from the non-voting member, Gianni Franco Papa, who is an Italian national, the other members of the Board who are French nationals have an international profile or professional experience, particularly in Asia, the US and Europe, which aligns perfectly with Amundi’s development strategy.

It also incorporates a gender representation requirement in the composition of the Board and its committees. The Board exceeds the applicable legal requirements in this respect, with five out of twelve directors being women (42%)[1]. Each committee also includes a woman amongst its members, two of whom are committee chairs. (see 2.2.4 – Overview of the Committees).

This desire for balanced gender representation also extends to the Company’s internal organisation (see section 2.3.3 – Overview of the Group management bodies). The Board of Directors discusses this issue annually during its review of the Report on Professional Equality, on the heels of an in-depth analysis by the Compensation Committee. In 2019, the Board approved four main areas of focus developed through actions already implemented and prospects for 2020. These four main areas of focus which should guide the actions of the company’s HR function, include equal pay and encouraging women towards positions of responsibility. These guidelines will also improve Amundi’s gender equality index, published for the first time in March 2019 (81/100)[2].

(1) In accordance with Article L. 225-27 of the French Commercial Code, the director elected by the employees is not taken into account in the calculation of the gender representation percentage.
(2) In accordance with the “Professional Future” law of 5 September 2018.

Training/Seminars: during 2019, two meetings were organised to enhance both knowledge and skills among directors, thereby enabling them to deepen their understanding of the Company's business lines and strategic challenges. This year, the directors were able to strengthen their knowledge of the business through a presentation on management techniques and portfolio construction, as well as on the intricacies of the balance sheet and the financial structure of Amundi. Following their requests in 2018, the directors also received training in the Company's IT security and information on regulatory news regarding governance related to the PACTE law and CRD V.

Meetings without Senior Executives and Company Officers in attendance: alongside these training sessions, in accordance with recommendation 10.3 of the AFEP-MEDEF Code, a meeting of the directors was held without the Chairman of the Board or the Chief Executive Officer attending.

Assessments: in 2019, the Board carried out two formal self-assessments at the initiative of the Appointments Committee and as recommended by the AFEP-MEDEF Code. One of these assessments related to the collective functioning of the Board (collective self-assessment) and the other consisted of an individual self-assessment of competencies, supplemented this year by an individual declaration by each director. The assessment took the form of online panels of theme-based questions. Members completed the collective questionnaire anonymously to preserve their freedom of expression.

The assessment of the collective functioning of the Board measures the effectiveness of its functioning, composition and organisation. For 2019, each director gave his/her assessment of the preparation and implementation of the Board's work, through an assessment of the frequency and quality of meetings. They not only gave their opinion on the quality of the committees and training courses, but also, for the first time, on the implementation of the digital tool used to transmit meeting files, as the Board had wished. The Appointments Committee prepared a summary and presented it to the Board: this summary highlighted an overall satisfaction rating of 98.70%, similar to the previous year.

In accordance with their wishes, the directors have benefited from the progressive implementation of a digital tool for organising meetings and the electronic dissemination of documents. In 2019, they appreciated in particular the availability and quality of the teams at the Board secretariat, as well as the completeness of the minutes and the information provided to them. The directors also highlighted the efforts made in terms of training. A few areas for improvement were selected, in particular in relation to organising a session focusing specifically on the strategic development of the Company or on improving the video/audio conference systems.

The self-assessment and individual declaration pertains to the Board member's skills, potential training needs, availability, independence, potential conflicts of interest, good character, and compliance with ethics rules. Individual feedback notably enables the Appointments Committee to support its analysis regarding the Board's collective competence and the actual contribution of each member (see "Profiles of Individual Company Officers" and "Skills" below). The feedback from each member also helps to refine the training programmes according to the needs that have been conveyed.

Succession plan: in 2018, the Appointments Committee presented to the Board a succession plan procedure pertaining to Senior Executives and Company Officers. This procedure was updated during the 2019 financial year in relation to the Group's key functions. In particular, it stipulates different Committee actions depending on the independent or non-independent classification of the Company Officer to be recruited.

In addition, in the case of the Chief Executive Officer, the procedure states that the Appointments Committee will analyse the candidate(s) proposed by the majority shareholder.

2.2.1.2.1 Directors

Competence: in accordance with banking regulations, the profile of each director was thoroughly examined by the European Central Bank (ECB) at the time of their appointment. At this time the Appointments Committee also specifically analyses reputation, availability and skills both on an individual and collective level.

Moreover each director has declared three areas of excellence as their individual contribution to the collective competence of the Board (see section 2.1 "Overview of the Company Officers" of this Universal Registration Document). These areas of expertise are enhanced by skills that are developed each year thanks to Board training and meetings.

Accordingly, during 2019, directors saw an improvement in their competence, particularly in the following fields: asset management, banking regulations, risk and compliance management, technologies and systems security. On this last point, the directors have been able to improve their understanding of the security challenges of Amundi-specific systems during the year, but they still request more training in this area.

International competency was also scrutinised in greater detail this year. The results confirm that the geographical expertise of some directors is perfectly aligned with the Company's current international development, with two members in particular having declared specific skills in regard to Asia and ten members having done the same for Europe.

Thus, the collective competence of the Board appears balanced and tailored to the needs of the Company.

Independent Directors: the Board of Directors refers to the following eight criteria as stipulated by Article 9 of the AFEP-MEDEF Code:

SUMMARY OF ARTICLE 9.5 OF THE AFEP-MEDEF CODE:

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

- an employee or executive officer of the Company;
- an employee, executive officer or director of a company consolidated by the Company;
- an employee, executive officer or director of the parent company or a company consolidated by the parent company.

Criterion 2. Cross-directorships: Not to be an executive 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 (current or having been for less than five years) has held a directorship.

Criterion 3. Significant business relations: Not be a customer[1], supplier, commercial banker, investment banker or advisor that is material to the Company or its Group, or for a significant part of whose business the Company or its Group accounts. The evaluation of the significant or non-significant relationship with the Company or its Group must be debated by the Board, and the quantitative and qualitative criteria that led to the evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the report on corporate governance.

Criterion 4. Family ties: Not to be related by close family ties to a Company Officer.

Criterion 5. Statutory Auditors: Not to have been an auditor of the Company within the previous five years.

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

Criterion 7: Status of non-executive Company Officer: A non-executive Company Officer may not be considered independent if they receive variable compensation in cash or securities or any compensation linked to the performance of the Company or Group.

Criterion 8: Status of major shareholder: Directors representing major shareholders of the Company or its parent company may be considered as independent so long as these shareholders do not participate in the control of the Company. However, above a 10% threshold of capital or voting rights, the Board, on the basis of a report from the Appointments Committee, shall systematically query whether the person can be considered as independent, taking into account the composition of the Company's capital and the existence of any potential conflict of interest.

(1) Or be directly or indirectly related.

The table below summarises the individual analysis of each director in relation to these six criteria:

Director/Independence criterion[1]	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8
Xavier Musca	✖	✔	✖	✔	✔	✔	✔	✖
Yves Perrier	✖	✖	✖	✔	✔	✖	NA	✖
Henri Buecher	✖	✔	✖	✔	✔	✔	NA	✖
Virginie Cayatte	✔	✔	✔	✔	✔	✔	NA	✔
Laurence Danon-Arnaud	✔	✔	✔	✔	✔	✔	NA	✔
William Kadouch-Chassaing	✔	✔	✖	✔	✔	✔	NA	✔
Robert Leblanc	✔	✔	✔	✔	✔	✔	NA	✔
Michel Mathieu	✖	✔	✖	✔	✔	✔	NA	✖
Hélène Molinari	✔	✔	✔	✔	✔	✔	NA	✔
Christian Rouchon	✖	✔	✖	✔	✔	✔	NA	✖
Andrée Samat	✖	✔	✖	✔	✔	✔	NA	✖
Renée Talamona	✖	✔	✖	✔	✔	✔	NA	✖
Éric Tazé-Bernard	✖	✔	✖	✔	✔	✔	NA	✔

(1) In the table, ✔ represents an independence criterion that is met, and ✖ represents an independence criterion that is not met.

The process of evaluating the independence of directors is the responsibility of the Appointments Committee. Accordingly, during its meeting of 11 February 2020, the Board of Directors, having heard the recommendations made by its Appointments Committee, deemed that Virginie Cayatte, Laurence Danon-Arnaud, Robert Leblanc and Hélène Molinari fulfilled all criteria permitting them to be qualified as independent members pursuant to the AFEP-MEDEF Code.

No specific analysis had to be carried out this year as no financial flows or other relations have been identified between Amundi and its Company Officers or the companies in which they carry out other mandates. In fact, the business relationship between Aon France, of which Robert Leblanc is Chairman, and the Crédit Agricole Group, which has been the subject of a specific analysis by the Board each year, ended at the beginning of 2019.

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.

2.2.1.2.2 Director elected by the employees

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

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

Éric Tazé-Bernard, elected director on 12 October 2016, was re-elected on 17 April 2019 for a new three-year term with Estelle Ménard as his deputy. He was also reappointed as a member of the Risk Management Committee, where the technical nature of some of the subjects is in line with his personal experience and his asset management skills.

2.2.1.2.3 Non-voting members

The Board has two non-voting members:

- Jean-Michel Forest, Chairman of the Crédit Agricole Caisse Régionale Loire Haute-Loire;
- Gianni Franco Papa, the former number two at UniCredit, Amundi's Italian partner.

Under the Articles of Association, non-voting members, nominated by the Board, are invited to attend the Board and, where applicable, Committee meetings in a consultative capacity. In this way they fulfil their role as advisors to the Board and can give advice and recommendations.

It is specified that non-voting members are considered to be full members of the Board and accordingly they comply with all rules applicable to directors (Stock Market Ethics Charter and Directors' Charter).

2.2.1.3 Declarations concerning Company Officers

All the statements below have been drawn up on the basis of the individual statements by each director and non-voting member.

2.2.1.3.1 No family ties

To the Company's knowledge, as of the filing date of this Universal 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.

2.2.1.3.2 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 and/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.

2.2.1.3.3 Conflicts of interests

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 Universal Registration Document), as of the filing date of this Universal Registration Document, there are no potential conflicts of interest between the duties owed to the Company by the members of the Board of Directors or the Company's Senior Management and their private interests.

However, it is specified, pursuant to the Partnership Agreement between the Company, Société Générale and Crédit Agricole, dated 17 June 2015, that Crédit Agricole has made a commitment to Société Générale to ensure that, so long as all of the distribution agreements with Société Générale, Crédit du Nord and Komerční Banka and the management mandate with Sogecap are in effect, a director of the Company will be appointed based on a proposal made by Société Générale. Accordingly, William Kadouch-Chassaing was appointed as member of the Company's Board of Directors to replace Laurent Goutard in 2018.

A number of directors were appointed in their own name based on a proposal by Crédit Agricole, the majority shareholder: Xavier Musca, Yves Perrier, Henri Buecher, Michel Mathieu, Christian Rouchon, Andrée Samat and Renée Talamona.

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

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

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

APPENDIX 1 TO THE RULES OF PROCEDURE – ARTICLE 9 CONFLICTS OF INTEREST AND INSIDE INFORMATION

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

Furthermore, the director informs the Board of any conflicts of interest including potential ones, in which he/she could be directly or indirectly implicated. He/she refrains from participating in the discussions and taking decisions on the subjects concerned.

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

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

2.2.1.3.4 Trading in the Company's shares

To the knowledge of the Company, there were no transactions carried out by Company Officers on the Company's shares during the financial year 2019.

Furthermore, individuals with management responsibility within the Company and/or related persons, as referred to in Article L. 621-18-2 of the French Monetary and Financial Code, carried out the following transactions during the financial year:

Name and position	Transactions performed by members of the Board of Directors or senior executives for personal reasons and by related persons
Bernard De Wit, Executive Director	Vesting of 4,948 free shares received as part of the 2016 Share Plan on 12 February 2019 Acquisition of 942,660 shares of the Amundi Actionnariat company mutual fund at a unit price of €42.43 on 14 November 2019 Vesting of 4,918 free shares received as part of the 2017 Share Plan on 13 December 2019

It should be noted that, insofar as the Company Officers and individuals with management responsibilities within the issuer are considered to be permanent insiders, the rules relating to "open or closed windows" for trading in the securities of the Company (as detailed in Amundi's Code of Conduct for Stock Exchange transactions) are applicable to them. The dates corresponding to these windows are provided to them at year-end for the following financial year.

2.2.2 Activities of the Board of Directors during 2019

In 2019, the Board of Directors held six meetings marked by strong engagement on the part of the directors who achieved an attendance rate in excess of 90%.

The Board discussed and resolved the following points in 2019, after consulting the specialised committees where required:

Business, non-financial challenges and strategy

The Board of Directors examined each quarter the change in performance of the various products managed by all the management companies of the Amundi Group, as well as changes in the inflow of the various customer segments. It also carefully monitored the contribution to earnings by the joint ventures and regularly analysed movements in the Company's share price and its coverage by analysts. It also decided this year to analyse in greater detail the changes in the activity of PARA, one of Amundi's hubs dedicated to real and alternative assets comprising real estate management, private debt, private equity, infrastructure and multi-management.

In 2019, the Board of Directors also reviewed the medium-term plan of the Crédit Agricole Group and approved its implementation within Amundi by reaffirming the three-year strategic ambitions that it had defined in 2018 and by inserting them into a financial timeline stretching as far as 2022. The Crédit Agricole Group has defined three areas of transformation around a single guiding purpose, applicable to all of its constituent businesses and in which Amundi's strapline of "Confidence must be earned" fits perfectly. In order to support these changes, the Board has notably reinforced the Company's commitment to act as a responsible financial player and has set concrete objectives for this. Non-financial subjects were discussed at the Board meetings in July and December.

With regard to strategy, the Board also expressed its opinion on specific cases during 2019. It approved the proposal to partner with Bank of China to create a joint venture management company dedicated to Wealth Management in China, as well as the acquisition of the asset management company from Spanish bank Sabadell.

Examination of financial statements and financial information, and 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 2019. On each of these occasions it heard from the Statutory Auditors, who presented their findings. It approved all the financial documentation prepared for this.

At the end of 2019, the Board of Directors also made decisions on the presentation of the 2020 budget and the financial trajectory of the Company for the 2021-2022 period.

In addition, with regard to the relationship with the Statutory Auditors, the Board has taken part in a process at the Crédit Agricole Group level in order to anticipate future changes by the Statutory Auditors due to the new regulatory constraints.

Risks and internal control

Each quarter, the Board of Directors examines in detail the changes and events of internal control *via* a presentation by the Head of the Support and Control division and the report of the Risk Management Committee.

It also approves the annual internal control report prepared pursuant to banking regulations and provided to the ACPR, as well as the half-year report on internal control provided to the majority shareholder.

Corporate governance and compensation

In addition to the preparation of General Meetings that each year require work adapting the Board and its operating rules to regulatory changes, the work of the Board of Directors on governance and compensation-related matters was primarily focused on the following topics in 2019:

- the co-opting of Henri Buecher as a director to replace Rémi Garuz, who resigned;
- settlement of the compensation principles and policy for 2019 for Company Officers, including the overall amount of compensation paid during the year ended to the effective managers within the meaning of Article L. 511-13 of the French Monetary and Financial Code and to the categories of identified staff within the meaning of Article L. 511-71 of the same Code;
- compensation of senior executives and Company Officers;
- allocation of compensation among the members of the Board for the financial year;
- increase in the capital reserved for employees with a discount of 30%, in accordance with the new opportunities offered by the provisions of the PACTE law;
- implementation of a Company code of conduct with regard to anti-corruption pursuant to the Sapin II law;
- adoption of a voluntary diversity policy and review of the annual report on gender equality at work and equal pay;
- changes to rules of procedure to take account of the changes to the AFEP-MEDEF Code.

Finally, at the Board meeting held on 11 February 2020 the Board prepared for the 2020 General Meeting and developed the elements comprising this Universal Registration Document, taking into account recent legislative and regulatory developments relating to the compensation of Company Officers and more generally to changes in corporate law.

Regulated agreements and the procedure for evaluating current agreements

During the course of the 2019 financial year, no regulated agreements within the meaning of Article L. 225-38 of the French Commercial Code were signed. The Board of Directors simply noted the continuation of two agreements, concluded and authorised during previous years, and which continue to fall within the scope of application of the regime of regulated agreements, namely the contract for the charge-back of 80% of the overall compensation of the related expenses of Yves Perrier and the partnership agreement with Crédit Agricole SA on industrial agreements concluded with Société Générale Group and Crédit Agricole SA Group.

At its meeting on 11 February 2020, the Board of Directors approved, in accordance with the new provisions of Article L. 225-39 of the French Commercial Code, as amended by the Pacte law, a procedure for regularly assessing whether agreements relating to current transactions and concluded under normal conditions fulfil these conditions correctly.

The procedure approved by the Board of Directors is based on the following key principles:

- the Audit Committee is responsible for ensuring compliance with this procedure;
- the procedures to be performed to evaluate the agreements are based on criteria set by the Audit Committee which refer to those established by the *Commission Nationale des commissaires aux comptes* (French National Board of Auditors);
- individuals who may have a direct or indirect interest in an agreement are excluded from the evaluation process;
- the Company's Statutory Auditors or the Audit Committee are consulted over legal disputes;
- finally, the Board of Directors shall oversee any work carried out by the Audit Committee in this regard.

2.2.3 Overview of the Specialised committees and their activities in 2019

In accordance with the Company's Articles of Association and the applicable banking 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 resign 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 validate the meeting agenda or the main purpose, taking into consideration the requests of members, and in accordance with the committee's powers. The Board of Directors may also make a specific request to each committee within the scope of its powers, and may ask the Committee Chairman to call an exceptional meeting on that topic.

The members of each committee must receive information sufficiently far in advance of the meeting to enable them to make an informed decision. In order to validly deliberate, at least one half of the committee's members must be present. Opinions and recommendations made to the Board of Directors are adopted by a majority of members present or represented.

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

Minutes must be prepared and distributed to committee members following each meeting. The minutes must include the opinion of every member. These minutes are also made available to all directors once approved.

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

The composition of the committees did not change in 2019 and remains compliant with the recommendations of the AFEP-MEDEF Code.

As a reminder, there are five specialised committees as detailed below.

2.2.3.1 Audit Committee

Composition and changes

The composition of the Audit Committee did not change in 2019. Two thirds of its members are independent and it is made up of experts in financial matters:

3 Members

4 Meetings

91.6% Overall attendance rate

Name *Meeting attendance rate*	Statuts	Position	Main expertise*
CHRISTIAN ROUCHON Chairman *100%*	Director representing the Crédit Agricole Group	Chief Executive Officer of Caisse Régionale	Accounting and financial information; Risk management, compliance and audit; Banking regulations
VIRGINIE CAYATTE *100%*	Independent Director	Chief Financial Officer	Accounting and financial information; Risk management, compliance and internal audit; Asset management and financial markets
ROBERT LEBLANC *75%*	Independent Director	Company Manager	Strategic planning; Governance and compensation; International

* *See paragraph concerning areas of expertise on page 56.*

In order to support these three members, Jean-Michel Forest, non-voting member, also attends Committee meetings and provides his perspective as Chairman of a Caisse Régionale of Crédit Agricole, which is both a client and shareholder of the Company.

At the Committee's request, the Head of the Support and Control division, the Head of Finance, Strategy and Public Affairs, the Head of Risk Management and the Statutory Auditors also attend all meetings. Other individuals may be called upon to make one-off presentations on specific topics at the express request of the Committee.

2019 missions and activities

> **The tasks assigned to the Audit Committee by the Board of Directors are detailed in Article 4.2 of the Rules of Procedure in Chapter 8 of this Universal Registration Document.**

Work generated by its recurring missions:

- analysis of the business and the 2018 parent company and consolidated financial statements; as well as the quarterly and half-year statements for 2019;
- analysis and comments on draft press releases regarding the publication of results;
- analysis of regulated agreements;
- interview of Statutory Auditors regarding their approach and audit work, as well as their independence;
- oversight of the completion of work beyond the audit performed by the Statutory Auditors;
- validation of the audit plan for the 2019 financial year.

Specific in-depth analyses:

- opinion on the renewal of the term of office of the joint Principal Statutory Auditor PricewaterhouseCoopers Audit and the non-renewal of the term of office of the Alternate Statutory Auditor;
- changes to the transfer pricing policy following the acquisition of the Pioneer Group;
- update on the Statutory Auditors' mandates in accordance with the European audit reform and approval of the strategy for a call for tenders at the Crédit Agricole Group level;
- selection of future Statutory Auditors to succeed Ernst & Young whose term of office will end at the 2021 General Meeting;
- in-depth study of the activities and developments of the joint ventures;
- update on Amundi market shares;
- rotation of the term of office of Ernst & Young et Autres which is due to expire at end 2020 and analysis of the recommendations.

2.2.3.2 Risk Management Committee

Composition and changes

The composition of the Risk Management Committee did not change in 2019. As a reminder, its existence and composition are dictated by banking regulations.

4 Members

6 Meetings

91.75% Overall attendance rate

Name *Meeting attendance rate*	Statuts	Position	Main expertise*
CHRISTIAN ROUCHON Chairman *100%*	Director representing the Crédit Agricole Group	Chief Executive Officer of Caisse Régionale	Accounting and financial information; Risk management, compliance and audit; Banking regulations
VIRGINIE CAYATTE *100%*	Independent Director	Chief Financial Officer	Accounting and financial information; Risk management, compliance and internal audit; Asset management and financial markets
RENÉE TALAMONA *67%*	Director representing the Crédit Agricole Group	Chief Executive Officer of Caisse Régionale	Risk management, compliance and internal audit; Asset management and financial markets; Banking regulations
ÉRIC TAZÉ-BERNARD *100%*	Director elected by the employees	Chief Asset Allocation Advisor for institutional investors	Asset management and financial markets; Strategic planning; Governance and compensation

** See paragraph concerning areas of expertise on page 56.*

In order to support these four members, Jean-Michel Forest, non-voting member, also attends Committee meetings and provides his perspective as Chairman of a Caisse Régionale of Crédit Agricole, which is both a client and shareholder of the Company.

At the Committee's request, the Head of the Support and Control division, the heads of Risk Management, Compliance and Internal Audit, and Security, as well as the Director of Finance, Strategy and Public Affairs and the Statutory Auditors also take part in these meetings. Other individuals may be called upon to make one-off presentations on specific topics at the express request of the Committee.

2019 missions and activities

The missions entrusted to the Risk Management Committee by the Board of Directors are detailed in Article 4.3 of the Rules of Procedure featured in Chapter 8 of this Universal Registration Document.

Work generated by its recurring missions:

- analysis of internal control activities, based on the presentation of each branch of internal control;
- study and recommendation on changes to the internal control system;
- analysis and recommendation on ICAAP and ILAAP reportings[(1)];
- examination of the effectiveness of the Volcker compliance programme;
- examination of the annual and half-year internal control reports intended for the ACPR and the majority shareholder as well as the new report specific to AMF/CFT;
- recurring monitoring of the inspection work performed by the Audit team, as well as the implementation of recommendations;
- quarterly monitoring of the exercise of risk with regard to the risk appetite level approved by the Board;
- recommendations as part of the risk strategy established by the Board;
- verification of the compatibility of the compensation policy with the economic and prudential situation of Amundi;
- analysis of the tasks of the various regulators and follow-up of their recommendations;
- monitoring of the implementation of the OFAC remedial plan.

Specific in-depth analyses:

- impact of Brexit on the Company;
- examination of the actions implemented by the Information Systems Security Department and its risk strategy;
- Amundi Immobilier's investment strategy 2019;
- implementation of the Code of Conduct and assessment of the impact of the Sapin II law;
- impact of the reform of benchmark interest rates.

2.2.3.3 Strategic and CSR Committee

Composition and changes

The composition of the Strategic and CSR Committee did not change in 2019. Chaired by an Independent Director, duly qualified for the role, the Committee is also comprised of the Chief Executive Officer and the Chairman of the Board in order to ensure the overall alignment of the Company's strategic vision.

3 Members

2 Meetings

100% Overall attendance rate

Name *Meeting attendance rate*	Statuts	Position	Main expertise*
LAURENCE DANON-ARNAUD Chairman *100%*	Independent Director	Former company manager	Strategic planning Accounting and financial information Governance and compensation
XAVIER MUSCA *100%*	Director representing the Crédit Agricole Group	Deputy CEO of Crédit Agricole, majority shareholder	International Accounting and financial information Banking regulations
YVES PERRIER *100%*	Chief Executive Officer and Director	Amundi Chief Executive Officer	Asset management and financial markets Strategic planning Accounting and financial information

* See paragraph concerning areas of expertise on page 56.

(1) ICAAP: Internal Capital Adequacy Assessment Process – ILAAP: Internal Liquidity Adequacy Assessment Process.

At the request of the Committee, the Head of Finance, Strategy and Public Affairs, the Head of the Support and Control division, the person responsible for the CSR Report or any other occasional participants may be called upon to take part in certain meetings.

2019 missions and activities

The missions entrusted to the Strategic and CSR Committee by the Board of Directors are detailed in Article 4.6 of the Rules of Procedure featured in Chapter 8 of this Universal Registration Document.

Work generated by its recurring missions:

- analysis of the annual report in relation to social, environmental and societal information;
- study of strategic ambitions 2018-2022.

Specific in-depth analyses:

- project to create a joint venture in China with Bank of China for Wealth Management;
- project to acquire the asset management subsidiary of Spanish bank Sabadell.

2.2.3.4 Compensation Committee

Composition and changes

The composition of the Compensation Committee did not change in 2019. Two thirds of its members are independent and it is chaired by one of them. Its three members have areas of expertise that are of specific use for the work of the Committee.

3 Members

2 Meetings

100% Overall attendance rate

Name *Meeting attendance rate*	Statuts	Position	Main expertise*
ROBERT LEBLANC Chairman *100%*	Independent Director	Company Manager	Governance and compensation International Risk Management, compliance and audit
LAURENCE DANON-ARNAUD *100%*	Independent Director	Former company manager	Governance and compensation Strategic planning Accounting and financial information
XAVIER MUSCA *100%*	Director representing the Crédit Agricole Group	Deputy CEO of Crédit Agricole, majority shareholder	Banking regulations Accounting and financial information International

* See paragraph concerning areas of expertise on page 56.

At the request of the Committee, the Head of the Support and Control division, the Head of Human Resources, or the Chief Executive Officer may be asked to attend the Committee meetings.

2019 missions and activities

The missions entrusted to the Compensation Committee by the Board of Directors are detailed in Article 4.4 of the Internal Regulations featured in Chapter 8 of this Universal Registration Document.

Work generated by its recurring missions:

- study of the compensation policy and its implementation;
- analysis of the total amount of variable compensation with regard to the Company's financial results;
- study of the compensation of the members of the Executive Committee and those responsible for internal control;
- definition of the "identified staff" under CRD IV/UCITS V/ AIFM and review of their compensation;
- analysis and recording of the performance conditions of the free share allocation plan
- study of deferred compensation items;
- proposed compensation of Senior Executives and Company Officers, setting of objectives and levels of achievement;
- proposed allocation of specific compensation of Company Officers;
- share capital increase reserved for employees;
- study of the report on gender equality at work and Amundi's diversity policy.

Specific in-depth analyses:

- analysis of the impact on compensation of the latest regulations resulting from the Pacte law and the transposition of the European Directive as regards the encouragement of long-term shareholder engagement[(1)];
- publication of pay ratios.

2.2.3.5 Appointments Committee

Composition and changes

The composition of the Appointments Committee, compliant with the AFEP-MEDEF Code and banking regulations, has not changed in 2019. Two thirds of its members are independent and it is chaired by one of them. Its three members have areas of expertise that are of specific use for the work of the Committee.

3 Members

2 Meetings

100% Overall attendance rate

Name *Meeting attendance rate*	**Statuts**	**Position**	**Main expertise***
HÉLÈNE MOLINARI Chairman *100%*	Independent Director	Former Deputy CEO of MEDEF	Governance and compensation Asset management and financial markets Sales and Marketing
ROBERT LEBLANC *100%*	Independent Director	Company Manager	Governance and compensation International Risk management, compliance and internal audit
XAVIER MUSCA *100%*	Director representing the Crédit Agricole Group	Deputy CEO of Crédit Agricole, majority shareholder	Banking regulations International Accounting and financial information

* *See paragraph concerning areas of expertise on page 56.*

At the request of the Committee, the Head of the Support and Control division and the Secretariat of the Board may attend the Committee's meetings.

2019 missions and activities

The missions entrusted to the Appointments Committee by the Board of Directors are detailed in Article 4.5 of the Rules of Procedure featured in Chapter 8 of this Universal Registration Document.

Work generated by its recurring missions:

- analysis and evaluation of the independence criteria of directors qualified as such;
- analysis of the composition of the Board and its committees, with regard to its desirable balance, its diversity in terms of parity, nationality, age, expertise, experience and its adequacy to its needs and changes in its activities;
- examination of the individual skills and contributions of Board members resulting in the necessary collective competence;
- analysis of the results of the collective and individual self-assessment questionnaires and the recommendations for improvement priorities;
- recommendations regarding the expiration of directors' terms of office;
- participation in drafting the Corporate Governance Report.

Specific analyses:

- information on the expiry of the term of office of the director elected by the employees;
- positive endorsement of the candidacy of Henri Buecher, Chairman of the Caisse Régionale of Crédit Agricole Alsace Vosges, as the replacement for Rémi Garuz;
- updating of the succession plan procedure for directors, Senior Executives and Company Officers and holders of key positions within the Company.

(1) Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.

2.2.4 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 updated in January 2020). The Code can be viewed at www.afep.com or www.medef.com.

The Company complies with all the recommendations in this Code.

The following points should however be noted:

ARTICLE 22	TERMINATION OF EMPLOYMENT CONTRACTS FOR COMPANY OFFICERS
"When an employee is appointed as an Executive 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."	Yves Perrier is a member of the Executive Committee and Deputy General Manager, Head of the Savings, Insurance and Real Estate division of Crédit Agricole S.A. In this respect, he oversees other activities of the Crédit Agricole Group, such as the insurance and real estate activities of certain subsidiaries such as Prédica, Pacifica and Crédit Agricole Immobilier and accordingly has an employment contract with Crédit Agricole S.A. Yves Perrier will continue to benefit from this employment contract with Crédit Agricole S.A., by virtue of the above functions. Recommendation 22-3 of the AFEP-MEDEF Code regarding the termination of the employment contract of a Company Officer does not apply to "employees of a group of companies who act as Senior Executives and Company Officers in a listed or unlisted subsidiary of the Group". Yves Perrier's contractual position therefore complies with the Code.

ARTICLE 23	OBLIGATION OF SENIOR EXECUTIVES AND COMPANY OFFICERS TO HOLD SHARES
"The Board of Directors defines a minimum number of registered shares that Senior Executives and 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 holds at least 200 shares of the Company. The decision to acquire additional shares is to be made by each director individually. In this respect, the Chairman of the Board of Directors and Chief Executive Officer, who is also a director, comply with the Articles of Association. As the requirement to hold a minimum number of shares is imposed by the Articles of Association, this number is not reviewed at each reappointment. No other special provisions have been put in place for the Senior Executives and Company Officers. Any such provision would be redundant as no share options or performance shares have been granted to Senior Executives and Company Officers and a substantial part of Executive Company Officers' compensation depends on and/or is indexed to Amundi's performance.

ARTICLE 25	COMPENSATION OF SENIOR EXECUTIVES AND COMPANY OFFICERS
25.5	DEPARTURE OF SENIOR EXECUTIVES AND COMPANY OFFICERS
Payments for assumption of duties, termination of office and non-competition	Yves Perrier's contract as Chief Executive Officer of Amundi does not foresee any severance pay in case of a termination of his office within Amundi. If 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).

2.2.5 Rules of Procedure of the Board of Directors

The Board of Directors' Rules of Procedure are detailed in full in Chapter 8 of this Universal Registration Document and on the Company's website: about.amundi.com/ in the section Shareholders/Our Group/The governance.

They consist of four main sections, related to the powers of the Chairman of the Board, the powers of the Board and of the Chief Executive Officer, the functioning of the Board, and to its specialised committees.

Two Charters (Directors' Charter and Stock Market Ethics Charter) are attached to the Rules of Procedure. All directors and non-voting members are required to accept these regulations individually when taking office.

During the 2019 financial year, the Board of Directors adapted its Rules of Procedure to achieve compliance with the latest version of the AFEP-MEDEF Code of June 2018. These updates mainly pertain to the missions of the Board of Directors (Article 2).

The Board also planned to amend its Rules of Procedure in the event that the Combined General Meeting of May 2020 approved the statutory amendment allowing the Board, in accordance with the new provisions of the so-called "Soihili"[1] law, to take decisions by written consultation in certain specific cases. The Board also took the opportunity to update the Directors' Charter with the latest regulations.

(1) *Law no. 2019-744 on simplification, clarification and updating of corporate law.*

2.3 SENIOR EXECUTIVES AND COMPANY OFFICERS AND GROUP MANAGEMENT BODIES

The Company is managed by a Chief Executive Officer whose functions are separate from those of the Chairman of the Board. This Chief Executive Officer is assisted by a Management Committee and an Executive Committee in the performance of his general duties.

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 stipulates that the Board of Directors of a credit institution cannot be chaired by the Chief Executive Officer, the Board of Directors, at its meeting on 15 September 2015, decided that the functions of Chairman of the Board of Directors and of Chief Executive Officer of the Company would remain separate.

2.3.1 The Chairman of the Board and his duties

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

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

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

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

In addition to the minimum bimonthly meetings with the Chief Executive Officer of the Company, the Chairman was heavily involved in the Company's development and external growth projects in 2019. The Chairman also made a significant contribution to the Company's strategic thinking on the dissemination within Amundi of the guiding principle adopted at the Crédit Agricole Group level.

Biographical information about Xavier Musca, who is also a member of the Board of Directors, is included in section 2.1 "Overview of the Company Officers".

2.3.2 The Chief Executive Officer and his powers

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

In accordance with the Articles of Association (Article 15) and the Board of Directors' Rules of Procedure (Article 2.1) on the powers of the Chief Executive Officer, *"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 establishment, acquisition or disposal of any subsidiaries and investments in France or abroad where the overall investment is over €100 million;*
- *any other investment or divestiture of any kind whatsoever of over €100 million.*

If urgency makes it impossible to convene a Board meeting to vote on a transaction falling into one of these categories, the Chief Executive Officer must take all necessary measures 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 this is not possible, the Chief Executive Officer 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.

Any significant transaction outside the announced strategy of the Company is subject to prior approval by the Board of Directors."

Biographical information about Yves Perrier, who is also a director, is included in section 2.1, "Overview of the Company Officers".

2.3.3 Overview of the Group's Management Bodies

The Chief Executive Officer of the Company is supported within the Amundi Group by an Executive Committee whose objective is to permit the consistent and effective deployment of its strategy in all countries where the Amundi Group is present.

The strategy is set at global level, then implemented locally by delegating responsibility to teams based on the specificities of each country, in order to maximise the satisfaction of retail, institutional and corporate clients.

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

The Executive Committee's mission is therefore to define the strategy of the entire Group and to ensure its implementation. It also sets the principles that govern the selection of activities and establishes the policy for marketing, the control of results, risk and compliance.

Furthermore, following the consolidation of the Pioneer Group, a General Management Committee was established, representing the Group's main business lines and strengthening the coordination and consistency of all decision-making in an efficient manner.

As at 31 December 2019, these two committees are constituted as follows:

<table>
<tr><th></th><th></th><th>Name</th><th>Main function within the Group</th><th>Date joined the Executive Committee</th></tr>
<tr><td rowspan="27">EXECUTIVE COMMITTEE</td><td rowspan="13">GENERAL MANAGEMENT COMMITTEE</td><td>Yves Perrier</td><td>Amundi Chief Executive Officer
Deputy Chief Executive Officer, Head of the Savings and Real Estate division of Crédit Agricole S.A.</td><td>2010</td></tr>
<tr><td>Bernard de Wit</td><td>Head of the Support and Control division,
Second Executive Director</td><td>2010</td></tr>
<tr><td>Fathi Jerfel</td><td>Head of the Retail Clients division</td><td>2010</td></tr>
<tr><td>Pascal Blanqué</td><td>Chief Investment Officer</td><td>2010</td></tr>
<tr><td>Dominique Carrel-Billiard</td><td>Head of the Institutional and Corporate Clients division</td><td>2017</td></tr>
<tr><td>Valérie Baudson</td><td>Chief Executive Officer of CPR AM and Head of ETF, Indexing and Smart Beta</td><td>2013</td></tr>
<tr><td>Guillaume Lesage</td><td>Head of the Operations, Services and Technology division</td><td>2016</td></tr>
<tr><td>Vincent Mortier</td><td>Deputy Chief Investment Officer</td><td>2015</td></tr>
<tr><td>Nicolas Calcoen</td><td>Head of Finance, Strategy and Public Affairs</td><td>2011</td></tr>
<tr><td>Jean-Jacques Barberis</td><td>Head of Institutional and Corporate Clients Coverage</td><td>2016</td></tr>
<tr><td>Isabelle Seneterre</td><td>Head of Human Resources</td><td>2011</td></tr>
<tr><td>Cinzia Tagliabue</td><td>Deputy Head of Retail Clients Division, Head of Italy.</td><td>2017</td></tr>
<tr><td>Matteo Germano</td><td>Head of Multi-Asset and CIO Italy</td><td>2017</td></tr>
<tr><td></td><td>Domenico Aiello</td><td>Chief Financial Officer</td><td>2017</td></tr>
<tr><td></td><td>Pedro Antonio Arias</td><td>Head of Real Assets & Alternative Assets (PARA)</td><td>2013</td></tr>
<tr><td></td><td>Alain Berry</td><td>Head of Communication</td><td>2010</td></tr>
<tr><td></td><td>Laurent Bertiau</td><td>Head of Japan</td><td>2010</td></tr>
<tr><td></td><td>Éric Brard</td><td>Head of Rates and Credit</td><td>2011</td></tr>
<tr><td></td><td>Pascal Duval</td><td>Head of Retail Solutions</td><td>2018</td></tr>
<tr><td></td><td>Julien Fontaine</td><td>Head of partnerships</td><td>2018</td></tr>
<tr><td></td><td>David Harte</td><td>Head of Ireland and Deputy Head of the Operations, Services and Technology division</td><td>2017</td></tr>
<tr><td></td><td>Lisa Jones</td><td>Head of Americas</td><td>2017</td></tr>
<tr><td></td><td>Werner Kretschmer</td><td>Head of Austria and Eastern Europe</td><td>2017</td></tr>
<tr><td></td><td>Christian Pellis</td><td>Head of Third Party Distribution</td><td>2016</td></tr>
<tr><td></td><td>Stanislas Pottier</td><td>Chief Responsible Investment Officer</td><td>2018</td></tr>
<tr><td></td><td>Éric Vandamme</td><td>Chief Risk Officer</td><td>2013</td></tr>
<tr><td></td><td>Fannie Wurtz</td><td>Head of ETF, Indexing and Smart Beta</td><td>2019</td></tr>
</table>

It should also be noted that in 2019 a Senior Leadership Team was created, bringing together some 150 executives located in the various geographical locations of the Amundi Group.

Diversity and gender equality policy within the Group: The management bodies detailed above are diversified in terms of gender and nationality and thus provide a good representation of the entire Amundi Group.

Furthermore, at the suggestion of Senior Management, in 2019 the Board of Directors approved four priority areas which have been developed through actions already implemented and the outlook for 2020.

Included among these four priority areas, which will guide the actions of the Company's HR department, are equal pay and the encouragement of women into management positions. These guidelines will also improve Amundi's index, published for the first time in March 2019 (81/100)[1].

The other two priority areas concern the consideration of parenthood and the continuation of communication and awareness-raising activities among employees and managers.

The combination of these actions should make it possible to achieve a 30% share of female executives in the medium-term.

(1) In accordance with the "Professional Future" law of 5 September 2018.

2.4 COMPENSATION

2.4.1 General principles applicable to the compensation of all Amundi employees and senior executives

2.4.1.1 Principles

Amundi's compensation policy is in line with the economic strategy and the long-term objectives, the values and interests of the Company and managed funds, as well as with those of investors, within a sound and controlled risk management approach. Amundi's compensation policy applies to all Amundi employees including senior executives.

All employees are entitled to all or some of the following items of compensation, depending 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 individual contributions to collective performance and is broken down into two parts:
  - the annual bonus recognising individual performance,
  - the performance share plan (known as the LTI) aimed at motivating certain executives to achieve the sales and financial objectives of Amundi's Medium-Term Plan communicated to the market;
- the collective variable compensation ensures employees' share in the returns of financial performance generated by Amundi;
- the employee benefits offer protection to employees and their families and help them prepare for retirement.

The overall amount of 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 before variable compensation.

The allocation of this overall amount 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 interests.

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 compensation amounts are therefore partly deferred and spread out over a minimum period of three years. They are only paid if the performance conditions are met and in the absence of risky professional behaviour during the period.

In addition, 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 managers (Information ratio/Sharpe ratio at one, three and five years);
- by including the opinion of an *ad hoc* committee in the allocation and the vesting of deferred variable compensation, which makes it possible to adjust variable compensation according to the risk recorded *ex post*.

2.4.1.2 Governance

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

The Human Resources Department, under the direct supervision of the Senior Management, is responsible 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 staff”. This applies primarily to the Risk Management Department and Compliance Department.

An *ad hoc* committee that includes the executives from the Investment business line, the Human Resources Department and the control functions reviews compliance with risk limits and the compliance procedures implemented for the management and negotiating functions.

These items are referred to Senior Management and the managers concerned so that the implementation of the compensation policy takes these items into account.

Amundi's Compensation Committee provides an opinion on the compensation policy to enable the Board of Directors to make informed decisions. It monitors the implementation of this compensation policy in particular for the “identified staff” referred to below.

Each year, Amundi's Risk Management Committee also ensures the compatibility of the compensation policy with the Company's economic and prudential situation.

In addition, the implementation of policies applicable pursuant to the CRD IV regulation falls under the compensation governance implemented by Crédit Agricole S.A.

2.4.1.3 2019 highlights

The General Meeting held on 18 May 2017 authorised the Board of Directors to grant performance shares (existing or to be issued) to some or all of the Group's employees and Company Officers. This authorisation is valid for up to 2% of the maximum share capital. In any one year, the total number of shares that can be granted under this authorisation to Senior Executives and Company Officers cannot be greater than 10% of the performance shares granted during that year.

The Board of Directors Meeting of 13 December 2017 established the terms, specific conditions, package and beneficiaries of a performance share plan. Based on this total number of shares, the Board of Directors Meeting of 1 August 2018 approved the principle of an allocation to several beneficiaries to facilitate recruitment and retention. The performance shares thus allocated will be subject to a gradual vesting period of three years, and will all be conditional on the absence of risky professional behaviour, continued employment on the vesting date, and the achievement of performance conditions defined by the Board of Directors in connection with the Amundi Group Medium-Term Plan. Still within the context of this package, a final performance share plan was established by the Board of Directors on 12 December 2019, with vesting conditions (economic performance, presence and absence of risky behaviour) that are identical to the previous plan. The vesting of this plan is scheduled for December 2021, in order to align the vesting dates of the various plans in progress.

Two performance shares plans vested in 2019:

- the plan established by the Board of Directors on 11 February 2016 has been delivered to the beneficiaries, as the Board of Directors at its meeting on 12 February 2019 noted that the collective performance conditions had been duly achieved;
- the first tranche of the plan established by the Board of Directors on 13 December 2017 has been delivered to the beneficiaries, as the Board of Directors noted, during its meeting held on 12 December 2019, that the level of achievement of the collective performance conditions was higher than the forecast target of the Medium-Term Plan.

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

Finally, in order to involve the Group's employees not only in the growth of the Company but also in the creation of economic value, on 30 July 2019 the Board of Directors decided to use the delegation of powers granted by the General Meeting of 16 May 2019 to carry out a capital increase reserved for all Amundi employees.

2.4.2 Compensation of "Identified staff" (AIFM/UCITS V and CRD IV)

Since asset management represented the majority of the Group's business in 2019, Amundi's policy is aligned with the regulatory framework specific to this business sector. Accordingly, for management companies, the compensation policy applicable to all of Amundi's "identified staff" is determined in accordance with the AIFM/UCITS V directives applicable to them. For some Amundi Group entities with the status of credit institutions, a limited number of employees are governed by the CRD IV regulation as described in section 2.4.2.1.2. 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 according to the principles defined in section 2.4.2.2;
- linking the payment of the deferred bonus to the absence of risky professional behaviour.

The compensation of CRD IV "identified staff" whose professional activities have a significant impact on the risk profile of the relevant entities for the year 2019 is the subject of an "annual report on the compensation policy and practices applicable to CRD IV identified staff" prepared in accordance with the applicable regulations presented in section 2.4.2.3.

In addition, Amundi has put in place a mechanism allowing for the non-payment of deferred compensation not yet paid in the event of serious events arising involving questionable and unlawful practices, particularly in terms of risk-taking.

The policy applicable to the Chief Executive Officer of Amundi is described in section 2.4.3.3.

2.4.2.1 Scope of "Identified staff" (AIFM/UCITS V AND CRD IV)

2.4.2.1.1 AIFM/UCITS V "Identified Staff"

The compensation policy that applies to identified staff 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 staff" includes 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 of the Group or its entities.

"Identified staff" are designated through a joint process between the Amundi Group functions (Human Resources and the Control functions) 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, the "identified staff" of asset management companies, 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 AIFs or UCITS-type funds, by virtue of the positions held;
- receive a high variable compensation.

2.4.2.1.2 CRD IV "Identified Staff"

Amundi's "identified staff" within the meaning of CRD IV are identified based on the consolidated scope (Crédit Agricole S.A.) and the sub-consolidated scope (Amundi) under the joint responsibility of the Human Resources, Risk Management and Compliance departments.

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

- the Chief Executive Officer and the Head of the Business Support and Control functions of Amundi, who are both executive directors of Amundi SA;
- the Chief Executive Officer and the Deputy CEO of Amundi Intermédiation;
- the Chief Executive Officer and the Deputy CEO of Amundi Finance.

2.4.2.2 Compensation policy for "Identified Staff" (AIFM/UCITS V AND CRD IV)

Amundi's compensation policy aims at ensuring an adjustment of compensation to performance in the medium- to long-term and effectively preventing conflicts of interest.

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

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

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

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

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

- the shares allocated by the Board of Directors during its meetings of 11 February 2016 (and which were to be vested on 12 February 2019) and 9 February 2017 are subject to vesting conditions that are similar to those for deferred bonuses (*i.e.* continued employment condition over three years, performance conditions, absence of risky professional behaviour) in compliance with the authorisation granted to the Board of Directors by Amundi's General Meeting of Shareholders (30 September 2015);
- the shares allocated by the Board of Directors during its meeting of 13 December 2017 are subject to similar conditions to the plan above (*i.e.* performance conditions, absence of risky professional behaviour and presence on the vesting date), except for the continued employment condition which is four years, with the performance conditions being tied to the achievement of the objectives of the Medium-Term Plan and in compliance with the authorisation given to the Board of Directors by Amundi's General Meeting of Shareholders of 18 May 2017;
- the additional shares allocated by the Board of Directors during its meeting of 1 August 2018 are subject to similar conditions as those of the 13 December 2017 plan (*i.e.* performance conditions, absence of risky professional behaviour and presence on the vesting date), except for the continued employment condition which is three years, with the performance conditions being tied to the achievement of the objectives of the Amundi Group Medium-Term Plan, and in compliance with the authorisation granted to the Board of Directors by Amundi's General Meeting of Shareholders of 18 May 2017;
- the additional shares allocated by the Board of Directors during its meeting of 12 December 2019 are subject to similar conditions as those of the 13 December 2017 plan (*i.e.* performance conditions, absence of risky professional behaviour and presence on the vesting date), except for the continued employment condition which is two years, with the performance conditions being tied to the achievement of the objectives of the Amundi Group Medium-Term Plan, and in compliance with the authorisation granted to the Board of Directors by Amundi's General Meeting of Shareholders of 16 May 2019.

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

The deferred payment rules specifically applicable to the Amundi Chief Executive Officer are detailed in paragraph 2.4.3.3.

2.4.2.3 Annual report on compensation policy and practices applicable to CRD IV identified staff

This report concerns compensation policy and 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 2019 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-type funds ("UCITS V"), in accordance with the guidance of the European Securities and Markets Authority (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 compliance with the compensation policy of the Crédit Agricole S.A. Group, Amundi's banking scope is subject to the same compensation policies as its asset management scope as described in section 2.4.2.1.1.

The quantitative information contained in this report only applies to the "identified staff" 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. Group compensation policy in accordance with the rules detailed in section 2.4.3.3 of the Universal Registration Document.

2.4.2.3.1 Amundi Group governance regarding compensation policy

Compensation governance

The applicable governance for compensation is described in section 2.4.1.2 of the Universal Registration Document.

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

Compensation Committee composition and role

The composition and role of the Compensation Committee with regard to compensation policy are presented in section 2.2.3.4 of the Universal Registration Document.

2.4.2.3.2 Compensation policy for "identified staff"

Compensation policy general principles

The general principles of the compensation policy are described in section 2.4.1.1 of the Universal Registration Document.

The policy applicable to CRD IV "identified staff" is identical to the one applied to AIFM/UCITS V "identified staff", 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, with sound and controlled risk management.

The components of employee compensation are described in section 2.4.1. 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:

Business line		Quantitative criteria	Qualitative criteria
Investment Management	**Risk-adjusted performance**	RI/Sharpe over 1, 3 and 5 years Gross/absolute/relative performance of the investment strategies (based on GIPS composites) over 1, 3 and 5 years, outlook mainly focused on 1 year, adjusted for the long-term (3 and 5 years) Risk-based Performance of RI/Sharpe over 1, 3 and 5 years Competitive rankings through Morningstar rankings Net inflow/request for proposal	Compliance with risk, compliance and legal rules Quality of management Innovation/development produced Cross-functional work Commercial engagement
Sales	**Business development and sustainability through appropriate behaviour and consideration of customer's interests**	Net inflows Revenues Gross inflows; Client base development and retention; product mix	Joint consideration of the interests of Amundi and the interests of the customer Securing/developing business capital Customer satisfaction Quality of management Cross-functional work and sharing of best practices Entrepreneurship
Control	**Project management and achievement of own targets,** regardless of the results of the business monitored	Depending on the projects managed and objectives set Management/optimisation of expenses	Depending on the projects managed and objectives set Monitoring quality Compliance with regulations and consideration of client's interests Quality of management Cross-functional work
Support	**Project management and achievement of own targets**	Depending on the projects managed and objectives set Management/optimisation of expenses	Depending on the projects managed and objectives set Quality of customer service and support to operational functions Improvement of company's efficiency, contribution to its development Quality of management Cross-functional work

From a broader perspective, the aforementioned performance criteria, and particularly those applied to the "identified staff" 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 ensures its sound financial condition:

- by establishing the total variable compensation amount according to the Group's financial performance;
- by making the payment of deferred variable compensation conditional upon the achievement of 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, for investment managers, the quantitative criteria associating risk to performance (Information ratio/ Sharpe ratio at one, three and five years);
- by including the opinion of an *ad hoc* committee in the allocation and the vesting of deferred variable compensation, which makes it possible to adjust variable compensation according to the risk recorded ex post.

The compensation policy specifically applicable to Amundi's Chief Executive Officer is described in section 2.4.3.3 of the Universal Registration Document.

Scope of identified staff

The scope of Amundi CRD IV "identified staff" is described in section 2.4.2.1.2.

Rules for deferred payments applicable to "identified staff"

Rules for deferred payments applicable to bonuses

Bonuses awarded to "identified staff" 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 on a basket of funds that are representative of the activity of the Group or of its entities. The employees concerned 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 2.4.3.3 of the Universal Registration Document.

Vesting conditions for the rights attached to performance share allocations

The vesting conditions of the various Amundi performance share plans are described in section 2.4.2.2.

Limitation of guaranteed bonuses

The 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.

2.4.2.3.3 Consolidated quantitative information on the compensation of identified staff

Compensation awarded for the 2019 financial year(1)

COMPENSATION AMOUNTS AWARDED IN RESPECT OF FINANCIAL YEAR 2019, BROKEN DOWN BETWEEN THE FIXED AND VARIABLE PORTION *(in € millions and number of beneficiaries)*

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Total compensation				4.9			4.9
Amount of fixed portion				1.9			1.9
Amount of variable portion (including LTI)				3			3

The variable portion includes the award of LTI in respect of the 2019 performance year. The variable portion for 2019 represents €2.7 million and €0.3 million in LTI for 2019.

(1) Prior to waiver by the Chief Executive Offer of half of his variable compensation awarded in respect of 2019. See Section 2.4.3.3.

AMOUNTS AND TYPES OF VARIABLE COMPENSATION PAID, BROKEN DOWN BETWEEN VESTED OR NON-DEFERRED AMOUNTS AND CONDITIONAL DEFERRED AMOUNTS FOR EMPLOYEES WHOSE COMPENSATION IS DEFERRED *(in € millions and number of beneficiaries)*

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Amount vested				0.9			0.9
Deferred payment amount, in indexed cash				0.3			0.3
Conditional deferred amount (including performance shares)				1.9			1.9

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 € millions and number of beneficiaries)

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Number of persons concerned				6			6
Payments in cash				0.9			0.9
Payments in shares or other instruments				2.1			2.1

OUTSTANDING VARIABLE COMPENSATION *(in € millions)*

	Management	Investment banking	Retail banking	Asset management	Support functions	Other	Total
Outstanding amounts of non-vested deferred compensation for 2019				2			2
Outstanding amounts of non-vested deferred compensation for prior years				3.1			3.1

The amount of outstanding non-vested deferred compensation for 2019 includes the LTI allocation for 2019.

DEFERRED VARIABLE COMPENSATION PAID OR REDUCED DUE TO RESULTS FOR THE 2019 FINANCIAL YEAR
(in € millions)

	For 2015	For 2016	For 2017
Amount of deferred compensation paid	0.4	0.6	0.9
Amount of reductions made to deferred compensation	0	0	0

AMOUNTS PAID FOR HIRES AND TERMINATIONS DURING THE FINANCIAL YEAR

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

GUARANTEES FOR SEVERANCE PAY

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

CONSOLIDATED INFORMATION ON IDENTIFIED STAFF RECEIVING TOTAL COMPENSATION EXCEEDING €1 MILLION

	France	Europe (excluding France)	Rest of world
From €1 million to €1.5 million			
From €1.5 million to €2.0 million			
From €2.0 million to €2.5 million			
More than €2.5 million	1		

Amounts calculated take into account the amount in respect of LTI for 2019, *i.e.* one quarter of the total award of 2017.

2.4.3 Compensation of Amundi's Company Officers for the 2019 financial year

2.4.3.1 Compensation of the members of the Board of Directors

2.4.3.1.1 Reminder of the general principles of the 2019 policy

The compensation policy of the members of the Board is based solely on their presence at the various meetings of the Board and its committees. The allocation rules have been set by the Board of Directors based on the proposal of the Compensation Committee following its review.

The maximum annual amount allocated to them was set at €700,000 at the Shareholders' Meeting of 30 September 2015.

It is recalled that the compensation allocated in respect of one year is paid during the following year. As such, the amounts shown below in 2.4.3.1.2 are therefore those:

- allocated for the 2017 financial year and paid in 2018;
- paid in 2019 for the 2018 financial year;
- and allocated for the 2019 financial year, to be paid in 2020.

For the allocation of compensation paid in 2019 for the 2018 financial year, the Board of Directors, at its meeting of 12 February 2019, on the advice of its Compensation Committee, applied the following allocation rule, established since the Company's listing on the stock exchange:

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

For the distribution of the compensation allocated for the 2019 financial year, which will be paid at the end of the General Meeting in 2020, the Board of Directors at its meeting of 11 February 2020 and on the advice of its Compensation Committee, decided to maintain the same overall distribution policy, based exclusively on participation in Board and committee meetings. The only change relates to the annual fees allocated to the Chairman of the Risk Management Committee and the Chairman of the Audit Committee, which were increased to €15,000 in view of the changes in the responsibility and investment required for these roles.

The policy also stipulates that non-voting members shall receive the same amount as the directors, deducted from the annual fixed sum.

Subject to the individual resignation of certain members of the Board, the compensation for their work in 2018 was paid in May 2019 and the compensation for their 2019 work will be paid following the AGM of May 2020.

2.4.3.1.2 Compensation awarded or paid to members of the Board of Directors

The table set out below summarises the list of beneficiaries and the amount of compensation allocated to them for the last two financial years in accordance with the principles set out in paragraph 2.4.3.1.1.

Members of the Board of Directors	Gross amounts allocated for the 2017 financial year and paid in 2018[1] *(in €)*	Gross amounts allocated for the 2018 financial year and paid in 2019[1] *(in €)*	Gross amounts allocated for the 2019 financial year and to be paid in 2020[1] *(in €)*
Xavier Musca[2]			
Compensation for corporate office	None	None	None
Other compensation	None	None	None
Yves Perrier[2]			
Compensation for corporate office	None	None	None
Other compensation	None	None	None
Henri Buecher[3]			
Compensation for corporate office			9,000
Other compensation			None
Virginie Cayatte			
Compensation for corporate office	38,000	36,000	38,000
Other compensation	None	None	None
Laurence Danon-Arnaud			
Compensation for corporate office	20,000	26,000	26,000
Other compensation	None	None	None
Jean-Michel Forest			
Compensation for corporate office	36,000	38,000	36,000
Other compensation	None	None	None
Rémi Garuz[4]			
Compensation for corporate office	18,000	18,000	9,000
Other compensation	None	None	None
Laurent Goutard[5]			
Compensation for corporate office	9,000	3,000	
Other compensation	None	None	None
William Kadouch-Chassaing[5]			
Compensation for corporate office		6,000	12,000
Other compensation		None	None
Robert Leblanc			
Compensation for corporate office	31,000	32,000	29,000
Other compensation	None	None	None
Michel Mathieu[2]			
Compensation for corporate office	None	None	None
Other compensation	None	None	None
Hélène Molinari			
Compensation for corporate office	20,000	22,000	22,000
Other compensation	None	None	None
Gianni Franco Papa/Unicredit[6]			
Compensation for corporate office		12,000	12,000
Compensation		None	None
Christian Rouchon			
Compensation for corporate office	42,000	42,000	48,000
Other compensation	None	None	None

Members of the Board of Directors	Gross amounts allocated for the 2017 financial year and paid in 2018[1] *(in €)*	Gross amounts allocated for the 2018 financial year and paid in 2019[1] *(in €)*	Gross amounts allocated for the 2019 financial year and to be paid in 2020[1] *(in €)*
Andrée Samat			
Compensation for corporate office	18,000	18,000	18,000
Other compensation	None	None	None
Renée Talamona[2]			
Compensation for corporate office	None	None	None
Other compensation	None	None	None
Éric Tazé-Bernard[2]			
Compensation for corporate office	None	None	None
Other compensation	None	None	None
François Veverka[5]			
Compensation for corporate office	30,000	7,000	
Other compensation	None	None	
TOTAL	**262,000**	**260,000**	**259,000**

(1) Gross amount (before taxes and social charges).
(2) Xavier Musca, Yves Perrier, Michel Mathieu, Éric Tazé-Bernard and Renée Talamona have each waived payment of the compensation for their directorships.
(3) Henri Buecher was co-opted at the Board of Directors Meeting on 16 May 2019.
(4) Note that Rémi Garuz's term of office ended during the 2019 financial year.
(5) Note that the terms of office of Laurent Goutard and François Veverka ended during the 2018 financial year. William Kadouch-Chassaing was co-opted to replace Laurent Goutard at the meeting of the Board of Directors on 1 August 2018.
(6) The compensation of Gianni Franco Papa for the 2018 financial year and that allocated for 2019, up to 1 June 2019, is paid to UniCredit. Gianni Franco Papa will be paid directly the compensation allocated to him since 1 June 2019, the date on which he left the Group.

The General Meeting of Shareholders of 16 May 2019 did not pass any resolutions on the compensation paid or allocated during or in respect of the year ended 31 December 2018 nor on the allocation policy that would apply to the members of the Board of Directors for the 2019 financial year, as this vote is not required by the applicable legal provisions. Therefore, an explanation of the voting at the most recent Ordinary General Meeting as provided for in Article L. 225-100, II of the French Commercial Code cannot be provided with regard to the members of the Board of Directors.

2.4.3.2 Compensation of the Chairman of the Board of Directors

2.4.3.2.1 Reminder of the general principles of the 2019 policy

The compensation policy applicable to the Chairman of the Board of Directors of Amundi in 2019 provides only for compensation as a portion of the fixed annual sum allocated to the directors as compensation for their work. 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.

2.4.3.2.2 Compensation awarded or paid to the Chairman of the Board of Directors

In accordance with Article L. 225-100 III of the French Commercial Code, the General Meeting of Shareholders must vote on the fixed, variable and exceptional components constituting the total compensation and benefits in kind paid or awarded during or in respect of 2019 to the Chairman of the Board of Directors.

As Xavier Musca waived payment for his work as director for 2019, there will be no *ex post* vote by the General Meeting in 2020 as per Article L. 225-100 III of the French Commercial Code. No other form of compensation or benefit was paid or allocated to him by the Company during or in respect of the 2019 financial year.

Information on compensation paid or awarded by Crédit Agricole S.A. to Xavier Musca as Deputy CEO of Crédit Agricole S.A. will be published in Crédit Agricole S.A.'s Universal Registration Document for the year ended 31 December 2019, given that Crédit Agricole S.A. shares are listed on the Euronext Paris regulated market.

2.4.3.3 Compensation of the Chief Executive Officer

2.4.3.3.1 Reminder of the general principles of the 2019 policy

The compensation policy for the Amundi CEO is set by the Board of Directors on the recommendation of the Compensation Committee.

The implementation of this policy is subject to detailed proposals reviewed by the Compensation Committee and subsequently validated by the Board of Directors. The validation process considers both the items of compensation of the past year and the parameters and criteria applicable to the compensation for the following year.

Employment contract

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

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

2.4.3.3.2 Compensation awarded or paid to the Chief Executive Officer

In accordance with Article L. 225-100, III of the French Commercial Code, the Shareholders' Meeting is asked to vote on the following fixed, variable and exceptional components constituting the total compensation and benefits in kind paid or awarded in respect of 2019 to Yves Perrier, Chief Executive Officer. These items comply with the principles and criteria for the compensation of the Chief Executive Officer for the 2019 financial year as approved by the General Meeting of Shareholders of 16 May 2019.

The General Meeting of Shareholders of 16 May 2019 approved by 88.67%, the fixed, variable and exceptional compensation items that constitute the total compensation and benefits of any kind paid or allocated to Yves Perrier, Chief Executive Officer, for the financial year ended 31 December 2018. This high percentage of approval has been taken into account by the Board of Directors in the compensation policy for the Chief Executive Officer, as described in section 2.4.3.3, as well as in the setting of the items of compensation paid or awarded during or in respect of the financial year ended 31 December 2019, which remained equivalent to those for the financial year ended 31 December 2018.

In consideration of the coronavirus crisis, Yves Perrier, Amundi Chief Executive Officer, has decided to waive half of his variable compensation granted for the 2019 financial year, in order to contribute to the solidarity initiative launched by Crédit Agricole Group in favor of the elderly. This renunciation includes all items (non deferred variable, indexed variable, deferred and conditional variable).

Therefore, the variable compensation due for the 2019 year will be brought down to €1,000,000. The amount corresponding to the waived amount will feed the Crédit Agricole Group's new Solidarity Fund for the elderly.

Amundi's Board of Directors took note of this decision on 7 April 2020 and propose to the AGM to consider this modified amount when voting the 6th resolution (approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the 2019 fiscal year, or granted for the 2019 fiscal year, to Yves Perrier, Chief Executive Officer).

TABLE – ITEMS OF COMPENSATION DUE OR AWARDED IN RESPECT OF THE YEAR ENDED 31 DECEMBER 2019 TO YVES PERRIER, CHIEF EXECUTIVE OFFICER, SUBJECT TO THE APPROVAL OF SHAREHOLDERS

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020. They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year(1)	Overview
Fixed compensation(2)	€1,000,000	Yves Perrier's fixed compensation amounted to €1,000,000 in 2019. This compensation corresponds solely to his employment contract with Crédit Agricole SA: Yves Perrier receives no specific compensation paid by the Company in respect of his position as Chief Executive Officer.
Variable compensation	€2,000,000	TERMS AND CONDITIONS FOR DETERMINING THE VARIABLE COMPENSATION Variable compensation is expressed as a percentage of annual fixed compensation. Pursuant to the AFEP-MEDEF Code, variable compensation is capped and may not exceed the maximum levels defined by the compensation policy. Furthermore, pursuant to Article L. 511-78 of the French Monetary and Financial Code, as modified in connection with the transposition of the CRD IV Directive, this variable compensation may not exceed 200% of annual fixed compensation, even if the objectives are exceeded.

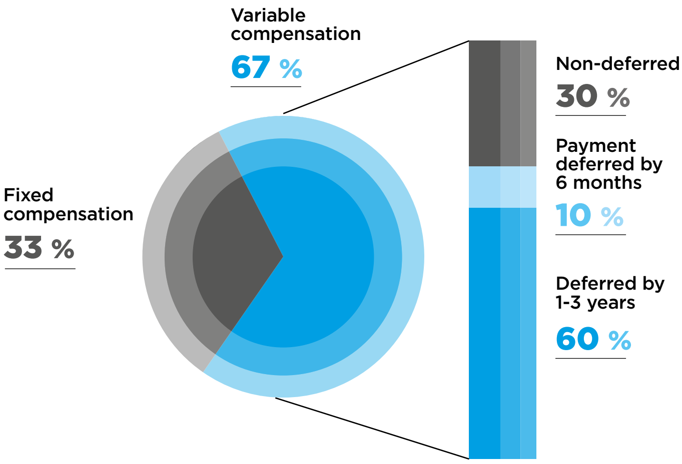
(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2 bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.

(2) The compensation corresponds to 100% of the compensation granted and paid by Crédit Agricole S.A., 80% of which is rebilled to the Company (see 2.4.3.3.1).

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

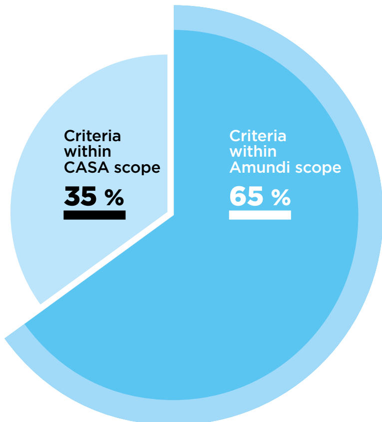
The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020. They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year[1]	Overview
		The variable compensation awarded for the financial year 2019 represents 67% of the total compensation awarded to Yves Perrier in respect of 2019, and 200% of the fixed compensation awarded to him in respect of the same financial year.



The Chief Executive Officer's performance is measured by reference to the results achieved for each of the objectives set:

- 65% for the criteria pertaining to the Amundi scope:
  - economic criteria (35% of the total): Amundi net income Group share (NIGS) as 17.5% of the total; net banking income (NBI[2]), cost/income ratio, and total net inflows each for 5.83% of the total,
  - management criteria relating to Amundi (30% of the total): 15% of the total for the ongoing strengthening of the managerial structure of Amundi by integrating the guidelines of the Group's Human Project; the remaining 15% for the implementation of the ESG policy in accordance with the plan announced (in conjunction with the Group's Client Project);
- 35% for criteria pertaining to the Crédit Agricole S.A. scope:
  - economic criteria related to the Crédit Agricole S.A. scope (15% of the total, 3.75% for each criterion): NBI, NIGS, Cost-to-income ratio and ROTE[3],
  - criteria measurable for other entities in the Crédit Agricole S.A. scope (20% of the total): Results and business indicators for the Insurance and Real Estate divisions.



(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2 bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.

(2) The NBI or net banking income is equivalent to "net income".

(3) Return On Tangible Equity.

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020. They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year[(1)]	Overview

2019 OBJECTIVES LEVEL OF ACHIEVEMENT

During the meeting held on 11 February 2020, the Board of Directors, on the recommendation of the Compensation Committee, set the level of achievement for the 2019 objectives. It noted that these objectives were significantly exceeded and established the variable compensation of the Chief Executive Officer on this basis.

The overall rate of achievement was 114.6%.

The level of achievement of the objectives breaks down as follows:

Variable compensation awarded to the Chief Executive Officer for 2019

	Weight	% achievement
Financial criteria	70%	111.2%
Amundi	**35%**	**117.4%**
NBI (in € millions)	*5.83%*	*118.2%*
Coex (in %)	*5.83%*	*109.3%*
NIGS (in € millions)	*17.50%*	*120.2%*
Total inflows (in € billions)	*5.83%*	*116.7%*
Crédit Agricole S.A.	**15%**	**107.6%**
Other Crédit Agricole S.A. entities*	**20%**	**103.0%**
Management criteria	30%	122.5%
Continued strengthening of Amundi's managerial structure	*15%*	*120.0%*
Implementation of the ESG policy in accordance with the plan announced	*15%*	*125.0%*
TOTAL	**100 %**	**114,6 %**

* *Crédit Agricole Immobilier and Crédit Agricole Assurances, which in 2019 were within the scope of responsibility of Yves Perrier as Deputy CEO of Crédit Agricole S.A.*

At its meeting on 11 February 2020, on the recommendation of the Compensation Committee with regard to the **Amundi economic criteria**, which accounts for 35% of the total, the Board of Directors noted that all of the performance objectives set for the Chief Executive Officer had been exceeded, reaching an overall rate of achievement of **117.4%**.

The Board noted that, for the **other entities of the Crédit Agricole Group**, the economic objectives set for Crédit Agricole Assurances and Crédit Agricole Immobilier had been achieved, reflected by a performance level of **103.0%**.

With regard to the level of achievement of the **management criteria**, on the recommendation of the Compensation Committee, the Board of Directors took the following achievements in particular into consideration:

- the **strengthening of the managerial structure of Amundi** has resulted in the inclusion of individuals with an international background within the Group's Management Committee[(2)], as well as in the appointment of new officers to the executive bodies, with a strong representation of those with international backgrounds (47% of the Senior Leadership Team) and women (who today represent 23% of the Management Committee and 28% of the Senior Leadership Team);
- with regard to the **development of the ESG policy**, the Board noted that the amount of assets under management in responsible investments amounted to €323 billion at the end of 2019 (compared with €280 billion at the end of 2018), and that assets deriving from energy and social impact initiatives amounted to €12 billion as of 31 December 2019. From a qualitative perspective, the Board also took into account Amundi's good reputation in the market as a leading player in responsible investment. This positioning is illustrated by Amundi's participation in various international initiatives in 2019 (Working Group of the Ministry of Economy, Trade and Industry (METI) in Japan, presentation of the challenges of ESG to the ECB, "One Planet Sovereign Wealth Fund Asset Manager" initiative, launch of green bond funds with the AIIB[(3)] and the EIB[(4)], etc.).

(1) *For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2 bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.*

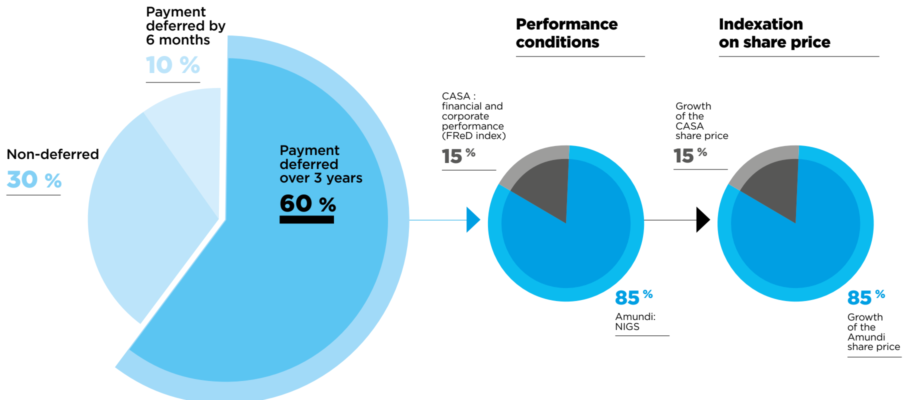
(2) *See page 68.*

(3) *Asian Infrastructure Investment Bank.*

(4) *European Investment Bank.*

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020 . They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year[1]	Overview
		This leads to an achievement rate of 122.5% for managerial criteria. Based on the overall objectives achievement rate of 114.6%, the theoretical variable compensation would have been €2,292,000 through application of the contractual compensation parameters. However, pursuant to the CRD IV regulation, the Board capped variable compensation at twice the amount of fixed compensation, *i.e.* €2,000,000. It should also be noted that the Chief Executive Officer does not benefit from the performance share plan established for senior executives of Amundi. The payment of the variable compensation items is conditional upon the approval of the AGM called to approve the financial statements for the financial year ended 31 December 2019.
Of which non-deferred variable compensation[2]	€600,000	The non-deferred portion of the total variable compensation, *i.e.* 30%, will be paid in May 2020 subject to the approval of the General Meeting of 12 May 2020.
Of which variable compensation paid with a delay of six months[2]	€200,000	The portion of total variable compensation with a six-month delay in payment will be paid, assuming the 2020 AGM approves the payment of the items of variable compensation, corresponding to 10% of the total in September 2020 (variable compensation paid with a delay of six months). 85% of the final portion is indexed to the Amundi share price evolution and 15% to the Crédit Agricole S.A. share price evolution.
Of which deferred variable compensation, indexed and conditional[2]	€1,200,000	DEFERRAL AND INDEXATION OF ANNUAL VARIABLE COMPENSATION In accordance with the compensation policy, and in order to align the compensation of the Chief Executive Officer with the Group's long-term performance, a portion of the annual variable compensation is deferred. Yves Perrier will retain his right to receive unvested tranches of his deferred compensation if he leaves the Company except in the event of resignation or dismissal for gross or serious misconduct. Benefits will however be paid if departure is due to retirement, disability, death or exceptional circumstances attested by the Board of Directors. In these cases, the unvested tranches of deferred variable compensation will be paid on their normal due date pro-rated to the degree of accomplishment of the performance conditions. **Deferred portion of annual variable compensation, accounting for 60% of the total.** Annual variable compensation up to a maximum of 60% is deferred by a third over three years. Its final receipt is conditional on continued employment within the Company and the achievement of performance conditions at both the Amundi and Crédit Agricole S.A. level, the overall rate of achievement of which may not exceed 100%.



(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2 bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.
(2) Prior to waiver by the Chief Executive Officer of half of his variable compensation awarded in respect of 2019.

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020 . They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year[1]	Overview
		Conditions for payment applicable to the deferred portion of the Chief Executive Officer's annual variable compensation, accounting for 60% of the total For the 2019 deferred portion, the performance objectives governing the payment of the deferred amount reflect: ■ For 85%, Amundi's economic performance measured by NIGS[2]; and ■ For 15%, Crédit Agricole S.A.'s performance, with three conditions each accounting for 5%: ■ the economic performance of Crédit Agricole S.A. (increase in operating income[3]), ■ the relative stock market performance of the Crédit Agricole S.A. share (compared to a composite index of European banks), ■ the societal performance of Crédit Agricole S.A. (measured through improvement markers for the progress of CSR projects). The following details may be provided: ■ for each performance indicator given above, the maximum achievement rate used may not exceed 120%, with the indicators being able to offset each other; ■ however, each indicator also has a trigger threshold. Below this, the achievement rate is considered to be zero; ■ for each year, the overall performance is equal to the average of the achievement rates for each performance condition, with this average being capped at 100%. The performance conditions applied to the deferred portion of the annual variable compensation awarded for 2019 are identical to those proposed for 2020. Furthermore, in accordance with the compensation policy, in the event that risky professional conduct is observed during the vesting period or the holding period, the Amundi Board of Directors has the option of reducing all or part of any deferred variable compensation not yet received, even if the performance conditions are met. ***Indexation applicable to the deferred portion of the Chief Executive Officer's annual variable compensation, amounting to a total of 60%*** This deferred portion of variable compensation is also 85% indexed on the Amundi share price evolution and 15% on the Crédit Agricole S.A. share price evolution.
Exceptional compensation	None	No exceptional compensation
Stock options, performance shares or any other long-term compensation	None	Yves Perrier was not awarded any stock options in 2019. Yves Perrier was not awarded any performance shares in 2019.
Compensation in respect of directorship	€0	Yves Perrier waived the payment of compensation for his duties as a director from 15 September 2015. Consequently, no amount was allocated to him for his work as a director during the 2019 financial year.
Benefits in kind		Yves Perrier has a Company car provided by Amundi.

(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.

(2) Net income, Group share.

(3) Operating income plus the share of net income from equity-accounted entities.

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020. They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Items of compensation subject to approval	Amounts awarded for the previous financial year[1]	Overview
Evolution and competitive positioning/ pay ratios		***Evolution and competitive positioning of the Chief Executive Officer's compensation*** The overall compensation awarded to the Chief Executive Officer for 2019 amounts to €3,005,295, unchanged from the amount granted for 2018. This should be compared to the 12.2% increase in net accounting income. The Chief Executive Officer's total compensation increased by 43% between 2015 and 2019, compared with the 85% growth in net income. A specific benchmark analysis is conducted each year in order to compare the Chief Executive Officer's compensation with that of his peers. This year the results show that the Chief Executive Officer's total compensation is in the lowest range of the market (first quartile of a panel of asset management peers). ***Legal pay ratio*** [2] **Table – Compensation of Senior Executives and Company Officers compared with the Company's performance and the average and median compensation of employees** In accordance with 6 and 7 of Article L. 225-37-3 of the French Commercial Code in its version pursuant to Order No. 2019-1234 of 27 November 2019, the table below shows the ratios between the level of granted to the Chief Executive Officer and, on the one hand, the average compensation on a full-time equivalent basis of employees other than Company Officers, and on the other hand, the median compensation on a full-time equivalent basis of employees other than Company Officers; as well as the annual changes in the compensation of the Chief Executive Officer, the performance of the company, the average compensation on a full-time equivalent basis of employees other than senior executives and the above-mentioned ratios, over the last five years. The compensation of the Chief Executive Officer for the purposes of the table below includes all fixed, variable and exceptional compensation items awarded during the financial years 2015 to 2019. The ratios shown below in accordance with Order No. 2019-1234 of 27 November 2019 were calculated on the basis of the median and average of the compensation awarded.

Change in the legal equity ratio 2015-2019

Yves Perrier	2015	2016	2017	2018	2019	2015-2019
Compensation awarded	2,100	2,400	2,580	3,000	3,000	
(Change compared to the previous year) (in %)		*14.3%*	*7.5%*	*16.3%*	*0%*	*+43%*
Average compensation of employees	100.2	108.6	112.8	116.0	119.0	
(Change compared to the previous year) (in %)		*8.4%*	*3.8%*	*2.9%*	*2.5%*	*+19%*
Ratio compared to the average compensation of employees	**21.0**	**22.1**	**22.9**	**25.9**	**25.2**	
(Change compared to the previous year) (in pts)		*1.1*	*0.8*	*3*	*(0.6)*	
Median compensation of employees	77.5	80.1	83.5	84.7	86.9	
(Change compared to the previous year) (in %)		*3.4%*	*4.3%*	*1.5%*	*2.6%*	*+12%*
Ratio compared to the median compensation of employees	**27.1**	**30.0**	**30.9**	**35.4**	**34.5**	
(Change compared to the previous year) (in pts)		*2.9*	*0.9*	*4.5*	*(0.9)*	
Net accounting income (Company performance) *(in € millions)*	519	568	681	855	959	
(Change compared to the previous year) (in %)		*9.4%*	*19.9%*	*25.6%*	*12.2%*	*+85%*

The following elements of the methodology are of note:

- for the purpose of representativeness, the scope used is that of the Group's French companies and includes employees with a permanent contract who were employed both on 31 December of the current financial year and on 31 December of the previous financial year. As an illustration, this represents more than 90% of the permanent contract workforce in France on 31 December 2019;
- the following items were used: Fixed compensation, variable compensation, interest and profit-sharing, performance shares granted for the year in question, exceptional premium. Severance pay for termination, non-compete payments and supplementary retirement plans have been excluded.

(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.

(2) Prior to waiver by the Chief Executive Officer of half of his variable compensation awarded in respect of 2019.

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on 11 February 2020 . They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

<table>
<tr><th>Items of compensation subject to approval</th><th>Amounts awarded for the previous financial year[(1)]</th><th>Overview</th></tr>
<tr><td></td><td></td><td>Change in the managerial pay ratio [(2)]
In addition to these provisions resulting from Order No. 2019-1234 of 27 November 2019, Amundi has calculated a pay ratio since 2018 based on aggregates representing its global scope. This calculation, which is based on financial data (salaries and wages, average headcount) relating to the compensation awarded to the Chief Executive Officer, also allows comparison with other companies. On the basis of the compensation awarded, this managerial pay ratio, calculated on the compensation awarded, amounted to 20.8 for 2019, showing a decrease of 1.1 pt compared to the 2018 pay ratio.
<table>
<tr><th></th><th>2018</th><th>2019</th></tr>
<tr><td>Compensation awarded (in € thousands)</td><td>3,000</td><td>3,000</td></tr>
<tr><td>Average compensation of employees (in € thousands)</td><td>137.3</td><td>144.5</td></tr>
<tr><td>Salaries and wages of employees divided by the average workforce</td><td></td><td></td></tr>
<tr><td>Ratio compared to the average compensation of employees</td><td>21.9</td><td>20.8</td></tr>
<tr><td>(Change compared to the previous year) (in pts)</td><td></td><td>(1.1)</td></tr>
</table>
This is one of the lowest pay ratio in the SBF 120.</td></tr>
<tr><td>Severance payment: Termination payment</td><td>No compensation paid in respect of 2019</td><td>None: Yves Perrier is not entitled to any termination compensation in the event of termination of his office within Amundi.
If 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, 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.</td></tr>
<tr><td>Non-compete compensation</td><td></td><td>There is no non-compete clause.</td></tr>
<tr><td>Supplementary retirement plan</td><td>No payment in respect of 2019

Vesting of conditional rights at 1.2% of the reference compensation for 2019</td><td>For his position with Crédit Agricole S.A., Yves Perrier is covered by a supplementary retirement plan for senior executives 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.
Regarding the defined-benefit retirement plan, the annual vesting of contingent rights is subject to the Amundi Group achieving, during the relevant financial year, a minimum of 50% of the Group’s budgetary objective for consolidated net income, Group share. Amundi’s Board of Directors noted that this performance condition had been met during its meeting of 11 February 2020.
As a consequence, Yves Perrier benefits, for 2019, from an increase in conditional supplementary defined-benefit pension rights, of 1.20% of his final reference compensation, which is capped in accordance with the supplementary pension regulation for senior executives of the Crédit Agricole S.A. Group.
In accordance with the Order of 3 July 2019, the rights of this defined-benefit pension scheme were crystallized on 31 December 2019. No additional rights will be granted for periods of employment after 1 January 2020, and the benefit of these past duties remains uncertain and is conditional on his continued employment.</td></tr>
</table>

(1) For details of the amounts paid to Yves Perrier in financial year 2019, refer to Table 2 in Section 2.4.3.3. See Table 2bis in Section 2.4.3.3 for details of the deferred variable compensation paid to Yves Perrier for previous financial years.

(2) Prior to waiver by the Chief Executive Officer of half of his variable compensation awarded in respect of 2019.

2.4.3.3.3 Post-employment benefits

Yves Perrier has an employment contract with Crédit Agricole S.A. for the reasons detailed in section 2.4.3.3. The post-employment benefits under this contract are set out in the table below.

TABLE 11 AMF CLASSIFICATION – EMPLOYMENT CONTRACTS, RETIREMENT BENEFITS AND BENEFITS LINKED TO TERMINATING OFFICE FOR EACH COMPANY OFFICER

Senior Executives and Company Officers	Employment contract		Supplementary retirement 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: none	X		X		X			X

(i) Supplementary retirement plan

The supplementary pension plan defined for the Senior Executives and Company Officers complies with the recommendations of the AFEP-MEDEF Code and the provisions of Article L. 225-42-1 of the French Commercial Code (repealed by Order No. 2019-1234 of 27 November 2019), on the acquisition of the conditional annual supplementary defined-benefit pension rights.

By virtue of his position in Crédit Agricole S.A., described above, Yves Perrier is covered by supplementary retirement plans for senior executives of Crédit Agricole S.A., which supplement the basic and mandatory supplementary retirement plans.

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

Upon termination, Yves 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 ceiling as of that date, and at 70% of reference compensation[1].

Total gross annual entitlements under the defined-benefit plan were estimated at €308,000 at 31 December 2019, corresponding to 20% of the reference compensation defined below or 9% of the compensation due in respect of 2019 (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

The payment of contributions under the defined-contribution retirement plan is conditional upon one year of service. The beneficiary will receive payment of a retirement supplement once he is able to demonstrate entitlement to his pension under a mandatory pension plan.

Yves Perrier is a beneficiary of vested pension rights under this plan, the amount of which is based on the accrued savings converted into a lifetime payment starting the day of entitlement. Contributions to this scheme, calculated on the basis of the gross salary, capped at eight times the annual social security ceiling, are set at a rate of 5% paid by Crédit Agricole S.A. and 3% by Yves Perrier. It also includes contributions to the supplementary retirement plan of agricultural organisations resulting from the agreement of 31 January 1996 (the so-called "1.24% plan").

The gross annual amount of the annuity on the closing date for the 2019 financial year is estimated at €9,000.

This estimated amount is the gross amount before the taxes and social security contributions applicable at the closing date, particularly income tax payable by natural persons.

Crédit Agricole S.A.'s contributions to the retirement 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 contingent rights 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 the age of retirement at the rights entitlement date or who are 60 years old and can demonstrate that they are entitled to full pension rights according to the general social security regime;
- are eligible for the plan the day before they become entitled to pension rights;
- are already entitled to basic and supplementary individual retirement pensions under all mandatory retirement plans in and outside France and from the international organisations from which they might benefit, (excluding any rights under the Agirc category C plan).

(1) The reference compensation is determined as the average of the three highest gross annual compensations paid over the last ten 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.

Specific rules are provided for by the agreement for beneficiaries who would be considered by the social security as permanently unable to work or for participants who might have been dismissed.

The pension rate is equal to 0.3% of the reference compensation as defined above for each confirmed quarter up to a maximum of 120 quarters, corresponding to an annual increment of 1.2% maximum per year.

The annual vesting of rights is subject to the Amundi Group achieving, during the year considered, 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 11 February 2020, that this performance condition related to rights in respect of the 2019 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, including for the calculation of the cap for the annuity paid.

The estimated gross annual amount of this annuity at the 2019 reporting date was valued at €308,000, including €134,000 in rights deemed to originate from the crystallised capital at 31 December 2009 under the closed previous scheme, and €174,000 in additional rights for the new scheme effective from 1 January 2010.

This represents 20% of the reference compensation (as defined above) or 9% of the compensation due (fixed and variable) in respect of 2019, 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 funded 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 tax charges for Crédit Agricole S.A.

The contingent rights under the supplementary defined-benefit plan are conditional on the beneficiary still being employed by the Company on maturity and were estimated based on his ten years of seniority at the closing date, which corresponds to 11.4% of the reference compensation at 31 December 2019, *i.e.* a 1.2% increase compared to the 2018 financial year.

In accordance with the Order of 3 July 2019, the rights of this defined-benefit pension scheme were crystallized on 31 December 2019. No additional rights will be granted for periods of employment after 1 January 2020, and the benefit of these past rights remains uncertain and is conditional on his continued employment.

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

Severance pay

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

If 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 were to be terminated, Yves Perrier would receive a contractual compensation of an amount equal to twice the amount of his fixed and variable compensation over the twelve 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-compete clause

None.

2.4.3.3.4 Other benefits

Yves Perrier has a company car provided by the Company corresponding to the line "Benefits in kind" in table 2 below.

2.4.3.3 Standardised summary tables

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

Xavier Musca waived payment of compensation for the 2019 financial year in respect of his work as a director. The company did not pay him any 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 the compensation and benefits paid by Crédit Agricole S.A. to Xavier Musca in respect of his position as Chief Executive Officer of Crédit Agricole S.A. is available in the Crédit Agricole S.A. Universal Registration Document.

The amount shown in the tables hereunder correspond to the proposals of the Board of Directors during its meeting on February 11, 2020. They do not take into account the decision of Yves Perrier, Amundi Chief Executive Officer, to waive half of his variable compensation due for the 2019 financial year.

Compensation and benefits paid to Yves Perrier, Chief Executive Officer

TABLE 1 – SUMMARY OF THE COMPENSATION, OPTIONS AND SHARES GRANTED TO EACH SENIOR EXECUTIVE COMPANY OFFICER

Yves Perrier Chief Executive Officer	Compensation awarded for the 2018 financial year (in €)	Compensation awarded for the 2019 financial year (in €)
Compensation paid during or granted in respect of the financial year (detailed in table 2)	3,005,295	3,005,295
Valuation of stock options granted during the financial year	-	-
Valuation of performance shares granted during the year	-	-
TOTAL	**3,005,295**	**3,005,295 (1)**

(1) Prior to waiver by the Chief Executive Officer of half of his variable compensation awarded in respect of 2019.

TABLE 2 – COMPENSATION OF EACH SENIOR EXECUTIVE COMPANY OFFICER

The following table provides a breakdown of the fixed, variable and other benefits due and paid to Yves Perrier during the 2018 and 2019 financial years.

	2018 Financial year		2019 Financial year	
Yves Perrier Chief Executive Officer	**Amounts due(2)**	**Amounts paid(3)**	**Amounts due(2)**	**Amounts paid(3)**
Fixed compensation(1)	1,000,000	1,000,000	1,000,000	1,000,000
Variable compensation(1)	2,000,000	1,739,876(5)	2,000,000	1,850,472(6)
Non-deferred variable compensation	600,000	516,000	600,000	600,000
Variable compensation paid with a delay of six months	200,000	157,896	200,000	223,800
Deferred variable compensation, indexed and conditional	1,200,000	1,065,980	1,200,000	1,026,672
Exceptional compensation	0	0	0	0
Compensation for Director's fees(4)	0	0	0	0
Additional payment (PSR adjustment)(7)	0	15,980	0	0
Benefits in kind	5,295	5,295	5,295	5,295
TOTAL	**3,005,295**	**2,761,151**	**3,005,295(8)**	**2,855,767**

The compensation and benefits paid by Crédit Agricole S.A. to 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 Yves Perrier's compensation.

(1) Gross compensation before tax.

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

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

(4) Yves Perrier waived his right to receive directors' fees for the 2018 and 2019 financial years.

(5) Of the variable compensation paid in 2018, €673,896 corresponded to the non-deferred and the delayed payment portion of variable compensation in respect of 2017 (part-indexed to the Crédit Agricole S.A. share price) and €1,065,980 to variable compensation granted in respect of previous years (2014, 2015 and 2016). These latter payments were deferred and indexed to the Crédit Agricole S.A. share price in accordance with the applicable regulations (see Table 2 bis for details).

(6) Of the variable compensation paid in 2019, €823,800 corresponded to the non-deferred and the delayed payment portion of variable compensation in respect of 2018 (part-indexed to the Crédit Agricole S.A. share price) and €1,026,672 to variable compensation granted in respect of previous years (2015, 2016 and 2017). These latter payments were deferred and indexed to the Crédit Agricole S.A. share price in accordance with the applicable regulations (see Table 2 bis for details).

(7) The Board of Directors Meeting of 1 August 2018 approved the policy adjustment aimed at using the Amundi reference share price, adjusted for the detachment of preferential subscription rights (PSR), for payments under the 2016 and 2017 variable compensation plans made subsequent to the acquisition of Pioneer. The capital increase associated with the acquisition of Pioneer had a dilutive effect on the value of Amundi shares, which was offset for shareholders by the detachment of the preferential subscription rights. Nevertheless, this dilutive effect was not taken into account in the indexation rules used for the Chief Executive Officer's deferred variable compensation, despite this being a requirement under the applicable deferred plan rules. Gross variable compensation of €15,980 was thus paid to the Chief Executive Officer, alongside with his September 2018 salary.

(8) Prior to waiver by the Chief Executive Officer of half of his variable compensation awarded in respect of 2019.

TABLE 2BIS – SUMMARY OF DEFERRED VARIABLE COMPENSATION PAID TO EACH SENIOR EXECUTIVE COMPANY OFFICER

On 11 February 2020, the Board of Directors found that the performance condition for payment of the deferred tranches allocated in 2016, 2017 and 2018 was fulfilled at a level of 100%.

	2017 Financial year	2018 Financial year	2019 Financial year
Yves Perrier Chief Executive Officer	**In cash**	**In cash**	**In cash**
Deferred variable compensation awarded in 2014	396,000		
Deferred variable compensation awarded in 2015	327,600	260,400	
Deferred variable compensation awarded in 2016	474,460	444,780	408,660(1)
Deferred variable compensation awarded in 2017		360,800	332,320(2)
Deferred variable compensation awarded in 2018			285,692(3)

(1) Allocation in respect of 2015 of a €280,000 tranche of deferred variable compensation conditional upon and indexed to the Crédit Agricole S.A. and Amundi share prices.

(2) Allocation in respect of 2016 of a €320,000 tranche of deferred variable compensation conditional upon and indexed to the Crédit Agricole S.A. and Amundi share prices.

(3) Allocation in respect of 2017 of a €344,000 tranche of deferred variable compensation conditional upon and indexed to the Crédit Agricole S.A. and Amundi share prices.

2.4.4 Compensation policy for Amundi's Company Officers for the 2020 financial year

Pursuant to Article L. 225-37-2 of the French Commercial Code, the Annual General Meeting called to approve the financial statements for the year ended 31 December 2019 will be asked to approve the compensation policy for Company Officers for the 2020 financial year.

2.4.4.1 Principles applying to all Company officers

2.4.4.1.1 General principles and governance

The compensation policy applicable to Company Officers is set by the Board of Directors on the recommendation of the Compensation Committee and then submitted to the vote of the General Meeting of Shareholders through separate resolutions. This policy aligns with the corporate interest of Amundi and contributes to its continuity while forming part of its business strategy as described in Chapter 1 of this Universal Registration Document. To this end, it forms part of and complies with the general framework described in section 2.4.1, in particular for Senior Executives and Company Officers, and, with regard to the Chief Executive Officer in particular, by means of mechanisms that align interests such as the indexation of deferred compensation to the share price and/or representative baskets of funds.

Detailed proposals on the implementation and revision of this policy are analysed by the Compensation Committee, composed of two-thirds of independent directors and chaired by an independent director. They are duly validated by the Board of Directors whose directors are required to comply with the principles set out in the AFEP-MEDEF Code and in the Company's Directors' Code of Conduct, particularly with regard to the management of potential conflicts of interest. These Board approvals relate both to the compensation items for the previous financial year and to the compensation policy for the upcoming financial year. With regard to the Chief Executive Officer, these approvals are based on analyses that specifically allow to compare the CEO compensation with that of comparable companies in the business sector. The Board of Directors also takes into account the compensation and employment conditions of the employees when taking decisions regarding Company Officers. As such, the Company's performance and the average and median compensation of employees over the last five financial years are taken into account.

This policy and the components of its implementation have been submitted to the vote of the General Meeting of Shareholders of the Company since 2018 and, to the extent that they remain applicable and relevant, comply with the provisions of the following regulations:

- the AFEP-MEDEF Corporate Governance Code for Listed Companies (AFEP-MEDEF Code), as revised in June 2018, 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 staff, which includes Amundi's Chief Executive Officer;
- the provisions of law no. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of the economy (Sapin II law);
- the provisions of law no. 2019-486 of 22 May 2019 on business growth and transformation (the so-called "Pacte law"); and
- the provisions of order no. 2019-1234 of 27 November 2019 relating to the compensation of the Company Officers of listed companies and decree no. 2019-1235 of 27 November 2019 transposing Directive (EU) 2017/828 of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.

2.4.4.1.2 Content of the compensation policy applicable to all Company Officers

The provisions terms of the compensation policy applicable to Company Officers, subject to their approval by the Annual General Meeting of Shareholders called to approve the financial statements for the year ended 31 December 2019, are intended to apply to newly appointed Company Officers or those whose term is renewed after the General Meeting, pending, where applicable, the approval by a subsequent General Meeting of significant changes to the compensation policy referred to in II of Article L. 225-37-2 of the French Commercial Code.

Where performance criteria are established for variable compensation and share-based compensation for particular Company Officers, such as the Chief Executive Officer, the evaluation of their performance is based on the comparison between the result obtained and the defined target.

2.4.4.2 Compensation policy applicable to members of the Board of Directors

The compensation policy for directors comprises, firstly, the elements common to all Company Officers as set out in section 2.4.4.1, and, secondly, the specific elements set out below.

The directors, whose term of office is three years, are paid solely through an annual fixed amount allocated to the directors by the General Meeting of Shareholders.

This amount was set at €700,000 at the General Meeting of 30 September 2015.

It is recalled that the compensation allocated in respect of one year is paid during the following year. As such, this compensation will be paid in 2021 for the 2020 financial year.

The procedures for allocating this sum are set by the Board of Directors based on the proposal of the Compensation Committee following its review and are subject to approval by the Annual General Meeting called to approve the financial statements for the year ended 31 December 2019.

The Board of Directors, at its meeting of 11 February 2020 and on the advice of its Compensation Committee, proposed a slight adjustment to the allocation rule applied for the 2019 financial year:

- an amount of €3,500 per director per Board meeting attendance;
- a supplementary annual lump-sum of €20,000, allocated to the Chairman of the Board;
- €2,000 per director per committee meeting attendance, up to an annual maximum of €15,000 per committee;
- an annual lump-sum of €15,000, allocated to the Chairman of the Audit Committee (no supplementary compensation for each committee meeting);
- an annual lump-sum of €15,000, allocated to the Chairman of the Risk Management Committee (no supplementary compensation for each committee meeting).
- an annual lump-sum of €10,000, allocated to the Chairman of the Compensation Committee, the Chairman of the Strategic Committee and the Chairman of the Appointments Committee (no additional compensation for each committee meeting).

These increases remain very reasonable compared to the current practices of the SBF 120 companies and the Company's European peers.

Non-voting members shall receive the same amount as the directors, deducted from the annual fixed sum allocated to the directors by the General Meeting.

As a reminder, the payment of the amount awarded to directors for compensation for their work may be suspended (i) under the second paragraph of Article L. 225-45 of the French Commercial Code, if the Board of Directors is not constituted in accordance with the first paragraph of Article L. 225-18-1 of said Code, and (ii) under the conditions of Article L. 225-100-2 of the French Commercial Code, when the General Meeting does not approve the draft resolution on the information referred to in I of Article 225-37-3 of the French Commercial Code.

In accordance with Article L. 225-37-2 II of the French Commercial Code, the following resolution will be submitted to the Annual General Meeting called to approve the financial statements for the year ended 31 December 2019:

Approval of the compensation policy applicable to members of the Board of Directors for the 2020 financial year

In accordance with Article L. 225-37-2 II of the French Commercial Code, the General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, and having reviewed the corporate governance report, approves the compensation policy for directors for the 2020 financial year as presented in the corporate governance report set out in Chapter 2 of the Universal Registration Document."

2.4.4.3 Compensation policy applicable to the Chairman of the Board of Directors

The compensation policy for the Chairman of the Board of Directors comprises, firstly, the elements common to all Company Officers as set out in section 2.4.4.1, and, secondly, the specific elements set out below.

The Chairman of the Board of Directors of Amundi is only paid as a share of the annual fixed amount allocated to the directors by the General Meeting as compensation for their work. Any decision to waive payment of this compensation is at the Chairman's sole discretion. In order to ensure that the Chairman of the Board of Directors is independent when carrying out his duties, he is not eligible for any variable compensation.

Xavier Musca waived his compensation and will therefore receive no compensation as Chairman of Amundi's Board of Directors for the 2020 financial year. Consequently, there will be no *ex post* vote by the General Meeting in 2021 as per Article L. 225-100 III of the French Commercial Code.

SUMMARY TABLE OF THE COMPENSATION POLICY

Items of the compensation policy	Overview
Compensation allocated in respect of directorship	The Chairman of the Board of Directors is compensated by a portion of the fixed annual sum allocated to directors by the General Meeting as compensation for their work according to the rules defined annually (comprised of a fixed portion and a variable portion depending on participation in the meetings of the Board and its committees). The Chairman has the option of waiving payment of this compensation.

In accordance with Article L. 225-37-2 II of the French Commercial Code, the following resolution will be submitted to the General Meeting called to approve the financial statements for the year ended 31 December 2019:

Approval of the compensation policy applicable to the Chairman of the Board of Directors for the 2020 financial year

In accordance with Article L. 225-37-2 II of the French Commercial Code, the General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, and having reviewed the corporate governance report, approves the compensation policy for the Chairman of the Board of Directors for the 2020 financial year as presented in the corporate governance report set out in Chapter 2 of the Universal Registration Document."

2.4.4.4 Compensation policy applicable to the Chief Executive Officer

The Chief Executive Officer's compensation policy includes, firstly, the items common to all the Company Officers as set out in section 2.4.4.1, and, secondly, the specific items set out below.

The Board of Directors Meeting of 11 February 2020 decided to increase Yves Perrier's gross annual fixed compensation of €1,000,000 to €1,050,000 for 2020, *i.e.* an increase of 5% compared to his fixed compensation for 2019. This decision was based on a favourable opinion from the Compensation Committee of 4 February 2020.

The items taken into consideration by the Board of Directors were as follows:

- the economic performance of Amundi in 2019 was characterized in particular by a significant increase in net income (+12%) as well as by a very high level of business activity (record inflows of €108 billion). This performance was not reflected in Yves Perrier's compensation, due to the limitation on variable compensation set at 200% of the fixed pay by the regulations;
- the position of the Chief Executive Officer's total compensation, in the lowest range of the market (first quartile of a panel of asset management peers).

Subject to approval at the General Meeting, this compensation policy would apply to any successor to the current Chief Executive Officer, until shareholders decide otherwise at a general meeting.

In view of the health crisis and as a gesture of solidarity, the Chief Executive Officer wished to waive the increase of the fixed compensation decided by the Board of Directors on 11 February 2020, subject to the approval of the General Meeting 2020. The Chief Executive Officer's fixed compensation will therefore remain unchanged at €1,000,000 for the financial year 2020.

The Board of Directors took note of this decision on 7 April 2020 and invited the General Meeting to take into account this modified amount for the vote of the eighth resolution on the approval of the Chief Executive Officer's compensation policy for the financial year 2020, pursuant to Article L. 225-37-2 II of the French Commercial Code.

Employment contract

As a reminder, Yves Perrier, Chief Executive Officer of the Company, holds an employment contract as described in section 2.4.3.3.1.

SUMMARY TABLE OF THE COMPENSATION POLICY

Items of the compensation policy	Overview
Fixed compensation	The amount of fixed compensation is set by the Company's Board of Directors on the recommendation of the Compensation Committee, taking into consideration the market practices 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 Chief Executive Officer's compensation once a year, with no presumption that the review will result in any change. A revision of the fixed compensation may be considered in the event of a substantial change in the scope of responsibilities or a significant variance in relation to the market. The compensation is paid by Crédit Agricole S.A. in respect of his employment contract. Yves Perrier receives no fixed compensation from the Company in respect of his position as Chief Executive Officer. Payment of the items of fixed compensation is not conditional upon their approval by the General Meeting called to approve the financial statements for the year ending 31 December 2020.

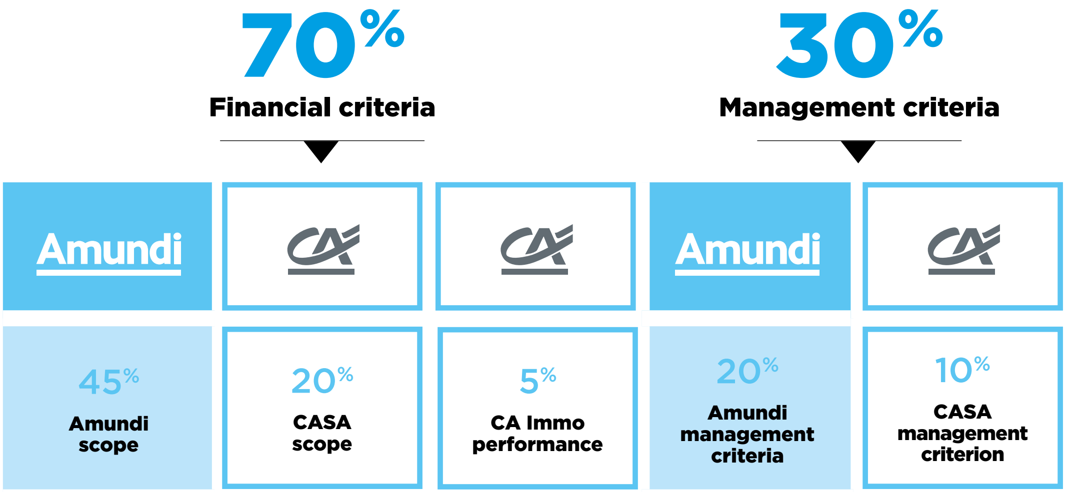
Items of the compensation policy	Overview
Variable compensation Terms and conditions of determination	**Terms and conditions for determining the variable compensation**

Variable compensation is expressed as a percentage of annual fixed compensation. This variable portion will be calculated based on the objectives achievement level. These objectives are set using various criteria. In respect of 2020, financial criteria represent 70% and other criteria represent 30% of the total.

Pursuant to 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.

The amount of Yves Perrier's variable compensation awarded in respect of the current year is determined each year by the Board of Directors, on the recommendation of the Compensation Committee.

Variable compensation of the Chief Executive Officer for 2020



The compensation is paid by Crédit Agricole S.A. in respect of his employment contract. Yves Perrier receives no variable compensation from the Company in respect of his position as Chief Executive Officer. The criteria for 2020 are as follows:

Financial objectives, accounting for 70% of variable compensation

Proposed variable compensation for the Chief Executive Officer for 2020

Financial criteria

	Weighting	Threshold	Target	Upper limit
FINANCIAL CRITERIA	70%			
Amundi	**45%**			
NBI	7.5%	50%	100%	150%
Coex	7.5%	50%	100%	150%
NIGS	22.5%	50%	100%	150%
Total inflows	7.5%	50%	100%	150%
Crédit Agricole S.A.	**20%**	60%	100%	150%
Crédit Agricole Immobilier	**5%**	66%	100%	150%

The financial criteria, accounting for 70% of variable compensation, will depend on the financial results of Amundi, Crédit Agricole S.A. and Crédit Agricole Immobilier:

- on the Amundi scope (45% of the total): the Amundi NIGS for 22.5% of the total and net banking income (NBI), cost-to-income ratio, and net inflow each for 7.5% of the total;
- for each criterion, the target selected is set on the basis of the budget approved by the Board of Directors of 11 February 2020. For each criterion, the achievement rate may not exceed 150%, and a trigger threshold is applied below which the implementation rate will be considered as zero;
- Crédit Agricole S.A. scope (20% of the total);
- on the performance of Crédit Agricole Immobilier (5% of the total).

For each criterion, the assessment of the performance of Yves Perrier will be determined based on a comparison of results achieved and the target defined.

Items of the compensation policy	Overview
	Managerial criteria, accounting for 30% of variable compensation The managerial criteria, accounting for 30% of variable compensation, are set each year in light of the Group's strategic priorities. For 2020, 20% of the total is based on management criteria relating to Amundi (in particular the continued strengthening of Amundi's managerial structure for 10% of the total as well as the implementation of the ESG policy in accordance with the announced plan for 10% of the total), and 10% is based on the oversight of the societal project of the Crédit Agricole Group of which Yves Perrier is responsible since 1 January 2020.
Variable compensation Terms and conditions of deferral	**Terms and conditions for deferral and indexation of variable compensation** The terms and conditions for deferral and indexation will remain unchanged from 2019. Yves Perrier will retain his right to receive unvested tranches of his deferred compensation if he leaves the Company except in the event of resignation or dismissal for gross or serious misconduct. Benefits will however be paid if departure is due to retirement, disability, death or exceptional circumstances attested by the Board of Directors. In these cases, the unvested tranches of deferred variable compensation will be paid on their normal due date pro-rated to the degree of accomplishment of the performance conditions. **Non-deferred portion of total variable compensation, accounting for 30% of the total** The non-deferred portion of the overall variable compensation is paid, for 30% of the total, within 15 days of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020. **Delayed-payment portion of total variable compensation, accounting for 10% of total** The delayed-payment portion of the variable compensation is paid for 10% of the total in September 2021. This second portion of variable compensation will be indexed 85% to the Amundi share price and 15% to the Crédit Agricole S.A. share price. **Deferred portion of annual variable compensation, accounting for 60% of the total** 60% of annual variable compensation is deferred by thirds over three years and is conditional upon achievement of Amundi and Crédit Agricole S.A. performance objectives and the beneficiary's continued presence at the Company. For payment of the deferred compensation in respect of 2020, all the performance objectives that determine the payment of Yves Perrier's deferred variable compensation, as determined by the Company's Board of Directors upon the recommendation of the Compensation Committee, are 85% linked to the Amundi Group's Net Income Group Share (NIGS) and 15% linked to Crédit Agricole S.A. Group aggregates (financial, stock market and corporate social responsibility performance conditions). The performance conditions selected are identical to those for 2019 and are described in chapter 2.4.4.3.2. This portion of variable compensation will also be 85% indexed on the Amundi share price and 15% on the Crédit Agricole S.A. share price. In the event that non-compliant risk-taking behaviour is recorded during the three-year vesting period, the conditional deferred variable compensation initially allocated may be reduced in whole or in part by Amundi's Board of Directors in accordance with Articles L. 511-83 and L. 511-84 of the French Monetary and Financial Code.
Variable compensation Terms and conditions of payment	**Payment methods for variable compensation** In accordance with Article L. 225-100 III of the French Commercial Code, shareholders at the AGM held to approve the financial statements for the year ending 31 December 2020 will be asked to approve the items of variable compensation they were asked to approve at the previous AGM, called to approve the financial statements for the year ended 31 December 2019, in accordance with Article L. 225-237-2 of the French Commercial Code. The payment of items of variable compensation is conditional upon their approval by the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020.
Exceptional compensation	There is no exceptional compensation, except in specific circumstances related to transactions that affect the Company's structure. Payment of items of exceptional compensation is conditional in all circumstances upon their being approved at the AGM called to approve the financial statements for the year ending 31 December 2020.
Compensation awarded for director's duties	Yves Perrier waived the payment of compensation for his duties as a director.
Valuation of benefits in kind	Yves Perrier has a company car provided by Amundi. In accordance with Article L. 225-100 III of the French Commercial Code, the Annual General Meeting called to approve the financial statements for the year ending 31 December 2020 will be asked to issue an opinion on the items of compensation corresponding to benefits in kind for which approval at the Annual General Meeting called to approve the financial statements for the year ending 31 December 2019 is requested, in accordance with Article L. 225-237-2 of the French Commercial Code. Payment of the items of compensation corresponding to benefits in kind is not conditional upon the approval of the General Meeting called to approve the financial statements for the year ending 31 December 2020.
Stock options, performance shares or any other long-term compensation	There are no plans to award performance shares to Yves Perrier in respect of 2020. There are no plans to award stock options to Yves Perrier in respect of 2020.

Items of the compensation policy	Overview
Termination compensation: severance pay	Yves Perrier's contract does not provide for any severance pay in the event of termination of his office with Amundi. If 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, 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. Given that this compensation has a contractual nature, its termination would require the conclusion of an amendment between Crédit Agricole S.A. and Yves Perrier.
Non-compete compensation	There is no non-compete clause.
Supplementary retirement plan	For his position and his employment contract with Crédit Agricole S.A., Yves Perrier is covered by a supplementary retirement plan for senior executives 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 plans combine a defined-contribution plan (Article 83 of the French General Tax Code) and a top-up defined-benefit retirement plan (Article 39 of the French General Tax Code), the contingent rights of which are crystallized from 31 December 2019 and remain determined after deduction of the annuity constituted within the defined-contribution plan. Upon entitlement, Yves 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 Ceiling maximum as of that date, and at 70% of reference compensation. These plans were instituted by means of collective referendum agreements and their termination by Crédit Agricole S.A. would imply denunciation of these agreements with a notice period of three months. **Defined-contribution retirement plan** Contributions to this scheme, calculated on the basis of the gross salary, capped at eight times the annual social security ceiling, are set at a rate of 5% paid by Crédit Agricole S.A. and 3% by Yves Perrier. It also includes contributions to the supplementary retirement plan of agricultural organisations resulting from the agreement of 31 January 1996 (the so-called "1.24% plan"). **Defined-benefit retirement plan** In accordance with the Order of 3 July 2019, the rights of this defined-benefit pension scheme were crystallized on 31 December 2019. No additional rights will be granted for periods of employment after 1 January 2020, and the benefit of these past duties remains uncertain and is conditional on his continued employment. Management of the defined-benefit retirement plan is outsourced to an organisation governed by the French Insurance Code. The financing of outsourced assets is carried out through annual premiums financed in full by Crédit Agricole S.A. The main characteristics of the aforementioned retirement plans are identical to those described in 2.4.3.3.3 of this Universal Registration Document.

In accordance with Article L. 225-37-2 II of the French Commercial Code, the following resolution will be submitted to the Annual General Meeting called to approve the financial statements for the year ended 31 December 2019:

Approval of the compensation policy applicable to the Chief Executive Officer for the 2020 financial year

The General Meeting, acting within the conditions of quorum and majority required for general meetings, and having reviewed the report on corporate governance, in accordance with L. 225-37-2 II of the French Commercial Code, approves the compensation policy for the Chief Executive Officer for the 2020 financial year as presented in the corporate governance report set out in Chapter 2 of the Universal Registration Document."

3 AMUNDI, A RESPONSIBLE FINANCIAL INSTITUTION

Key figures

Commitment 1

Acting as a responsible financial institution

Responsible investment assets

€323.5 bn

of which ESG assets

€310.9 bn

of which environment assets

€12.3 bn

of which strictly social enterprise fund assets

€0.3 bn

Commitment 2

Making individual and collective development central to our responsibility as an employer

2019 Engagement score

67%

Training rate

55%

Percentage of women among executives

28%

Commitment 3

Acting as a community minded, eco-aware citizen

Carbon emissions Energy and business travel

11,754 tCO_2

Amount of contributions

€2.3 m

Purchases from sheltered sector companies

€0.5 m

By law, Amundi is not required to issue an Extra-Financial Performance Report (DPEF) insofar as Crédit Agricole S.A., its parent company, draws up a consolidated DPEF for the Group that incorporates the extra-financial information of its subsidiaries and is published in its annual universal registration document.

Acting as a responsible financial institution is a core commitment of Amundi's development strategy. This commitment is reflected in our responsible management and the offer of responsible investment solutions tailored to our customers' needs. Our commitment is also reflected in our corporate societal and environmental policy (CSR).

Amundi's CSR commitments are based in Crédit Agricole's new Group Project and its guiding purpose: "Acting in the interests of our clients and society every day". Since its values have been at the heart of its commitment from its creation, Amundi fully identifies with the three flagship projects that form the bedrock of the Crédit Agricole Group's development: – the customer project, which seeks interpersonal excellence, – the human project, which is based on responsibility, – the societal project, which focuses on supporting sustainable development.

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 illustrate how the Company takes into account, and satisfies, the expectations of its stakeholders.

3.1 AMUNDI'S CSR COMMITMENTS

3.1.1 Amundi's CSR challenges

As a pioneer in the field of responsible investment, Amundi has implemented a policy that seeks to incorporate environmental, social and governance (ESG) criteria into its management strategies, beyond traditional financial analysis. We developed as well specific initiatives to promote the energy transition and support the social and solidarity economy. As a leading European asset manager with more than €1,653 billion in assets under management as of the end of 2019, Amundi launched an ambitious three-year action plan in autumn 2018 to take its ESG commitments to a new level.

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

Furthermore, considering the general issues inherent to asset managers, Amundi's specific challenges, the commitments of the Crédit Agricole Group 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.

The identified non-financial risks are listed in Chapter 5 of the Amundi Universal Registration Document regarding risks.

3.1.2 Amundi's participation in the Crédit Agricole S.A. Group's FReD initiative

Since 2012, the Crédit Agricole Group has deployed the FReD initiative[1] in its various entities, including Amundi. This tool for managing and measuring progress in the area of CSR makes it possible to manage the challenges of CSR and promotes the involvement of the executives and of the entire workforce. In 2019, FReD became the tool for implementing and managing the social and environmental commitments made as part of the Group's 2022 objectives. The participative approach consists of defining 12 projects each year to be implemented in each entity in the three areas of CSR: economy, society and environment.

3.1.3 Amundi's non-financial ratings and participation in socially responsible stock market indices

Since its IPO in 2015, Amundi has received several non-financial ratings, confirming Amundi's CSR performance:

- "Advanced" rating from Vigeo Eiris, with the best score (68/100) in its sector;
- "Prime" rating from ISS ESG with a score of B-;
- ranked 116th out of 673 financial companies in terms of CSR performance by Sustainalytics;
- rated A by MSCI;

The Amundi share is included in the British FTSE4Good index and the Euronext Vigeo Eiris indices: World 120, Europe 120, Eurozone 120 and France 20.

(1) FReD is an acronym for FIDES (economic element), RESPECT (social and societal commitments) and DEMETER (environmental actions). For more information on the FReD initiative, see: https://www.credit-agricole.com/en/responsible-and-committed/our-csr-strategy-partnering-a-sustainable-economy/fred-an-original-csr-approach

3.1.4 Charters and securities market practices to which we are committed

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:

Charters	Date of entry or signature
United Nations Global Compact	2003
Founder of the Principles for Responsible Investment	2006
Charte de la Diversité (Diversity Charter)	2008
UNEP FI	2014
Charte de la Parentalité (Parenthood Charter)	2015
Charte des Achats responsables (Responsible Purchasing Charter)	2018
Women in Finance Charter (Amundi UK)	2019

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 is notably a member of the AFG[(1)], EFAMA (whose Responsible Investment Group is now co-chaired by an Amundi representative), IFA, ORSE, SFAF, French, Spanish, Italian, Swedish, Canadian, Japanese and Australian closed-end investment trusts, and of the French association "Entreprises pour l'Environnement". Amundi is also a member and director of Finansol.

As a key player in the management of assets, Amundi has played an active part in the work and consultations surrounding the European projects for the regulation of ESG investment: disclosure regulation, benchmark regulation (Climate Transition Benchmark and Paris Aligned Benchmark) and taxonomy regulation. Amundi has contributed to the work of the AFG, particularly the work monitored by the "Responsible Investment Committee". Amundi strives to reconcile the effectiveness of markets and of its asset management business with the promotion of a more responsible investment model that is more oriented to serving the economy. As a European leader in asset management and pioneer of SRI management, Amundi has been able to share its vision and experience with the various players involved in the project in Brussels, following on from the contributions already made in 2017 and 2018 at the HLEG (High-Level Expert Group on Sustainable Finance).

More generally, Amundi has contributed to the regulatory work carried out by the AFG, AFIC, ASPIM and AMAFI and Paris Europlace for France, as well as that of the EFAMA in Brussels and the AFME and ICMA in London. Lastly, Amundi's subsidiaries in Europe belong to the professional associations of their respective countries.

Amundi has responded to more than 20 consultations on European or French regulations under development or revision.

Amundi's support for collective initiatives

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

(1) AFG: Association Française de la Gestion financière (French Asset Management Association); AFIC: Association Française des Investisseurs pour la Croissance (French Association of Investors for Growth); ASPIM: Association française des Sociétés de Placement Immobilier (French Association of Real Estate Investment Trusts); AMAFI: Association française des Marchés Financiers (French Association of Financial Market Professionals); EFAMA: European Fund and Asset Management Association; AFME: Association for Financial Markets in Europe; ICMA: International Capital Market Association; IFA: Institut Français des Administrateurs (French Directors' Institute); ORSE: Observatoire de la Responsabilité Sociétale des Entreprises (Corporate Social Responsibility Observatory); SFAF: Société Française des Analystes Financiers (French Society of Financial Analysts); SIF: Sustainable Investment Forums.

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
Extractive Industries Transparency Initiative (EITI)	Responsible management of natural resources	2006
UN Global Compact Engagement on Leaders & Laggards	ESG Reporting	2008
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
Clinical Trials Transparency	Clinical trials	2014
Human Rights Reporting and Assurance Frameworks Initiative (RAFI)	Human rights	2014
Portfolio Decarbonisation Coalition	Climate change	2014 (co-founder)
Asia Corporate Governance Association (ACGA)	Governance	2014
UNEP FI	Climate change	2014
UNPRI Letter Calling Stock Exchanges to put in place voluntary guidance for issuers on reporting ESG information by the end of 2016	ESG Reporting	2015
IGCC Letter to 77 EU companies on their positions and lobbying activities on EU Climate and Energy Policy	Climate change	2015
PRI Human Rights Engagement	Human rights – ESG Reporting	2015
Paris Green Bonds Statement of the Climate Bonds Initiative	Climate change	2015
Montreal Carbon Pledge	Climate change	2015
Green Bonds Principles	Climate change	2015
Finance for tomorrow	Sustainable finance	2017
Workforce Disclosure Initiative Letter	Working conditions – Corporate reports	2017
Climate 100+	Climate change	2017
Global Green Bond Partnership	Climate change	2018
Living Wage Financials	Living wage	2018
Act4nature	Biodiversity	2018
One Planet Sovereign Wealth Fund Asset Manager Initiative	Climate change	2019
Operating Principles for Impact Management	Sustainable finance	2019
FAIRR	Animal welfare	2019
Investor statement on deforestation and forest fires in the Amazon	Climate change	2019
Investor letter on climate related lobbying to Australian extractives sector	Responsible management of natural resources	2019
The Japan TCFD Consortium	Climate change	2019

3.1.5 Application of the duty of vigilance

The French law on the duty of vigilance of parent companies and contracting companies applies to the Crédit Agricole S.A. Group, which is obliged to prepare and implement a vigilance plan to better identify and prevent the risks of serious impacts from its activities on fundamental human rights and freedoms, personal health and safety and on the environment.

Crédit Agricole S.A., as the Parent company, reports on the effective implementation of the measures laid out in the vigilance plan for the Crédit Agricole S.A. Group as a whole, and therefore including Amundi. Further details on the Crédit Agricole S.A. Group's vigilance plan are presented in Chapter 3 of the 2019 Registration Document.

3.1.6 Respect for human rights

The commitment to respect human rights is fundamental at Amundi, both as an advocate of responsible management and as an employer. Respect for human rights is one of the criteria used to rate issuers and, together with the environmental criteria, constitutes the basis for Amundi's exclusion policy (see section 2.1 Promoting responsible finance). Specifically, respect for human rights is taken into account in the ESG rating through the criterion "Local communities and human rights". When a business commits serious and repeated human rights violations without taking effective measures to remedy those violations, this constitutes a breach of the 10 principles of the Global Compact. Following discussions with that business, Amundi can therefore exclude it from its investment universe.

The human rights aspect is also present in the analysis of the supply chains of businesses in some sectors where vigilance is particularly important in order to prevent human rights violations. Particularly migrant workers, who are at greater risk, require special attention in the context of monitoring programmes that can be put in place by ordering companies.

This commitment is also reflected in Amundi's HR policy, in the form of actions to promote diversity, the fight against discrimination, the importance of social dialogue and collective bargaining, and compliance with freedom of association (see sections 3.1 HR policies and 3.2 Employer-employee communication).

3.2 ACTING AS A RESPONSIBLE FINANCIAL INSTITUTION

Acting as a responsible financial institution is a key priority for Amundi, hence placing ESG integration and green finance at the heart of its development strategy. Amundi encourages issuers to adopt best industry practices and offers responsible investment solutions to its clients. Our top commitment is also to provide our clients with high-performing, transparent investment and saving solutions as part of a long-lasting relationship based on trust.

3.2.1 Promoting responsible finance

Amundi's objectives

Amundi has made responsible investment one of its founding pillars since it was created in 2010. As a pioneer in this field, the Group was one of the founding signatories of the Principles for Responsible Investment (PRI) in 2006. This choice is based on two convictions. The first is that of having a clear conscience with respect to investors' responsibility to allocate savings by taking into account not just financial criteria but also its impact on society in general. The second is the conviction that taking into account environmental, social and governance (ESG) criteria in investment policies has a positive impact on financial performance.

In 2018, Amundi announced an ambitious three-year action plan that aims to deploy the integration of ESG issues throughout its management activities. This announcement supports and strengthens the commitment made by the Group to society and investors since its creation:

- ESG (environmental, social and governance) analysis will be incorporated within the management of all open-ended Group funds within three years;
- the voting policy applied at General Meetings will automatically take into account the ESG ratings of companies;
- the advisory services specifically tailored to Amundi's institutional investor clients will be enhanced to help support their ESG strategies;
- specific initiatives promoting investments in environmental and social impact projects will be doubled;
- investments in the social and solidarity economy will be doubled.

Assets

As of 31 December 2019, Amundi posted more than €323 billion in assets under management through responsible investment, almost 19.6% of its global assets.

Assets under management	**€1,653.4 billion**
Assets under management after exclusion of G-rated issuers	**€1,564.8 billion**
Responsible investment assets under management at 31 December 2018	**€323.5 billion**
ESG funds and mandates *(ESG over/underweighting, special exclusions based on Amundi or client guidelines or requirements)*	€310.9 billion
Specific initiatives	
■ Environment (climate, energy transition, water, natural resources)	€12.3 billion
■ Strictly social enterprise funds	€0.3 billion

Specialised resources

Since its creation, Amundi has chosen to incorporate ESG into the heart of its asset management, with a dedicated team of some 30 specialists including:

- 12 ESG analysts. Based in Paris, Tokyo and Dublin, they meet, engage in and maintain dialogue with businesses to improve their ESG practices and are in charge of rating them. These analysts use data from eight providers of information and non-financial ratings;
- 5 dedicated specialists in the voting and commitment policy towards businesses in which Amundi is invested;
- 3 quantitative analysts in charge of analysing the performance of ESG signals upstream and downstream of the portfolio's construction, for better integration in the management process;
- a real time distribution interface granting the fund managers access to the ESG ratings of issuers (corporates and states), in the same way as financial ratings;
- many departments involved in assisting, reporting and supporting Amundi's responsible investment process.

Governance dedicated to the ESG policy

With the support of these teams, Amundi hosts four committees, which are regularly monitored by Amundi's Chief Executive Officer:

- the ESG Strategic Committee, to define and validate the ESG policy and the Amundi Group's strategic guidelines;
- the ESG Rating Committee, to define and validate the ESG rating;
- the ESG Voting Committee, to examine and validate Amundi's commitments and exercise of voting rights, and to ensure the consistency of these with the key ESG engagement themes;
- the Social Impact Committee, to cover the investment strategies regarding social and solidarity themes in unlisted companies (investment capital and private debt).

A comprehensive offering and a certified SRI process[1]

Amundi uses the expertise of the whole Group to offer its individual and institutional clients a wide range of open-ended funds and tailor-made responsible investment solutions that take account of ESG factors. To meet the diverse range of needs, objectives and motivations of its investors in terms of responsible investment, Amundi has developed solutions incorporating ESG criteria, combined with specific initiatives to enable investors to address environmental or social issues.

Since 2013, Amundi's SRI process has been certified by AFNOR, a recognised independent body. This certification guarantees the quality and transparency of its SRI process.

Work of the Médicis Committee in 2019

Amundi supports the rise of this think tank dedicated to studying the responsibility of economic and financial players. The Médicis Committee heads an examination of the principles, techniques and impacts of responsible investment, from which economic and financial players can be inspired. It studies the major social responsibility challenges posed by the economic, technological and political transformations to businesses, both globally and locally. The Médicis Committee has a twofold objective: to inform Amundi's definition of its investment policy and, more broadly, to contribute to societal debate by allowing Amundi to assume and fully exercise its societal role.

In 2019, the Médicis Committee organised two public events: the first one in July with climatologist Jean Jouzel and the Chairman and Chief Executive Officer of Total, Patrick Pouyanné, on the theme of a fair ecological transition, and the second one in December to explore the links that bind companies to their nationality.

Amundi's ESG policy

ESG analysis at the heart of our responsible investment process

Amundi's ESG analysis methodology is based on a Best-in-Class approach. This approach consists of rating businesses on their ESG practices in their respective sectors on a scale from A (highest rating) to G (lowest rating). In order to rate more than 8,000 issuers worldwide, Amundi's ESG rating is initially based on a consensus between the analyses of partners who supply extra-financial data.

The ESG analysis of companies is based on documents with universal applicability such as the United Nations Global Compact, the OECD Guidelines on Corporate Governance, those of the International Labour Organisation (ILO), etc. Amundi now incorporates the issue of animal welfare into its non-financial rating criteria for issuers in the food industry. Our ESG analysis is applied to all traditional asset classes including equities, bonds, money markets and multi-asset, as well as to real and alternative asset classes such as private equity, private debt, real estate and infrastructure.

In 2019, Amundi was once again recognised for the quality of its ESG analysis and its ability to integrate ESG criteria into its various management activities:

- the annual evaluation by the PRI – Principles for Responsible Investment – awarded Amundi an A+, the best possible rating, in the "Strategy & Governance" category regarding responsible investment;
- Amundi was once again placed at the top of the Extel 2019 classifications in the category "100 largest management companies for pan-European funds in terms of ESG/SRI" in France, and 10th in Europe.

A targeted exclusion policy

Amundi applies a targeted exclusion policy, which is the pillar of its fiduciary responsibility. It is applied in all its active management strategies and consists of excluding companies whose practices do not comply with ESG convictions or with international agreements and frameworks and their transposition into national laws.

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

Amundi therefore excludes the following activities:

- any direct investment in businesses involved in the manufacture, trading, stocking or servicing of anti-personnel mines or cluster munitions, in accordance with the Ottawa and Oslo conventions;
- businesses producing, stocking or marketing chemical, biological and depleted uranium weapons;
- businesses that severely and repeatedly contravene one or more of the 10 principles of the Global Compact.

These are G-rated issuers according to Amundi's rating system.

Moreover, Amundi follows specific sectoral policies for the controversial industries of coal and tobacco.

Coal policy

In 2016, Amundi made the decision to disengage from issuers that derive over 50% of their revenues from coal extraction, in accordance with the Crédit Agricole Group's commitments to combating climate change and managing the energy transition. In 2017, this threshold was reduced to 30%, and then 25% in 2018. In 2019, Amundi extended its coal policy to companies operating in power generation. It also excludes all companies with revenue from coal extraction and power generation from coal equal to or greater than 50% of their total revenue(1), as well as all power generation and coal extraction companies with a threshold between 25% and 50% that do not intend to reduce the percentage of their revenue derived from those activities.

Tobacco policy

In 2018, Amundi decided that the ESG rating of a company generating more than 10% of its revenue from tobacco could not be higher than E (suppliers, manufacturers, distributors). This therefore excludes them from our range of SRI funds, which historically excludes issuers with ratings of E, F and G.

In 2019, 319 issuers (Corporates and States) were excluded from the managed portfolios(2).

An active engagement policy

Amundi has set up a strong engagement policy based on three main approaches: engagement for influence, ongoing engagement and engagement by voting. This policy 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. The ESG analysis and Corporate Governance teams publish this work in an annual engagement report, available at www.amundi.com. In 2019, the engagement for influence focused on the themes of the living wage and the practices of banks in the context of issuing green bonds.

Ongoing engagement

To refine the ratings provided by the ESG analysis, the non-financial analysts meet with companies throughout the year. These are selected based on the capital share owned by Amundi and the relative size of the holding in the portfolios or in the benchmark indexes. In 2019, Amundi's non-financial analysts met with 262 companies.

Voting and shareholder dialogue

Since 1996, Amundi has followed its own voting policy(3), updated annually, that includes environmental and social criteria. Amundi exercises its voting rights at the Annual General Meetings (AGM) of companies in which its portfolios are invested.

Our voting policy meets a threefold objective: to protect the interests of shareholders, to formalise and make public our expectations in terms of governance with issuers and to engage in dialogue with the issuers prior to the AGMs and throughout the year on topics related to effective governance and the transparency of compensation policies. Shareholder commitment is also a lever with increasing influence in favour of a low carbon economy, which has intensified since 2017, in line with the movement initiated by COP 21.

Shareholder dialogue, through constructive and regular discussions, aims to refine our expectations as a responsible investor regarding the resolutions presented to the AGMs. We engage in this type of dialogue with issuers that hold the top positions in our portfolios. This involves sending pre-alerts before the AGMs aiming to obtain additional commitments, amendments, or even the removal of certain resolutions presented by the issuers. In 2019, 164 discussions with issuers took place.

Voting campaign	2019
AGMs dealt with	3,492
Resolutions dealt with	41,429

In 2019, we broadened the voting scope compared to 2018 by voting in all European issuers regardless of the percentage of shares held by Amundi (we had previously only voted in those with a threshold of 0.05% or more of share capital). This change explains the significant increase (+18% and +17% respectively) in the numbers of AGMs and resolutions we dealed with.

Amundi drew the attention of issuers to two themes considered essential: climate change and growing inequalities. This is why we have carefully examined the information on greenhouse gas emissions and the commitments made by companies with regard to reducing and compensating for those emissions. In the meantime, we have encouraged the publication of the pay ratio (the ratio of executive compensation to average employee compensation), which we will analyse considering the company's results and the practice in the sector and country of operation.

The gradual introduction of ESG criteria in our voting policy encourages us to maintain a richer dialogue on the non-financial performance of issuers. Particularly, we consider the involvement of the Board and governance bodies in these matters to be essential. We therefore strongly recommend the

(1) And generating less than 25% of their revenue from coal extraction.
(2) Excluding index funds and ETFs constrained by their reference index.
(3) A report on voting rights exercised and shareholder discussions, updated half-yearly, is available on the Amundi website (www.amundi.com).

publication of an integrated report or, if this is not possible, a social and environmental report that allows us to assess how the societal challenges are addressed and what objectives the company has set itself in this area.

Conversely, Amundi is committed to a transparent approach in which, as far as possible, it informs issuers if it intends to vote against them.

Beyond the 2019 voting campaign, the short- and medium-term objectives are to continue broadening the voting scope to better integrate the internal ESG ratings into our voting policy and to increase our dialogue with issuers, particularly those against which we cast one or more opposing votes in 2019.

In the context of exercising the voting rights of its UCITS-type funds, Amundi may be faced with situations where there are conflicts of interest, particularly with Group entities. To avoid this contingency, a procedure has been set up allowing those conflicts to be resolved. It is primarily formulated around a pre-established list of issuers where a potential conflict of interest has been identified as a result of the links between Amundi and the issuers in question. For these companies, the proposals for voting on resolutions will, in line with Amundi's voting policy, be submitted to the Voting Committee (chaired by Amundi's Deputy CEO) for validation ahead of the AGM.

Climate action

At a time when climate change represents a major medium- and long-term risk and a successful energy transition is a key challenge, Amundi pursued its commitments in favour of the energy transition and a low-carbon economy in 2019. Its commitment and initiatives are part of the Crédit Agricole Group's Climate strategy adopted in June 2019 and the governance implemented for that purpose.

As of 31 December 2019, assets supporting the energy transition and green growth reached €12.3 billion, an increase of almost 50%.

Amundi offers turnkey investment solutions in the form of either open-ended funds or bespoke funds run as investment mandates or dedicated funds. These solutions are part of a range of financial innovations: low-carbon index solutions, green bond funds, thematic funds, joint management company with EDF, etc., and form part of a series of actions aiming to mobilise investors in the transition to a low carbon economy, such as the strategic partnership with the European Investment Bank (EIB) or the participation in the Executive Committee of the Green Bond Principles.

Financing the energy transition

Investments in green finance most often relate to the areas of energy efficiency and green infrastructure. They are designed to address the environmental, social and economic issues that represent the increasing scarcity of natural resources, as well as the management of environmental damage linked to water, air, soil, waste and ecosystems.

As part of our climate solutions package, we offer topic-based funds dedicated to financing the energy transition. The *Amundi Valeurs Durables* and Amundi Equity Green Impact funds created for international clients are invested in shares of European companies that derive a minimum of 20% of their revenue from the development of green technologies. They take Amundi's SRI criteria into consideration and exclude companies that produce fossil fuels and nuclear energy.

For investors seeking bond products that contribute to the financing of the energy and ecological transition, Amundi offers funds invested in Green Bonds. At 31 December 2019, such assets managed by Amundi are worth €2.5 billion.

In 2019, Amundi carried out major initiatives to develop green assets:

- In terms of its offering, Amundi launched a green bond fund in partnership with the European Investment Bank (EIB) to accelerate energy transition projects in Europe. The objective of the "Green Credit Continuum" fund is to finance European environmental objectives, to promote the development of new market instruments and to facilitate access to the market for smaller businesses and green projects, while also offering attractive returns for investors. The aim is to raise €1 billion by developing the green debt market in Europe beyond the existing green bonds.
- In the same year, Amundi and the AIIB (the Asian Infrastructure Investment Bank) launched a fund to further climate action, the Asia Climate Bond Portfolio. This investment programme, which consists of a bond portfolio of USD 500 million, aims to combat climate change. Amundi and the AIIB have developed an innovative framework, the Climate Change Investment Framework, which considers three variables – green financing, limitation of climate risks and resistance to climate change – to analyse the ability of issuers to confront climate change. In addition to this bond portfolio, the programme plans to leverage an additional 500 million US dollars from institutional investors wishing to take part in the fight against climate change.

In 2016, Amundi signed a partnership with EDF that falls within the context of the financing of the energy transition. Known as "Amundi Energy Transition" (AET), the goal of this partnership is to offer institutional investors managed funds in the fields of energy infrastructure and B2B energy efficiency. Amundi Energy Transition invests in real assets associated with the production of renewable energy (wind, solar, etc.) and the improvement of energy efficiency (co-generation, heating networks, etc.), the performance of which is not correlated to the performance of the financial markets. AET has an investment capacity of 2 billion and, in under three years, has generated the equivalent of one of the last five coal-fired power stations in France, *i.e.* 700 MW, through more than 200 green energy generation and energy efficiency facilities: wind farms, solar power plants, co-generation facilities (gas and wood).

Portfolio decarbonisation

The objective of these solutions is to reduce the carbon impact of portfolios by reducing the portfolio weighting of issuers that emit a significant amount of CO_2 or those holding fossil fuel reserves that may not be exploitable. In September 2014, Amundi was among the first to launch an index-based management offering, based on the MSCI Global Low Carbon Leader Indexes. Amundi's low carbon solutions today represent total assets of almost €4.7 billion.

The carbon footprint of the portfolios

Amundi chose Trucost, the world leader in environmental research and carbon data, to calculate the carbon impact[1] of its funds. This enables us both to satisfy the quantitative provisions of Article 173 regarding 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.

Social and Solidarity Impact Investing

In 2019, Amundi continued to reinforce its social and solidarity impact investment activity in line with its ambition to become the sector leader and double the assets of the Amundi Finance et Solidarité solidarity fund in 2021.

At the same time, the business line laid the initial foundations of a similar offering on a European scale. The long-term objective is to offer a vehicle for investing in the social companies of European countries in which the Crédit Agricole Group and Amundi have a strong presence. To this end, there are currently proposals at an advanced stage of study, particularly in Italy.

With growth of more than 20% in its assets under management, Amundi's social impact management experienced significant development in 2019. This growth is the result of a growing interest among individual customers, *via* solidarity-based employee savings schemes, and among institutional investors, in responsible investments.

Amundi has chosen five impact investment themes covering the majority of the 17 Sustainable Development Goals (SDGs)[2]. They seek to address the fundamental needs of men and women: to have access to proper housing, to have access to recognised work, to have access to healthcare, education and appropriate training, to protect the environment, and to support solidarity entrepreneurship. These factors combined help ensure stronger social cohesion.

In 2019 we pursued our strategy for the long-term financing of regional solidarity funders that support start-ups or small businesses. We intend to strengthen our partnerships in order to better identify and support fast-growing new businesses in an innovative economy that provides solutions to the societal challenges of today and tomorrow.

We are currently financing 39 solidarity companies, including 7 new ones in 2019: Auxilife, Les Opticiens mobiles, My Retail Box, Bathô, Quinola, CMS and SEEA, which are active specifically in the health/wellbeing, education, employment/inclusion and farming support sectors. These companies were subject to a twofold financial and social impact analysis based on our in-house methodology. This internal analysis model helps us select, among the hundred or so businesses we meet every year, those best equipped to have a long-term social impact along with a long-term outlook for growth as a business. The shortlist is then presented to the "Impact Committee" of the Investment Committee, chaired by a member of Amundi's Senior Management. They are regularly monitored and a report is prepared, covering their positive impacts in accordance with jointly-defined key performance indicators.

On the other hand, some of the portfolio companies have had their support reinforced in line with their new requirements. Chief among these are the La Varappe Group, Miimosa, Etic and Forest Finance. The disposal of Bretagne Atelier, which was able to regain momentum thanks to Amundi's actions, is also worth noting.

In terms of innovation, a website dedicated to the investments of Amundi Finance et Solidarité was launched: https://amundi.oneheart.fr/. It offers our partners external visibility while also allowing every shareholder to be aware of the most recent specific achievements of the businesses being supported.

Amundi also calls regular meetings of its social impact partners to discuss the challenges and issues in the social enterprise economy and to put together, with their input, ways of advancing social impact finance. At the end of 2019, the annual meeting of our Partners Club brought together the various parties, as an opportunity to get to know each other better and to build potential partnership projects. This is one of the key assets of our know-how.

Solidarity-based savings – Key figures	2019
Assets *(in € millions)*	3,340
Variation 2018/2019	+20.2%
Number of social companies financed	39
Number of Finansol certified funds	18

The commitment of the Real and Alternative Assets division

Amundi Immobilier

Since 2010, Amundi Immobilier has been committed to a responsible approach and takes part in numerous industry discussions and initiatives on Responsible Investment, including its participation in the OID (Observatory for Sustainable Real Estate) and ASPIM working groups to create a SRI label for real estate funds. Since 2012, Amundi Immobilier has adhered to its own Responsible Investment Charter which enables the definition and application of an ESG approach within all its business lines. The Charter is based on an auditing tool which helps assess the environmental and social performance of directly managed buildings. It was updated in 2018 to include climate-related issues. Each property in the portfolio is analysed using a variety of criteria, such as wellbeing, pollution, energy, water, transport, waste, carbon footprint of assets and carbon trajectory of assets, based on the 2°C objectives and exposure to climate risks. One of Amundi Immobilier's major actions in 2019 relates to the co-investment project with the French National Agency for Urban Renewal announced in June 2019. This project aims to create a fund that invests in co-working spaces in the 1,500 high-priority urban policy districts (*Quartiers Prioritaires de la Politique de la Ville*, QPV). Amundi's ambition is to help reinvent the link between private and public by offering new models for cooperation. The fund will incorporate ESG investment criteria and is therefore fully consistent with Amundi Immobilier's ESG approach.

(1) 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.

(2) SDGs: Global objectives derived from the Millennium Development Goals, which the signatory countries have undertaken to achieve over the course of 15 years (2015-2030).

Amundi Private Equity Funds

Following Amundi's example, Amundi PEF has incorporated the ESG approach for over five years as a lever for creating value in its investment decisions and throughout the holding period for its investments. 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. To expand this approach during the investment period, Amundi PEF analyses pertinent quantitative and qualitative ESG indicators. Amundi PEF also ensures that ESG issues are discussed in Board meetings and that these companies make progress on these issues throughout the duration of the investment (five years on average). Our commitment approach involves recommendations covering periods that vary in length, adapted to the Company and its sector. Amundi PEF and the extra-financial analysis teams are already integrated into the market working groups alongside the other investment capital players of the Parisian association France Invest. Amundi is also an active contributor to France Invest's ESG guide. In October 2019, Amundi Private Equity Funds joined the Initiative Climat International supported by the PRI. This has allowed Amundi Private Equity Funds to strengthen its commitments to sustainable development and the fight against global warming by signing the Initiative Climat's manifesto, undertaking to:

- take action to contribute, at its own level, to the Paris Agreement objective of limiting global warming to two degrees;
- contribute to the reduction of greenhouse gases from the companies in its portfolio and to implement a plan to adapt to climate change.

Private debt

Since its creation in 2012, the Private Debt business has applied the same ESG principles (adapted for private bonds) as those applied to Amundi's managed funds. The Private Debt ESG approach is based on an "upstream" approach applied by Amundi's ESG analysts who rely on the sectoral expertise acquired on listed companies, passed on by the Private Debt team managers and analysts *via* questionnaires and personal interviews. In 2019, Amundi's Private Debt team continued to go from strength to strength and to further diversify its expertise. It currently manages €5.8 billion in corporate senior debt, real estate debt and acquisition debt. Regarding corporate senior debt, the management team financed 18 businesses this year, selected in accordance with Amundi's ESG criteria.

3.2.2 Keeping the promise to clients

Our top commitment is to provide our clients with high-performing, transparent investment and saving solutions as part of a long-lasting relationship based on mutual trust.

Amundi is organised around two main business lines:

- supplying savings products that meet the needs of private individuals in our partner networks and of third-party distributors;
- developing specific investment solutions for our institutional clients and corporate clients' customers.

Since 2016, Amundi has been hosting an advisory committee composed of leading experts to discuss the global economic and geopolitical outlook, analyse its impacts on the financial markets in each of the major geographic regions and sharpen our understanding of clients' financial needs, particularly in countries where we have decided to establish a presence.

Developing a long-lasting relationship with partner networks and their clients

Amundi is a historic partner in four banking networks in France (Crédit Agricole Regional Banks, LCL, Société Générale and Crédit du Nord) and in 10 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 resources and services for their clients. Over 100 Amundi employees (centrally as well as in subsidiaries abroad) are assigned to work on relations with European and Asian partner networks.

Beyond the partner networks, Amundi is developing a growing business with other French and foreign distributor networks (banks, insurance companies, brokers), which most often distribute savings solutions built by Amundi using open architecture and intended for customers of their networks.

Amundi's dedicated teams in charge of these partnerships rely on the excellent knowledge held by each of these networks of the varied needs of their different client segments. They work closely with their correspondants on identifying the investment vehicles and services that are best suited to the needs of their clients. In this way, the characteristics of each product, the composition of the ranges on offer and the associated services and communication are developed together and validated periodically by Products and Services Committees.

At the global level, there have been important developments in Amundi's product range as a result of the incorporation of Pioneer, which was completed in 2019. Important work was carried out in 2019 to optimise the ranges resulting from this merger, leading to an improvement in the diversity and quality of products offered by partner sales networks, particularly internationally.

Know the needs of individual clients

Amundi works to ensure active regulatory and competitive monitoring, not only centrally from Paris but also locally with its contacts in each of the markets where its partner networks supply their products. The objective is to remain informed of local developments on each of its partners' markets in terms of savings behaviour and potential new savings solutions made possible by regulatory developments, and to monitor the offerings of competitors in order to help our contacts to offer their private clients the products that best meet their needs.

The theme of responsible saving is benefiting from growing interest from stakeholders in the management of assets and savers who are increasingly motivated to give more direction to their savings. In 2019, Amundi partnered with several institutional players in France to carry out a quantitative study implemented by MOAI, titled "Savings and Responsible Investment". In order to obtain precise responses and better understand the reality of behaviour in terms of responsible investment, the template was drawn up based on the usual representativeness criteria, but with the addition of a requirement of holding a minimum of €20,000 in financial assets and at least one savings product other than a savings account.

Product validation

The Products and Services Committee, a decision-making and governance body chaired each month by the Head of Retail Marketing, formally validates the creation and development of investment vehicle ranges and the associated services on offer. No product can be marketed without the favourable opinion of the Risk, Legal and Compliance business lines represented on this committee. Approval requests to supervisory authorities are then completed before the teams responsible for the product's distribution deploy all the necessary resources in conjunction with the partner networks.

Supporting our partner networks in France and abroad

For Amundi, developing the expertise of the teams of advisors of our partner networks when it comes to our savings products and solutions is a priority in order to satisfy clients' needs. To this end, the Amundi teams dedicated to those networks are deploying a large number of training programmes for their advisors. In France, the Caisses Régionales and LCL networks benefit from many interactive tools designed to provide their advisors with further training and information. Amundi also offers dedicated support in the form of meetings, either face-to-face or by telephone, web conferences, tutorials, etc. Amundi also provides its partners with a large number of support tools to keep them regularly informed on market news based on an analysis by its Research team and its Advisory team.

Measuring client satisfaction

Amundi is mindful of the opinions of its distributors, and in 2019 it continued to regularly measure the satisfaction of its two key distribution networks in France, Crédit Agricole and LCL, through the Client Recommendation Index. As in 2018, it measured the opinion and satisfaction of Amundi contacts in the management teams of these networks and of end-client advisors in the field (Individual Customer Advisors, Wealth Management Advisors, Private Banking Advisors, etc.). The number of employees surveyed has risen significantly year on year. The results for 2019 indicate a very high stability level in the satisfaction of respondents. These results reflect a productive collaboration between Amundi and its distributors CA and LCL. This approach was broadened in 2019 to several other networks internationally. At the end of 2019, the KB network in the Czech Republic and, in particular, the Unicredit and Crédit Agricole Italia networks in Italy launched their first campaign to measure the satisfaction of their contacts with their supplier Amundi.

In the employee and retirement savings universe, a satisfaction survey was carried out in 2019 on employee shareholders of Amundi client companies regarding their employee and retirement savings. With this survey, it is possible to measure their satisfaction with the benefits implemented on their behalf and to develop them. The level of satisfaction of private subscribers was 93%, more than 80% of which would be prepared to recommend Amundi ESR.

Establishing relationships of trust with our corporate and institutional clients and offering them solutions tailored to their needs

Institutional clients (Sovereign, Institutional, Corporate) expect an asset manager to have a detailed and thorough understanding of their specific needs and to provide appropriate solutions, all within a relationship of trust built over time.

To improve our knowledge of our institutional clients and their requirements, we look at a number of French and European studies and notably finance an annual survey of 150 European pension fund managers, enquiring about their perception of the market and their expectations. This year's theme was "Quantitative easing: the end of the road for pension investors". A study of how large Asian asset owners perceive ESG was also carried out in partnership with "The Economist".

A Client Recommendation Index measurement was launched on our main European institutional clients, with a satisfactory initial result. Of a sample of 201 European contacts, 65 clients responded, and the CRI was very good at 45. This study is planned to be repeated every year. In the employee and retirement savings universe, a study was carried out in 2019 on employee shareholders of Amundi client companies with regard to their employee and retirement savings, confirming a very high level of satisfaction with the benefits implemented on their behalf.

In 2019, the topic of responsible finance was prioritised as early as possible in all the events organised by Amundi or in which Amundi took part and spoke. Amundi took part in around 15 conferences regarding energy transition and climate risk. In addition, the different aspects of ESG were discussed at the Amundi World Investment Forum 2019.

Quality of client service

Amundi offers client service that meets the expectations and needs of its clients, whether this means setting up a dedicated fund or mandate, or as part of the operational, administrative and reporting aspects of its day-to-day relationships.

Following the acquisition of Pioneer, the integration of which was finalised in April 2019, Amundi's business lines are now present in all key financial markets, and the organisation of the Client Service department allows, in the majority of cases, contacts for every communication channel who can speak the client's language.

The Client Service Department stands behind the quality of the service rendered, the responsiveness and the honouring of the Group's commitments through its everyday interactions with all the links in the Amundi value chain. The company carries out a continuous effort to improve the quality of its services. To date, these commitments have meant that Amundi receives a very limited number of complaints.

The handling of complaints (which did not change in 2019) is a key component of the quality of the service provided to Amundi's clients:

- clients can contact Amundi through all communication channels available to them (email, phone, fax) and all complaints are centralised in the Customer Service Department;
- each complaint receives an acknowledgement of receipt or an initial response;

- answers are validated by the appropriate business line expert;
- requests are entered into the customer relationship management (CRM) tool by the client service department, which indicates: the name of the client – the topic of the request – the date of receipt – the date of acknowledgment of receipt – the person in charge of processing – the details of the reply – the closing date.

Amundi is committed to handling complaints as promptly as possible and to providing consistent and systematic quality in its answers. Where necessary, the implementation of action plans is monitored by the Risk Management Department's Permanent Control team. The complaints process is part of the set of monthly performance indicators. The main reasons for complaints identified in 2019 relate to the quality of the products (circulation of Net Asset Values or late reporting, for example) and, to a lesser extent, transaction disputes.

For Amundi, controlling the risks associated with the transactions entrusted to it by its clients is a major commitment. That is why Amundi renews the ISAE 3402[(1)] type II certification for its internal control system covering its institutional scope of Paris and London every year. This certification is the internationally recognised standard for 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.

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

Amundi has an integrated and independent control system to respect the orientations and constraints set by its clients. In this way, the Risk 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.

In order to ensure that clients are protected, Compliance validates all newly created products and substantial modifications of existing products above and beyond the regulatory requirements. 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.

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. This set of procedures is distributed to local managers and applies to all entities.

Having opted out of the Crédit Agricole Ethical Charter, Amundi developed its own Code of Conduct in 2019. This document applies to all entities in the Amundi Group, and the entire workforce has been made aware of it. It is also available on the website www.amundi.com. The Code guides the actions, decisions and behaviour of each and every person on a day-to-day basis to allow the business to vouch for its commitments and ensure it functions properly with respect to its various stakeholders: clients, suppliers, employees, etc. Particularly, its implementation meets the requirements imposed by the Sapin II law[(2)] on transparency, the fight against corruption and the modernisation of the economy.

Regarding training, all employees of the Amundi Group are trained *via* e-learning every three years on the main themes of compliance: Everyday Compliance, Prevention of External Fraud and the Fight against Corruption. The regular training cycle also includes the Prevention of Internal Fraud (every three years), the Fight against Money Laundering/Financing of Terrorism (every two years) and International Sanctions (every year).

In July 2016, for a term of three years, Amundi obtained the British Standards Institution Certificate of Registration (BSI) certification for its anti-corruption management system, thereby demonstrating to the regulator its desire to comply with best market standards.

As part of the actions implemented as part of the application of the provisions of the Sapin II law, a specific mapping of corruption risks was prepared and approved by Compliance with input from all of the departments and business lines affected (Procurement, Finance, Human Resources, Communication, etc.). After being completed and validated for the entities in France, work on defining the mapping of Amundi's international entities was launched at the end of 2019.

In 2019, no alerts were submitted to the Compliance Department email address alert@amundi.com. The decision to retain the Crédit Agricole Group's new alert tool, with initial deployment in France and the UK planned for the first quarter of 2020[(3)], was adopted. The tool will then be extended to the Group's other international entities.

Regulatory training provided in 2019 (France scope)

% employees trained	92%
Number of employees trained	2,024
Number of training hours	2,360
Number of training sessions	4,681
Number of training hours per employee	1.2

(1) *ISAE 3402: International Standard on Assurance Engagements 3402.*

(2) *Article 17 of the law requires the adoption of "a code of conduct that defines and illustrates the different types of behaviour to be prohibited as potentially characteristic of cases of corruption or influence peddling".*

(3) *Subject to the specific social norms of each country.*

Risk management

Controlling risks and honouring its obligations are basic to the relationship of trust that Amundi has with its clients. Amundi's Risk Management function is highly integrated, in order to give the Group a consistent, systematic approach to measuring and monitoring risks for all its activities.

This integration is based on a worldwide online business line organisation and the sharing of methodologies and tools common to all Risk teams, to ensure that everyone is speaking the same language. The organisation and controls deployed evolve regularly to ensure a risk management continually adapted to the Company's challenges and provide customers with the assurance that our explicit commitments and compliance with regulatory obligations are being implemented. Investments are audited by staff who are independent of fund management personnel. It is integrated with Amundi's Business Support and Audit Division, whose main mission is to protect the client's interest. Its role is to ensure, through a dedicated information system, that the investment constraints requested by clients or required by regulations are observed.

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 KIID (Key Investor Information Document), describing the conditions under 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 Management Department.

Business line headcount in Control departments *(at 31 December in FTE)*	**2019**
Compliance business line	100.3
Risk Management business line	212.7
Audit business line	39.4
As % of total headcount	8.0%

Data protection (GDPR)

In a context where everybody communicates personal data in an online environment, the Crédit Agricole Group has drawn up a charter for using its clients' personal data based on five principles: usefulness and loyalty, ethics, transparency and education, security and clients' control over the use of their data. The charter provides all the Group's employees, including Amundi's, with a reference framework both in France and internationally. It underlines the commitments made by the Group and the good practices that need to be observed.

Amundi provides its clients with information on the implementation of rights and procedures for processing the personal data it collects.

As an employer, Amundi guarantees that the personal data of its employees will be protected and that their private life will be respected by means of an employee charter. A charter for job applicants is also available.

In 2019, Amundi continued its actions to ensure compliance, including by publishing recommendations in its code of conduct to raise awareness among its employees and highlight good practice in the area.

3.3 MAKING INDIVIDUAL AND COLLECTIVE DEVELOPMENT CENTRAL TO OUR RESPONSIBILITY AS AN EMPLOYER

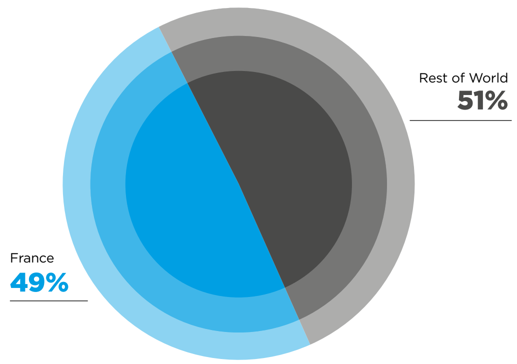
Amundi aims to foster the growth of its employees, personally and collectively, in order to serve the performance of the Company. Its human resources policy falls within the framework of the Human Project of the Crédit Agricole Group[1] and is divided into three areas:

- organising work in a way that reinforces the responsibility of each individual, particularly in terms of customer relationship;
- a foundation of managerial values to develop entrepreneurial and team spirit;
- a framework of trust that promotes the taking of initiative;
- collective actions of solidarity that reinforce cohesion within the business.

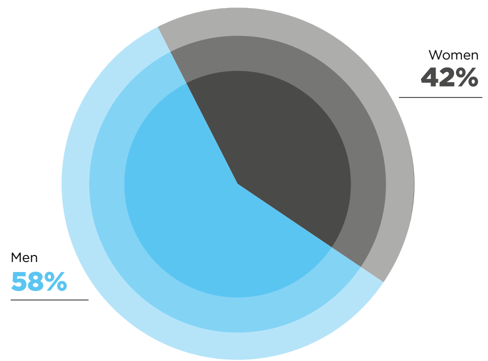
Amundi Identity Card (as of 31 December 2019)

As of the end of December 2019, the Amundi Group has 4,428.5 full-time equivalent (FTE) employees and a presence in 37 countries.

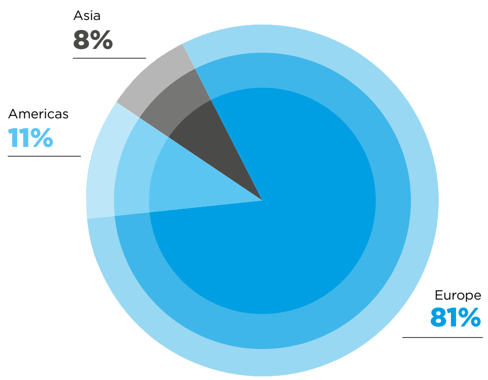
BREAKDOWN OF HEADCOUNT BETWEEN FRANCE AND REST OF WORLD



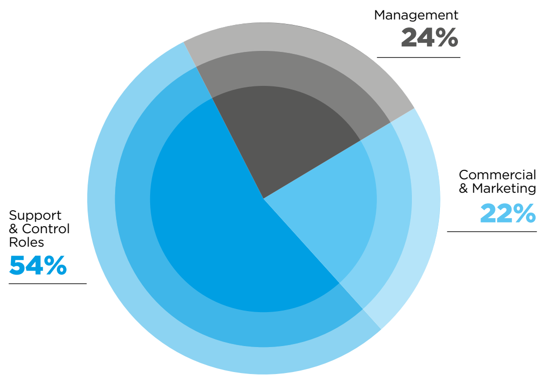
BREAKDOWN BY GENDER



BREAKDOWN OF HEADCOUNT BY GEOGRAPHIC REGION

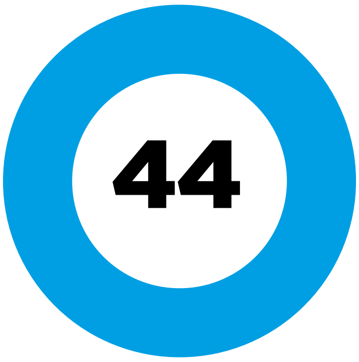


BREAKDOWN BY MAJOR BUSINESS LINE



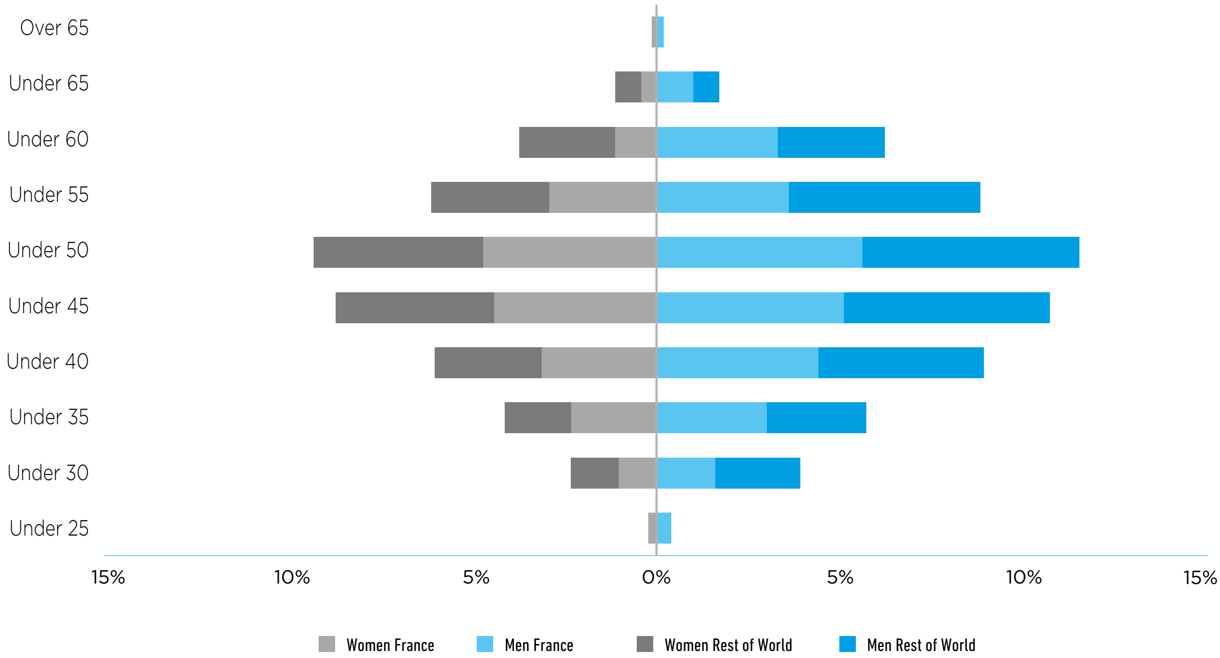
(1) See Crédit Agricole S.A. Registration Document 2019 – Chapter 3.

AVERAGE AGE



AVERAGE YEARS OF SERVICE

AGE PYRAMID



3.3.1 HR policies

Employment policy

Amundi operates a continuous process of adapting its workforce to the challenges of the company's productivity and development. Internal employees receive preference, which allows for long-term investment in the company's human resources.

Change in headcount

In 2019, the change in headcount reflected:

- **the finalisation of synergies:** the combined global headcount[1], excluding joint ventures, amounted to 4,428.5 full-time equivalent (FTE) employees as of 31 December 2019, meaning a net decrease of 450 FTE compared to December 2016[2];
- **support for developing skills and internalisation of service providers.** The internal headcount increased by close to 2%, while external staff decreased by 32%. The commercial sectors, including institutions and ETF, were strengthened to support the development of their respective markets. With the acquisition of "Mirae" in Taiwan, we increased our presence in Asia. Italy as well saw a 3% increase in headcount associated with the transfer of activities;
- **the resumption of selective recruitment:** in 2019, Amundi recruited 446 people, including around one hundred in IT services and middle office and 31 in the sectors of ETF and Smart Beta and the Real and Alternative Assets division. 32% of new staff members are under the age of 30 and 42% of newly hired employees are women. The turnover in 2019 was 7.1% (3.4% for France and 10.7% internationally), with a low resignation rate.

Permanent/fixed-term recruitment *(as an absolute number)*	**2019**
Worldwide	492
of which France	173
Permanent/fixed-term departures *(in number)*	**2019**
Worldwide	320
of which France	74

Internal mobility

For Amundi, internal mobility is a priority tool for adapting employment:

- functional mobility to anticipate changes in business lines and encourage employees to move towards developing sectors;
- geographical mobility to support the development of certain places of business and promote cross-functionality between countries.

In 2019, the number of internal transfers was 453: 60 transfers between countries were recognised, 226 for France and 167 in international entities. Our HR policies and tools aim to support employees, with special monitoring for those who change business line, and to enhance all the company's business lines. Management committees comprised of the human resources managers of each business line regularly review the positions that need to be filled and the employees being transferred, thereby promoting the coordination of supply and demand. In terms of individual support, in addition to interviews and career management, in 2019 Amundi began deploying a virtual coaching tool (JobMaker) to help employees prepare their personal development.

Training

Amundi considers training as one of the drivers of the development of the company. It implements a set of actions with the following objectives, which are directly linked to its strategic ambitions:

- to maintain a high level of performance in the position by ensuring a match between the activities, responsibilities and skill level required for each employee;
- to develop employability regarding professional projects and the company's needs.

The skills development plan is set annually to meet individual and collective needs in line with the company's structuring projects and the regulatory and technical developments in each business line.

As a contributor to both development and commitment, professional mobility is monitored on an individual basis and supported through training. Similarly, employees returning from long-term leave are trained without prior arbitration and over the course of the year as soon as the need is reported.

In the spirit of the new professional training reform, the responsibility for professional development is shared among all players. Employees now have access to internal and external resources to manage their employability in the best way possible (skills development plan, availability of internal training, external facilities such as CPF (*Compte Personnel de Formation*, Personnel Training Account), CEP (*Conseil en Évolution Professionnelle*, Professional Development Advice), VAE (*Validation des Acquis de l'Expérience*, Validation of Acquired Experience) etc.).

In 2019, the second version of Phileas (Amundi's digital training platform) made it possible to integrate the digital training needs of the international subsidiaries better by developing an approach per geographic region (Americas, Asia, Europe). Each region can integrate its digital training content autonomously, as far as possible in line with local needs. The Americas region is deploying its mandatory training programme for new recruits in this way. The user experience has been enhanced thanks to a more attractive interface and extended search options. This new version now has a total of over 2,300 users.

In terms of content, Phileas has been expanded with over 13 business training modules with the aim of providing a basic understanding of asset management, its environment and business techniques. These resources, which are particularly useful for integrating new employees, play a part in the effort to develop better commitment and bring direction to support roles, which are often far away from business issues.

(1) Headcount of Amundi Group consolidated and non-consolidated entities (excl. joint ventures).
(2) Amundi + Pioneer Investments proforma headcount.

Regarding ESG, a specific "Responsible Investment" digital module has been made available to employees on Phileas in French and English. In addition, a training programme was pilot tested to ESG analysts in 2019 and could be extended to a wider audience in 2020.

In terms of foreign language learning, the efforts that began in 2017 as a result of the merger with Pioneer Investment have been maintained with a high level of employee involvement. This has led to a 54% increase within two years in the use of the CPF facility within the company. Demonstrating its internationalisation and the mix of cultures within its offices, in 2019 Amundi supported 50 foreign visitors from other subsidiaries with a multicultural coaching programme and "French as a Foreign Language" courses.

In 2020, the training policy will be aimed at setting up an enhanced managerial training programme in France and internationally.

Training (excluding regulatory training)	31 December 2019
% of employees trained	55%
In France	64%
Internationally	44%
Average number of actions per employee trained	1.9
In France	1.7
Internationally	2.2

Individual management

To facilitate the implementation of an employment policy that places priority on internal mobility, and to allow everybody to evolve and develop within the Group, each employee has an assigned HR manager and individualised management.

In collaboration with the management team, individual management contributes both to the adaptation of resources to the needs of the business and to the individual development of employees. The organisation of individual management is aligned with the management structure and incorporates matrix management. It is set at an initial local level with a direct hierarchy, then organised by business line with dedicated contacts and a cross-sectional vision.

The role of the HR managers includes several levels of support:

- employee reviews between HR managers and management covering all scopes;
- succession plans put in place to ensure succession for key positions;
- support for employees in difficult circumstances.

These exchanges between HR and management are an opportunity to identify employees with high potential for development within the business. In 2019, the Group continued to galvanise these talent pools and put in place development programmes. The Novamundi programme, for example, brings together around a hundred employees and aims to create international communities of young people from every country and business line, working together on transformation projects.

Diversity and non-discrimination

In 2008, Amundi signed the Diversity Charter, in which it committed to comply with and promote the principle of non-discrimination. Amundi pursues a policy of respecting professional diversity, aiming to maintain dialogue with the main players on subjects such as disability, discrimination and gender equality. This commitment is specifically reflected in the requirement for fairness in the main human resources procedures: recruitment, compensation, training, evaluation and professional promotion.

Gender equality in the workplace

Amundi is a company that considers promoting equal opportunities not only to be a question of ethics but also a performance factor. With regard to gender equality in the workplace, our actions are driven by four key points:

- **vigilance with respect to the gender pay gap** for equivalent positions (see the section on the compensation policy on page 105);
- **support for women in attaining positions of responsibility.** our actions aim to eliminate all the obstacles (trust, visibility, representations, maternity) that could slow down their careers. In 2019, 31 women were supported through the various leadership training programmes (EVE programmes, Female Talent, Female Leadership). We have also significantly increased the consideration of gender diversity in HR processes: talent pools are now 41% women, consistent with the percentage of women in the company; one in three people in the succession plans for key posts in the company are women. Finally, the issue of diversity is now systematically addressed at People Reviews for all employees. We believe that the combination of actions taken should make it possible to achieve a 30% share of female executives in the medium term;
- **consideration of parenthood:** it is important for Amundi to allow women to combine motherhood and their careers. Amundi also includes men in its policy, as they are also affected by issues of parenthood and work-life balance. To this end, Amundi has decided, from 1 January 2020, to introduce 16 weeks of maternity leave in all its places of business worldwide, and to supplement this scheme with a systematic HR interview to prepare the return from maternity leave, as well as five days of paid paternity leave. These measures fall within the framework of the Crédit Agricole Group's Human Project[1] and that of the International Framework Agreement signed in July 2019 by Crédit Agricole S.A. and UNI Global Union. This agreement covers human rights, fundamental labour rights and the development of employer–employee social dialogue. It aims to allow all the Group's employees to take advantage of a single base of social benefits, regardless

(1) *See Crédit Agricole S.A. Registration Document 2019.*

of the country where they work, through a number of commitments to support people with disabilities as well as parenthood and personal prevention scheme;

- **sharing a common mindset within Amundi:** training, awareness, communication and the fight against unconscious bias and stereotypes are an integral part of Amundi's global action plan to achieve progress in the area of diversity. The training programme on the fight against discrimination continued in 2019. The programme, which is mandatory for managers and human resources recruiters, was extended in January 2019 to include all employees on an optional basis *via* a serious game hosted on Phileas. Between 2018 and 2019, 365 managers participated in the training. All managers in France will receive the training in 2020. Finally, the *"Amundi Women Network"*, which was created in 2017, had 440 members including 126 men as of the end of December 2019.

Percentage of women in the company	31 December 2019
Percentage of women in the workforce	42%
Percentage of women in management	34%
Percentage of women in senior executive positions[(1)]	28%
Percentage of women in the Executive Committee	19%
Percentage of women on the Board of Directors	42%

(1) The manager population corresponds to employees in the first tier of management of the Amundi Group, i.e. around 150 people.

Disability

In 2019, Amundi continued its voluntary activities to incorporate people with disabilities based on four pillars: recruitment, retention in employment, use of the sheltered employment sector and raising employee awareness. Amundi's Chief Executive Officer reaffirmed this commitment in 2019 by signing the manifesto for the inclusion of people with disabilities in the economy[(1)].

In France, the objective set by Crédit Agricole S.A.'s group disabilities agreement of recruiting 18 people with disabilities (all contracts combined: permanent and fixed-term contracts, work-study and temporary workers) within three years was achieved. In addition, Amundi is taking action to promote the incorporation of interns, particularly through its partnership with EREA Jean Monnet high school in Garches. As of 31 December, Amundi had 65 employees with disabilities.

Internationally, various actions were also taken to support people with disabilities, such as the additional five days of leave in Germany. In Italy, additional financial assistance has been set up for employees with disabilities. In Japan, in order to improve working conditions, teleworking has been implemented for some employees. In France, Amundi has been supporting the "Autistes Sans Frontières" association since 2018.

Change in the employment rate of people with disabilities* (France) at 31 December

2012	2013	2014	2015	2016	2017	2018	2019
2.13%	2.50%	3.15%	3.31%	3.86%	4.50%	4.34%	4.00%

* *Legal rate.*

Compensation

Amundi's compensation policy is based on three pillars that combine individual and collective performance. It takes into account the economic environment, competitiveness and the labour market. As these factors may differ from one country to another, Amundi adapts its compensation policy to local situations and regulations. The compensation policy is reviewed annually by the Compensation Committee chaired by an independent director and composed of directors that are either independent or who do not hold an executive function within Amundi. It complies with regulatory standards (AIFMD/UCITS V, MIFID and CRD IV).

The key components of Amundi's compensation scheme are as follows:

- a **fixed salary** in line with duties and responsibilities, taking into account specific local and market conditions;
- **variable compensation** which breaks down into an annual bonus determined by the manager, and a long-term incentive:
  - the annual bonus rewards an employee's contribution to Amundi's performance and is based on both individual and collective factors,
  - the Long-Term Incentive (LTI) is granted to a select group of key executives in the form of Amundi performance shares, designed to motivate managers to achieve financial targets set out in the Amundi Business Plan. Under the authorisation given by the Annual General Meeting of 16 May 2019, the Amundi Board of Directors approved the introduction on 12 December 2019 of a new performance share plan for certain beneficiaries. This plan follows the same objectives as previous plans, namely the alignment of the interests of the Group's senior executives in achieving the commercial and financial objectives of Amundi's Medium-Term Plan;

(1) https://handicap.gouv.fr/presse/communiques-de-presse/article/signature-d-un-manifeste-pour-l-inclusion-des-personnes-handicapees-dans-la-vie

- **collective variable compensation** which ensures employees in France share in the profits of Amundi's financial performance. The total amount is set as a function of a benchmark figure adjusted for changes in net income, in assets under management, and in the cost-to-income ratio. In 2019, the amount of collective variable compensation increased by 15% on average to reach more than €10,000 per year, in accordance with Amundi's 2018 results.

In 2019, Amundi's priorities in implementing the compensation policy were as follows:

- to promote the development of young employees and those who take on new responsibilities;
- to pay attention especially to entry-level salaries, which resulted in a rate of increase in entry-level salaries of 82% in the last campaign, as well as by the setting up of a purchasing power bonus.

Gender wage equality

The actions carried out by Amundi in 2019 dealt with two aspects: the static aspect and the dynamic aspect.

- The static aspect comprises the initiatives aimed at determining whether there is a difference in the treatment of men and women, by means of a calculation of the gender equality index. This index returned a score of 83 out of a maximum of 100 points, based on the following indicators: equality of rates of individual wage increases (excluding promotions), promotion rate, proportion of female employees whose wages were increased after returning from maternity leave.
- The dynamic aspect comprises all the actions aimed either at reducing unfair gaps or at preventing them before they arise. This aspect comes into play through initiatives that have been in place for several years:
  - financial packages aimed at reducing unfair pay gaps;
  - a guarantee to female employees returning from maternity leave of a pay increase equal to at least the average increase granted during the period of leave, as part of the annual compensation campaign. 100% of female employees returning from maternity leave benefit from this measure;
  - monitoring of gender equality in the annual compensation campaigns. Since 2016, in order to ensure that the principles of wage equality are applied properly, specific instructions have been given to managers at the beginning of campaigns, with HR verification at the end.

Employee share ownership

The development of employee share ownership is an integral part of Amundi's compensation and social benefits policy. A new capital increase transaction specifically for employees was therefore carried out in autumn 2019. This transaction allowed eligible employees to subscribe to Amundi shares with a 30% discount on the reference price. More than 1,300 employees have subscribed to this transaction, bringing the proportion of employee ownership of Amundi's share capital to 0.5% as of 31 December 2019. A director elected by the employees for a three-year term is responsible for representing the employees on the Board of Directors.

3.3.2 Employer–employee communication, psychosocial risk (PSR) prevention policy and quality of life in the workplace

Employer-employee communication

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 its development.

In France, social dialogue in 2019 was marked by the professional elections of staff representative bodies, which took place as part of the setup of the new Economic and Social Committee. 2019 was also a busy year in terms of social negotiation, with a total of 10 agreements and amendments signed:

- agreement on mandatory annual negotiation for 2019;
- agreement on the exceptional purchasing power premium for 2019;
- agreement on the introduction of the specialist supplementary pension plan;
- agreement on collective variable compensation (profit-sharing and incentives) involving employees in Amundi's performance while maintaining social redistribution by applying a cap and a floor for gross annual salaries, leading to a distribution ratio of 1:2.5;
- agreement on professional gender equality within the Amundi SEU for a period of four years;
- amendment to transform the Amundi SEU's Collective Retirement Savings Plan (*Plan d'Épargne pour la Retraite Collectif*, PERCO) into a Collective Corporate Retirement Savings Plan (*Plan d'Épargne Retraite d'Entreprise Collectif*, PER COL);
- agreement on the time savings account;
- agreement on end-of-career support.

The annual consultation on the strategic guidelines illustrates social dialogue as it is exercised in France. The Chief Executive Officer presents Amundi's strategy under the Medium-Term Plan to the ESC. The heads of the main divisions also respond to questions posed by the elected members at the meeting. An expert assists the elected members to examine the subjects in depth and provides an ESC report presenting an alternative vision. An opinion is then put forward by the elected members which is put to the vote of the ESC. This opinion is forwarded to the Board of Directors, which formulates a response.

Psychosocial risks prevention policy (PSR)

Amundi's policy on the prevention of PSR and on quality of life in the workplace is one of ongoing improvement and integration into HR policies. It is notable for its interdisciplinary approach – relying on managers, the Human Resources Department, occupational medicine, and employee representatives[1].

In France, specific governance of psychosocial risks in the workplace is entrusted to a monitoring committee that meets quarterly and tracks the various indicators, in addition to the monthly meetings of a management committee dedicated to the HR monitoring of at-risk employees.

In 2019, the actions undertaken in previous years were continued, including:

- maintaining a listening space for employees in difficult circumstances and monitoring long-term absences in coordination with the occupational health service;
- strengthening the PSR system by making the existing system more responsive (strengthened HR system, alert system, quarterly monitoring committee, specific management committee for sensitive situations);
- continuing to support managers, particularly through training on the prevention and management of stress.

Quality of life in the workplace

For several years now, Amundi has established measures intended to improve quality of life in the workplace and to help employees achieve a better work-life balance.

Exceeding the legal requirements, in France the Company acts through:

- the organisation of work: meetings that comply with the team's working hours, defined planning ahead of time, etc.;
- measures to make parenthood easier: standard breast-feeding leave, children's sick days, paternity leave, maternity and parenthood guides, etc.;
- solutions to make everyday life easier: company concierge services, dedicated gym, take-away in addition to the company restaurant;
- systems dedicated to caregiving staff: practical guide, Responsage platform (information and advice service), donations of days;
- supporting the social endeavours of the Works Council: access to childcare centres, help with childcare costs, universal service employment vouchers (CESU), etc.

In July 2019, Amundi finalised the roll-out of teleworking within all its divisions in France. A charter signed on 4 September 2018 defines the general framework and the operating principles of teleworking. All employees who meet the eligibility conditions set out in the teleworking charter may, with their manager's consent, carry out their work remotely at a rate of one day per week. The percentage of teleworkers in France was 25% at the end of December 2019.

In late 2019, Amundi signed a new agreement on end-of-career planning aimed at improving working conditions for senior workers and achieving a better work-life balance. Employees aged 57 years and over can now take advantage of an increased allowance of teleworking days and the renewal of systems supporting the transition from work to retirement, including assisted part-time work.

In 2019, Amundi continued its prevention and awareness policy to help employees look after their health:

- organisation of a disability awareness week (conference on Asperger's syndrome, dyslexia webinar, solidarity Christmas market selling products originating from vocational rehabilitation entities (ESAT));
- organisation of a prevention week on "lifesaving skills" in collaboration with the Paris fire department;
- maintenance and updating of workplace lifesaving and rescue skills;
- installation of 18 defibrillators on Amundi's premises;
- blood donation in partnership with the Établissement Français du Sang (EFS) with 233 donors;
- seasonal flu vaccine for a third of employees.

3.3.3 Measurement of employee engagement

Every year, Amundi carries out a survey to measure the engagement of its employees. Known as the "Engagement and Recommendation Index (ERI)" this approach is used within all Crédit Agricole Group entities. In 2019, Amundi carried out the survey in France and in 15 other countries around the world. More than 4,000 employees were surveyed, giving a participation rate of 76%, 17 percentage points higher than in 2018. The Amundi employee engagement score was 67% favourable responses, up 3 points from 2018.

Engagement survey	2017	2018	2019
Participation rate	44%	59%	76%
Score	69%	64%	67%

(1) Employees representative bodies.

3.3.4 Societal involvement

Policy for hosting young people in training

Amundi contributes significantly to the training of young people through internships offered to recently graduated students from diverse areas of study and through work-study, which enables a young person to both finance his or her education and gain his or her first work experience. Accordingly, in 2019, more than 900 young people – mainly in France (75%) – were welcomed into the Amundi Group for long-term internships, work-study contracts, VIE internships, CIFRE doctorates and summer jobs.

Amundi also welcomed around ten students, from neighbourhoods in priority education zones, within the framework of the company's discovery programme. This commitment is part of the PaQte (*Pacte Avec les Quartiers pour toutes les Entreprises*) scheme signed with the Ministry of Territorial Cohesion in January 2019.

Amundi benefits from the dynamism and new perspectives brought by these young people. Since the end goal of some of these young people is to gain employment, Amundi organises workshops to support them in their search for a job. Amundi was awarded the HappyTrainees label for the sixth consecutive year in 2019; this recognises companies for the quality welcome and assistance they offer young people.

Joint initiatives involving employees

Amundi's commitment to social responsibility has also led to involving employees in joint projects with charitable organisations.

Several solidarity events are organised in France. Since 2013, Amundi has run the annual *"Give a Hand"* philanthropic programme which offers financial support to its employees' charitable projects. A total of 19 projects were funded in 2019. Amundi also organises collections throughout the year: professional clothing collections with the La Cravate Solidaire Association to encourage the professional reintegration of people who have experienced difficult times, and the collection of toys with the Rejoué association for sorting and repair, allowing used toys to be enjoyed once again by children from disadvantaged backgrounds. Finally, 80 employees participated in the Challenge Against Hunger organised every year by Action Contre la Faim, of which Amundi has been a partner for 10 years.

Internationally, Amundi's employees are committed to numerous local charitable projects, on humanitarian, environmental and solidarity themes:

- In the US, through the Amundi Pioneer Helping Others programme, Amundi is seeking to create a culture of solidarity by encouraging employees to take part in a wide range of initiatives: fundraising, volunteering, donations of clothing, school supplies, toys or food to benefit families and children in need.
- Teams in Munich and Milan took part in the B2Run race and the Milan Relay City Marathon respectively, two charity events that raise funds for good causes.
- A campaign to donate to the Austrian Red Cross was organised at Amundi's Austrian offices in autumn. Employees were invited to donate clothing and hygiene products for the homeless and refugees in need.
- In Japan, where there is a high level of involvement in environmental causes, the Amundi and Crédit Agricole teams participated in weeding activities to protect the Shonan coastal forests in conjunction with the Green Earth Center organisation.
- In Dublin, employees participate in charitable events throughout the year, whether directly through Amundi's community commitments or through the solidarity contribution policy: Amundi donates €500 per employee to the fundraising for the charity of their choosing.

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.

Amundi formalised its commitment to social inclusion at the end of 2018 by signing the PAQTE agreement. The Pact with the Neighbourhoods for all Companies (*Pacte Avec les Quartiers pour Toutes les Entreprises*, PAQTE) supports actions already initiated and encourages businesses to work for the residents of priority urban policy districts (*Quartiers Prioritaires de la Politique de la Ville*, QPV).

3.4.1 Sponsorship

In 2019, Amundi made a long-term commitment to a new institution: the Château de Vaux-le-Vicomte, a masterpiece of French cultural heritage.

Amundi also continued its commitments to long-standing partners in the areas of culture, education and solidarity. Amundi has been the main sponsor of the French Academy (*Académie de France*) in Rome and its site at Villa Médicis for nearly 20 years, supporting the institution in three domains: the hosting of artists in residence, the Academy's cultural programme, and the preservation and restoration of the site. With regard to culture, Amundi also works with the Grand Palais and the Théâtre National de Chaillot. As a principal partner of ACF (Action against Hunger), Amundi has sponsored the Hunger Race since 2010, an inter-company challenge intended to raise funds to support ACF projects.

Internationally, Amundi is committed to numerous solidarity causes through its local offices. In the US, Amundi has run a Corporate Charity Program for a number of years to provide financial support to organisations offering assistance to the most vulnerable, such as The Home for Little Wanderers, as well as organisations offering innovative reading and writing programmes for children in difficult circumstances, such as 826 Boston. Amundi Ireland has also supported charitable organisations over the long term, making commitments to a range of causes and communities: Barretstown, supporting children with serious illnesses, Junior Achievement Ireland, encouraging disadvantaged students to continue their studies and the Dublin Simon Community, which helps the homeless. In Germany, Amundi lent its support to Plan International, a charitable organisation that helps children in over 70 countries. In the UK, Amundi is actively involved in the fight against cancer by supporting various charities such as Macmillan Cancer Support.

Amundi's contributions amounted to a total of €2.3 million in 2019.

3.4.2 Responsible purchasing

The Crédit Agricole Group has adopted a Responsible Purchasing Policy[1] designed to meet the main challenges of the future and contribute to the company's overall performance. This policy is part of the Group's Ethical Charter and is based on commitments including the United Nations Global Compact, the Diversity Charter and the Charter on the Mediation of Responsible Supplier Relations. All of the commitments set forth in these texts relate to respect for human rights and compliance with labour regulations, the fight against all forms of discrimination, the promotion of diversity, environmental protection and business ethics.

Amundi is also signatory to this Responsible Purchasing Policy, which is divided into five areas:

- ensuring responsible behaviour in relations with suppliers;
- contributing to the economic competitiveness of the ecosystem;
- integrating environmental and societal issues into procurement procedures;
- sustainably improving the quality of relations with suppliers;
- incorporating this Responsible Purchasing Policy into governance structures.

Surveys were conducted with suppliers and internal prescribers to measure satisfaction with regard to relationships, referencing and purchasing support in relation to procurement & CSR matters as well as the appraisal of support functions (risks, regulations, tools, etc.). The number of Amundi prescribers responding to the survey in 2019 increased by 130% from 2018, reflecting the growing interest of the various business lines in the purchasing function as a means of supporting their projects.

With regard to compliance with payment deadlines, a FReD initiative dating back to 2014 has enabled the creation of a calculation methodology and common indicators regarding payment deadlines. The indicators for 2019 showed that 82% of invoices were settled on or before their due dates, compared to 73% at the start of the plan.

At the same time, an action plan for improving purchasing skills continued with two proposals outside the internal training pathway dedicated to purchasing:

- diploma training in partnership with the Master's in Purchasing at IAE in Grenoble;
- the proposal to support the Validation of Acquired Experience (VAE).

In 2019, 10% of employees in the Amundi Purchasing business unit embarked on the diploma training pathway for Purchasing.

Amundi continued its policy of using the sheltered employment sector in 2019. The amount of revenues associated with the adapted sector (EA/ESAT[2]) came to €500,000, a fivefold increase over six years. In 2019, Amundi prioritised the use of the sheltered employment sector for underdeveloped activities (IT services) and innovative development approaches (platforms for connecting freelancers or entrepreneurs with disabilities). Purchasers must now propose that their prescribers include criteria relating to the inclusion of vulnerable groups in procurement specifications.

Finally, the purchasing business unit chose to construct its 2022 roadmap on the basis of the routine inclusion of CSR criteria in all procurement. The weight of CSR performance in supplier offers will be increased to 15% of the overall rating, compared with 5% and 10% in previous years, and the supplier's CSR appraisal will be systematically requested in calls for tenders. This appraisal has been entrusted to an independent, specialist third party since 2012, EcoVadis, a company with which the Group contract was renewed in 2018.

The integration of inclusive purchasing (promoting employment in the regions, including very small companies and SMEs, and the employment of vulnerable workers groups) will be an assessment criterion in the purchasing process. Amundi will contribute to the Crédit Agricole S.A. Group's objective of doubling this volume of purchases by 2022.

(1) See Crédit Agricole S.A. Registration Document 2019 – Chapter 2.
(2) EA: Adapted company/ESAT: Establishment and service for assistance through work.

3.4.3 Direct environmental footprint

Amundi's operations do not have a major direct environmental impact. Nevertheless, conscious of the importance of applying the principles of social responsibility to its operations, the company undertakes to reduce its environmental impact by managing its buildings and resources responsibly and by controlling its CO_2 emissions. In addition, Amundi regularly conducts actions to raise employee awareness of eco-friendly initiatives.

Responsible management of buildings and resources

Amundi's registered office in Paris complies with environmental standards. It has a BBC(1) Effinergie label and HQE Exploitation(2) and BREEAM(3) certification. In 2019, as part of the complete renewal of our HQE Exploitation certification, Amundi was rated as "Exceptional" in terms of Management and Sustainable Use. This rating attests to the quality of management in technical and associated services. Amundi ESR, the subsidiary based in Valence (Drôme), also operates in a building that meets environmental standards. The Amundi offices in Munich, Boston and Milan are all within LEED(4) certified premises.

Audit and energy efficiency

In accordance with the regulations, Amundi's premises in Paris are subject to regular energy audits. The last audit was carried out in 2019. In terms of energy efficiency, Amundi continues to implement the actions in place since 2015, such as reducing the operating times of ATUs(5), installing LED lighting and using window contacts to cut fan units when windows are open, thus reducing operating times. The introduction of an Energy Performance Contract with our technical maintenance service provider in 2019 enabled us to achieve a 5% energy saving.

Green IT policy

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

- 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;
- 100% of the computer equipment we buy is certified or complies with recognised international standards;
- finally, office IT equipment (workstations, printers, laptops, small items, etc.) is recycled by the service provider ATF GAIA, a W3E certified company contracted by the Crédit Agricole Group. Equipment components that are not re-used for resale are systematically sent to a certified partner. Amundi also recycles its used magnetic cartridges. There are bins for recycling used toner drums.

Responsible use of paper

Amundi pursues a responsible paper policy both in France and abroad, with the objective of reducing its use of paper, promoting careful use of paper and recycling used paper.

With regard to office equipment: automatically configuring printers to double-sided, black and white, swipe cards for making copies, lower-weight paper, the use of certified paper and, in France, electronic invoicing. The percentage of invoices produced electronically was stable in 2019 at 79%.

With regard to communication media: printing on certified paper, selecting printers certified by Imprim'Vert and regularly making more documents available in electronic form.

With regard to desktop publishing: Amundi ESR, the account-keeping subsidiary responsible for employee savings schemes, continued its efforts to reduce its paper consumption. In 2019, this activity recorded a rise in subscriptions to its e-services from 62% to 66%, which reduced the amount of printed paper used by 6% over the year. In total, the reduction in paper consumption in 2019 was nearly 6% compared with 2018, despite Amundi ESR recording an increase of nearly 8% in the number of accounts managed.

Responsible waste management

Amundi has implemented a responsible waste management policy for several years in France and has promoted selective sorting through the voluntary use of recycling bins since 2013. Recyclable waste is managed by CEDRE, a sheltered workshop employing people with disabilities. In addition to selective sorting, Amundi runs a Cleaning Week scheme each year at its Paris premises with a view to sorting and clearing superfluous paper. Every year, the recycling work entrusted to CEDRE generates 24.2 Beneficiary Units (disabled employment equivalents).

(1) Low Consumption Building.
(2) High Environmental Quality. For more information on certification: https://www.certivea.fr/offres/certification-nf-hqe-batiments-tertiaires-neuf-ou-renovation.
(3) Building Research Establishment Environmental Assessment Method.
(4) LEED: Leadership in Energy and Environmental Design.
(5) Air Treatment Unit.

Every year, Amundi strives to integrate more recyclable materials into its sorting line. Glass and plastic bottle caps have been included in the sorting line since 2016. In 2018, a cigarette butt recycling initiative was introduced at our Paris buildings. Coffee capsules are also recycled in the UK, Austria and Ireland. Amundi introduced biodegradable materials into its cafeteria in 2019. Biowaste is collected from the Company restaurant. The grease traps are biologically treated in-house in both buildings, resulting in less discards and fewer truck movements to clean the traps and dispose of the grease at an external station.

Waste *(in tonnes)*	**2019**
Recycled waste[(1)]	33.3
Non-recycled waste	85.0
Volume of recycled paper	160.2
TOTAL	**278.5**

(1) *Paper, paper cups, plastic bottles, cans, printer supplies, batteries, WEEE, glass and plastic bottle caps.*

Actions taken to reduce food waste

The partner of the Paris Company restaurant carefully manages its services in order to minimise the amount of food wasted on a daily basis. In 2020, distributors dedicated to the sale of the day's unsold produce will be introduced.

Removing plastic

In 2019, several Amundi entities embarked on a plastic reduction initiative. In Italy, five water fountains equipped with microfiltration systems were installed and employees were given aluminium bottles. This avoided the consumption of 4,000 plastic bottles per month. In Ireland, employees expressed a wish to be more environmentally friendly. As a result, all disposable coffee and water cups were replaced with eco-friendly cups and bottles. In France, the company plans to remove plastic cups from its coffee machines in 2020, thereby reducing plastic waste by 3.5 tonnes per year.

Educating employees about "acting green"

In France and internationally, Amundi conducts communication and awareness-raising programmes for eco-friendly initiatives with its employees, such as a campaign to raise awareness of recycling in the United Kingdom, the promotion of eco-responsible travel in the United States and Italy, and a sustainable development week in France. Amundi provides employees with quantitative and qualitative reporting every quarter on the volumes of waste sorted and recycled.

In terms of preserving biodiversity, Amundi has installed beehives at its premises in Paris and Valencia. Income from the sale of honey to employees goes to the NGO Planète Urgence.

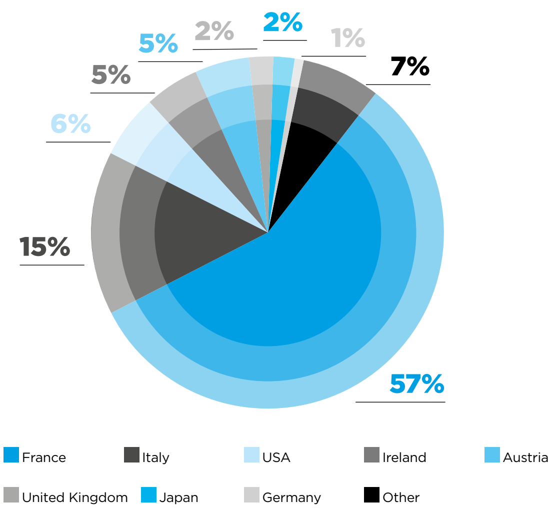
Control of CO_2 emissions

Amundi carbon footprint in 2018

Amundi calculated a new carbon footprint in 2019 based on data from 2018. This assessment included scope 1, 2 and 3 emissions across the entire company. In order to take account of its increasingly international dimension, Amundi chose to calculate its carbon footprint in accordance with the Greenhouse Gas (GHG) Protocol. The comparison with the 2015 carbon footprint is therefore not relevant. Total emissions recorded in 2018 amounted to 47,000 tonnes of CO_2 equivalent (CO_2eq), *i.e.* 9.3 tonnes of CO_2eq per employee.

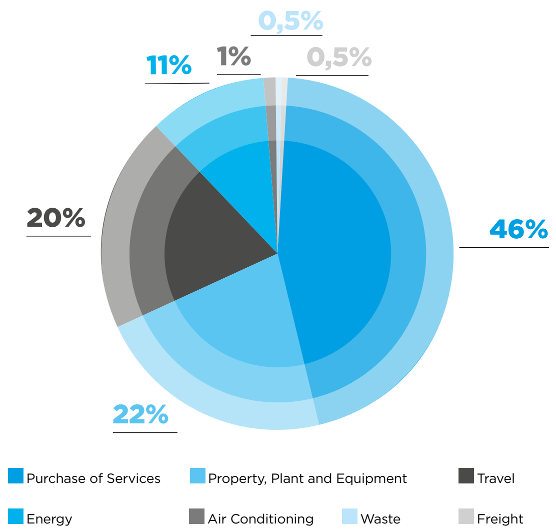
DISTRIBUTION OF GHG EMISSIONS BY COUNTRY

(%)



DISTRIBUTION OF GHG EMISSIONS BY ITEM

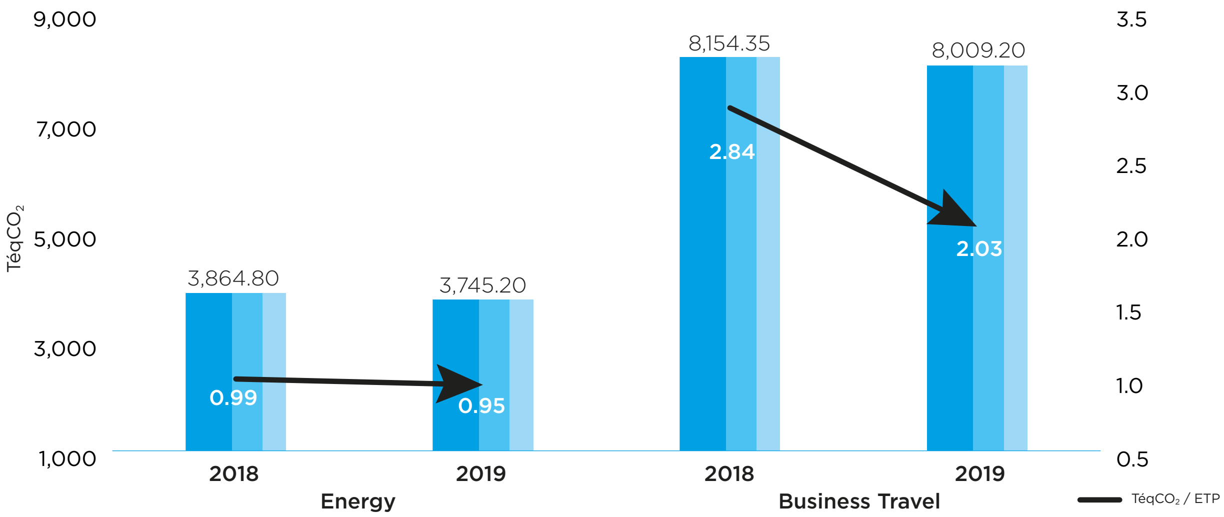
(%)



Control of CO_2 emissions

Amundi annually monitors CO_2 emissions in two major categories: energy and business travel. Amundi is also implementing solutions to control and reduce its CO_2 emissions. The 2019 figures mark a reduction in CO_2 emissions per employee for both energy and business travel:

- energy: 0.95 tCO_2/FTE, compared with the figure for 2018 (0.99);
- business travel: 2.03 tCO_2/FTE, compared with the figure for 2018 (2.84).



Energy

Since 2016, our buildings in Paris[1] have been powered using electricity from 100% renewable sources, mainly hydro-electric. Other countries also have a portion of green energy in their energy mix. This is the case for Germany. Several solar panels were installed in Italy in 2019, generating 30,000 kWh per year.

Travel

The Amundi travel policy applicable to all its entities worldwide demonstrates its desire to reduce its CO_2 emissions: validation of the need to travel, prior authorisation for travel abroad, mandatory rail for journeys of under three hours, ban on taxi journeys within Paris between 8 am and 8 pm, categorisation of rental vehicles according to the number of passengers, weekly reporting of forthcoming travel to Executive Committee members. New functions were introduced within the reservation system in 2019 to better justify travel (internal (intra-group) travel or external travel for participation at a conference or client visits) and avoid trips for which a video-conference meeting would be more appropriate.

The business travel policy will pursue three objectives in 2020:

- the implementation of international coordination to ensure the proper application of the travel policy, identify good local practices and discuss the specific needs of the entities;
- the introduction of centralised reporting;
- the completion of a feasibility study on the roll-out of the Traveldoo reservation tool, allowing Amundi travel policy criteria to be applied when making reservations.

Amundi encourages its employees to reduce emissions in their commute to work. Employees are encouraged to use public transport and bicycles for their journeys into work. In France, Amundi covers 80% of public transport expenses (*e.g.* Navigo card or Velib card in Paris). In 2019, Amundi-Pioneer in the United States bolstered its commuter travel plan by incorporating a wider range of alternative modes of transport (commuter trains, regional trains, etc.). Several electrical charging points have been installed in Amundi car parks, including four at the registered office at the beginning of 2019. Amundi Paris also launched a carpooling platform in December 2019. When selecting company cars, Amundi favours the use of fuel-efficient and hybrid vehicles. In November 2019, Germany added its first electric car to its fleet of company vehicles.

Most entities have teleworking arrangements in place to reduce commuting. In Italy, a Smart Work pilot project involving 42 employees (15% of the workforce) is under way. This offers employees greater flexibility in the selection of their workplace and the management of their schedules.

Amundi carbon offsetting

Amundi joined the Crédit Agricole S.A.[2] carbon offset scheme in 2019 through the Livelihoods fund, offsetting its CO_2 emissions from energy and transport, *i.e.* 15,000 tonnes of CO_2. This fund finances agroforestry, rural energy and ecosystem restoration projects.

(1) Excluding data centres.
(2) See Chapter 2 of the 2019 Crédit Agricole S.A. Universal Registration Document.

3.5 METHODOLOGY AND INDICATORS

3.5.1 Methodological note

HR data

The HR reporting scope covers the entire Amundi Group at 31 December 2019 (excluding joint ventures). The workforce of the consolidated and non-consolidated Amundi Group entities is taken into account (excluding joint ventures).

Certain HR indicators are only available for France. This data is identified as such in the table of indicators. The scope for France includes the following entities: Amundi SA, 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 ESR and Amundi *Transition Énergétique*[1].

Presentation of HR data: unless otherwise indicated, the population covered is that of "active" employees, presented as full-time equivalent (FTE). The concept of "active employees" implies a legal bond 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, and working hours equal to or greater than 50%.

Environmental data

The environmental reporting scope covers France and subsidiaries with more than 100 employees, except for KBI Global Investors, a management company acquired by Amundi in 2016. The 2019 scope includes the following countries: France, the United Kingdom, Italy, Ireland, Austria, Germany, Japan and the United States. The environmental data covers 89.2% of the Amundi Group workforce. If certain data were unavailable for part of the reporting scope, the coverage rate is recalculated and mentioned next to each indicator.

Presentation of environmental data: As the data of Pioneer Group entities is only available for six months of the 2017 financial year, the comparison between 2018 and 2017 data is not relevant.

Methodology for calculating responsible investment assets under management

The sum of responsible investments managed by Amundi takes into account, for the entire Group scope, the AuM of all open-ended funds, mandates and dedicated funds with a responsible investment objective.

The typology applied is as follows:

- **multi-dimensional ESG integration:** funds using ESG ratings in a certified or customised framework;
- **environmental:** funds designed to contribute to the energy transition, invest in green assets or reduce the carbon footprint of a portfolio;
- **social:** funds aiming to finance the social and solidarity economy.

There is no double counting. If a fund falls under more than one theme, only the dominant theme is counted.

Methodology for calculating the beneficiaries of social impact management

Amundi has developed a specific analysis method for impact companies, assessing the continuity of the company's economic model and its impact objectives as well as its results. This analysis is based on a sector-wide approach comprising quantitative and qualitative criteria as well as criteria specific to the company. For each company, Amundi measures the number of beneficiaries and then calculates its impact ratio: this is the number of beneficiaries created per €10,000 invested. Based on Amundi's investment in the company, this ratio allows reporting of the aggregated total number of beneficiaries, per impact theme, generated since the fund was created in 2012. The impact analysis is updated annually. Amundi does not calculate the impact of the Danone Communities and Amundi AFD *Avenir Durables* funds. The scope of impacts covers 94.86% of total assets under management.

Methodology used for the 2019 carbon footprint

Amundi's carbon footprint was calculated according to the Greenhouse Gas (GHG) Protocol. Amundi has chosen to calculate its carbon emissions on scopes 1, 2 and 3, which correspond to the entity's direct and indirect emissions. The data was collected over 2018 for all Amundi Group entities with more than 100 employees, *i.e.* a coverage rate of 89.2%. The data was extrapolated for entities with fewer than 100 employees.

Methodology and scope for calculating the carbon footprint of portfolios under management

Amundi has retained the provider Trucost for carbon emission data (expressed in tonnes of CO_2) from private issuers. This data relates to scopes 1 and 2 and a part of scope 3 corresponding to indirect emissions related to the first-tier suppliers ("Scope 3 upstream first tier"). The data received is then incorporated into the Amundi information system and assigned to an issuer. For companies for which we have not received a value from Trucost, these are supplemented by inherited data from the parent company, where applicable.

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

The calculation of a portfolio's carbon footprint initially consists of calculating the amount of rateable assets in the portfolio. Non-rated and non-rateable securities (securities issued by States, derivatives, UCITS-type funds, etc.) are excluded. The amount of rated assets is then determined, *i.e.* the amount of the assets for which we have Trucost data.

Two indicators are calculated:

Carbon emissions in million euros invested

This indicator is used to quantify the carbon emissions resulting from the investment in the portfolio. It is calculated according to the following formula:

$$\text{Portfolio's emissions}\left(\frac{tCO_2}{\text{€m invested}}\right)=\frac{\sum_i^n \text{Company's emissions in the portfolio}_i\ (tCO_2)}{\text{Rated portfolio assets (€m)}}$$

With:

$$\text{Company's emissions in the portfolio}_i\ (tCO_2) = \text{Participation share}_i\ (\%) \times \text{Company's emissions}_i\ (tCO_2)$$

And

$$\text{Participation share}_i\ (\%) = \frac{\text{Amount invested in a company (shares or debt)}_i\ (\text{€m})}{\text{Company value (shares+debt)}_i\ (\text{€m})}$$

Carbon emissions in million euros of turnover

This indicator is used to quantify the carbon intensity of the value chain of issuers in the portfolio. It is equal to the weighted sum of the carbon footprints of the securities of which it is comprised, *i.e.*:

$$\text{Portfolio emissions } (tCO_2/\text{€m of revenue}) = \sum_i^n \text{Company\^{}' s relative overall weighting in the portfolio}_i\ (\%) \times \frac{\text{Company's emissions}_i\ (tCO_2)}{\text{Revenue}_i\ (\text{€m})}$$

2019 scope: Entire Amundi Group (excluding joint ventures, property and private equity).

Methodology for calculating the coal exposure of portfolios under management

Based on data supplied by Trucost, an ESG supplier specialising in environmental data, Amundi identifies the issuers having activity (electricity generation, extraction) linked to thermal coal.

In the absence of Trucost data, a rate of 0% is allocated to companies not identified as being linked to coal (as a result of the sector in particular) or otherwise the percentage declared by the company (public report, website or direct information).

For each of the issuers identified, its coal exposure (*i.e.* the percentage of revenue from coal-related activities) is multiplied by the amount invested in the company in question. The sum of these amounts is then compared to the total amount of the Group's investments:

$$\frac{\sum_i^n \text{Company's exposure}_i\ (\text{€}) \times X\% \text{ of coal in the sales revenue of the company}_i}{\text{Total amount of Amundi Group investments}}$$

Scope applied in 2019: Entire Amundi Group (excluding joint ventures, property and private equity).

3.5.2 Table of indicators

Employment indicators		Unit	2019	2018	2017
EMPLOYMENT					
Headcount	Number of employees	Number	4,506	4,417	4,734
	Number of employees	FTE	4,428.5	4,339.9	4,649.6
	Number of employees in France	FTE	2,161.7	2,094.3	2,126.6
	Number of employees internationally	FTE	2,266.8	2,245.6	2,523.0
	Number of employees in joint ventures	FTE	1,546.2	1,141.3	1,230.3
	Proportion of external personnel on the Amundi[1] staff	%	6.2	9.2	10.06
Breakdown by major business line	Investment Management	FTE	1,046.4	-	-
	Sales and Marketing	FTE	975.7	-	-
	Support and Control functions	FTE	2,341.5	-	-
Breakdown by contract type	Number of permanent staff	FTE	4,388.1	4,287.3	4,564.2
	Percentage of permanent staff	%	99.1	98.8	98.2
	Number of managers*●	FTE	2,072.2	2,003.0	2,005.7
	Number of non-managers*●	FTE	89.5	94.3	107.9
Age	Average age	Years	44	44	44
Years of service	Average years of service●	Years	12	13	13
Breakdown by gender**	Women	Number	1,893	1,874	1,929.0
	Men	Number	2,613	2,543	2,720.6
	Proportion of women	%	42.0	42.4	41.5
	Proportion of men	%	58.0	57.6	58.5
Breakdown by geographical area	Europe	FTE	3,587.8	3,517.5	3,722.0
	Asia	FTE	338.7	323.6	388.1
	Americas	FTE	501.0	488.8	528.5
Departures**●	Departures	Number	320	545	360.7
	Death	Number	3	2	2.0
	Resignations	Number	202	295	188.4
	Redundancies and dismissals	Number	33	121	50.8
	Retirement	Number	11	17	21.5
	Termination of contract	Number	28	58	32.6
	Departures to the Crédit Agricole S.A. group	Number	9	11	9
	Other	Number	34	41	92.2
Departures by geographical area**●	Europe	Number	229	342	238.7
	of which France	Number	74	74	73.9
	Asia	Number	50	118	67.0
	Americas	Number	41	85	53.0
Departure rate[2]●	Departure rate	%	7.1	12.3	6.3
	in France	%	3.4	3.5	3.5
	international	%	10.7	20.6	12.2
Temporary absences	Temporary staff absences	Number	87	-	-
Recruitments (permanent + fixed-term contracts)**●	Recruitments (permanent + fixed-term contracts)	Number	492	417	-
	Recruitments (permanent contracts)	Number	446	354	139.5
	Proportion of permanent-contract recruitments	%	90.7	84.9	-
Permanent-contract recruitments by geographical area**●	Europe	Number	319	237	-
	of which France	Number	171	138	87.5
	Asia	Number	75	62	-
	Americas	Number	52	52	-

Employment indicators		Unit	2019	2018	2017
Transformations of short-term contracts** ●	Short-term contracts converted into permanent contracts[3]	Number	104	116	-
	Contractors brought in-house	Number	66	69	-
Internal transfers ●	Number of internal transfers within the Amundi Group	Number	453	481	249
Compensation*	Median annual gross salary (permanent)	€	62,000	61,000	62,000
	Average collective variable compensation per employee[4]	€	10,382	9,022	8,839
ORGANISATION OF WORKING HOURS					
Working hours[5]	Part-time employees	%	8.1	8.9	11.7
	of which women	%	89.6	89.8	92.0
	of which men	%	10.4	9.2	8.0
TRAINING[6]					
Training	Budget allocated to training	€000 (excl. tax)	2,683	-	-
	% individuals trained	%	55	-	-
	In France	%	64	60	63
	International	%	44	-	-
	Number of employees trained	Number	2,223	-	-
	In France	Number	1,418	1,272	1,351
	International	Number	805	-	-
	Number of training sessions	Number	4,193	-	-
	In France	Number	2,392	2,096	2,269
	International	Number	1,801	-	-
	Average number of training actions per employee trained	Number	1.89	-	-
	In France	Number	1.69	1.65	1.68
	International	Number	2.24	-	-
ANNUAL REVIEW					
Annual review[7]	% of assessment interviews	%	88	67.6	88.1
EMPLOYER-EMPLOYEE RELATIONS*					
Employer-employee communication	Number of employee representatives	Number	46	55	55
	Number of meetings of the ESC and its committees[8]	Number	33	32	33
	Number of agreements or amendments signed	Number	10	7	6
SAFETY/HEALTH AND ABSENTEEISM*					
Work-related accidents and occupational illnesses	Frequency rate of work-related accidents	%	5.5	5.4	6.1
	Number of work-related accidents	Number	12	6	11
	Number of work-related accidents (travel)	Number	25	25	31
	Number of occupational illnesses	Number	0	1	0
Absenteeism	Absenteeism rate due to illness ●	%	2.1	3.2	1.5

Employment indicators		Unit	2019	2018	2017
NON-DISCRIMINATION					
Gender equality	Percentage of women on the Board of Directors	%	41.7	41.7	41.7
	Percentage of women on the Executive Committee	%	18.5	15.4	20.8
	Percentage of women in executive positions[9]	%	27.3	21.9	-
	Percentage of women in management positions	%	33.5	33.5	34.8
	Percentage of women in promotions to management positions	%	44.9	32.3	35.4
	Percentage of men in promotions to management positions	%	55.1	67.7	64.6
	Proportion of women in the highest paid 10%●	%	16.3	15.2	-
	Gender salary equality index*	Score out of 100	83	81	-
Disability*	Disability Employment Rate[10]	%	4.00	4.34	4.50
	Number of people with disabilities hired or integrated[11]	Number	14	12	11
	Number of employees with disabilities	Number	65	61	65
Intergenerational contracts●	Percentage of staff aged under 30 in permanent-contract recruitments	%	32.0	47.2	28.0
	Employment rate for those aged 55 years and over on permanent contracts	%	13.3	14.9	11.4
	Number of interns, work study, VIE, CIFRE and summer jobs	Number[12]	921	838	-
		Average number[13]	388.8	333.8	347.9

* *Amundi France scope.*

** *From 2018, the data is presented in figures and no longer as FTE.*

● *The calculation methodology has been modified from 2019. The 2018 data was recalculated using the new methodology.*

(1) *External personnel: temporary workers and service providers.*

(2) *Departure rate: Number of departures of permanent and fixed-term employees over the year, divided by the total staff at the beginning of the year.*

(3) *Short-term contracts: Fixed-term and work-study contracts.*

(4) *Variable Collective Compensation corresponds to profit-sharing and incentives.*

(5) *For FY 2017, the data is presented for France, as opposed to the 2018 and 2019 data which corresponds to the Amundi Group.*

(6) *Includes face-to-face training, e-learning and courses leading to certification, excluding conferences and seminars, excluding regulatory training mandatory for all employees (excluding staff provided by Crédit Agricole S.A.) and excluding training provided* via *the PHILEAS tool.*

(7) *Amundi Group scope, excluding Amundi-Pioneer in the USA.*

(8) *The indicator takes into account the changes in the legal framework concerning staff representation and the introduction of the ESC in 2019.*

(9) *Due to the merger with Pioneer Investments, no data is presented for 2017.*

(10) *Legal rate.*

(11) *The indicator includes permanent and fixed-term contracts, work-study, interns and temporary workers.*

(12) *2019 flows of internship contracts longer than 2 months, apprenticeships, vocational training contracts, VIE, CIFRE and summer jobs.*

(13) *Average calculated over the year on the basis of staff at the end of the month (number).*

Business line indicators		Unit	2019	2018	2017
Total assets under management		€ billion	1,653.4	1,425.1	1,426.1
Assets under management after exclusion of G-rated issuers		€ billion	1,564.8	1,358.4	-
Responsible investment	Assets under management	€ billion	323.5	275.8	-
	ESG funds and mandates	€ billion	310.9	267.3	-
	Environment	€ billion	12.3	8.2	-
	Strictly social enterprise funds	€ billion	0.3	0.2	-
ESG analysis	Issuers rated on ESG criteria	Number	> 8,000	> 5,000	> 5,000
	Number of issuers excluded	Number	319	214	256
	Non-financial specialists	Number	20	18	17
	Issuers encountered	Number	262	259	192
Solidarity-based savings	AuM	€ billion	3.3	2.8	2.3
Breakdown of social investments by topic	Employment	%	33.0	36.4	35.7
	Housing	%	37.0	36.3	31.3
	Education	%	4.0	0.7	0.1
	Health	%	15.0	14.0	16.4
	Environment	%	5.0	4.05	4.6
	International solidarity	%	6.0	7.9	10.7
	Service to non-profits	%	1.2	0.5	0.4
	Over-indebtedness	%	0.4	0	0.3
	Farmers funded	%	1.2	0	0.4
Impacts of solidarity investments	Employment	Number of beneficiaries	32,372	16,341	12,868
	Housing	Number of beneficiaries	8,469	2,315	1,469
	Education	Number of beneficiaries	46,749	4,186	153
	Health	Number of beneficiaries	168,612	19,280	13,044
	Environment	Hectares	594	2,283	806
		Tonnes of recycled waste	137,345	17,674	14,147
	International solidarity (microcredit)	Number of beneficiaries	228,307	29,948	37,772
	Service to non-profits	Number of beneficiaries	1,828	360	118
	Over-indebtedness	Number of beneficiaries	312,620	3,477	3,687
	Farmers funded	Number of beneficiaries	1,358	34	204
Carbon footprint of the portfolios	Assets subject to a carbon footprint calculation	€ billion	545.0	479.1	463.8
	Carbon emissions in millions of euros of revenue	tCO_2eq	254.2	231.3	226.5
	Carbon emissions in millions of euros invested	tCO_2eq	149.1	151.4	180.5
Portfolios' exposure to thermal coal	Weighted exposure of portfolios	€ billion	1.006	-	-
	Proportion of portfolios exposed to thermal coal	%	0.09	-	-

Business line indicators		Unit	2019	2018	2017
Voting policy[1]	Commitment actions with investee companies ahead of AGMs	Number	164	202	233
	AGMs dealt with	Number	3,492	2,960	2,540
	Resolutions dealt with	Number	41,429	35,285	32,443
	Number of resolutions presented by shareholders and supported by Amundi on corporate governance	Number	490	520	265
	Number of resolutions presented by shareholders and supported by Amundi on social/societal issues and human rights	Number	28	21	121
	Number of resolutions presented by shareholders and supported by Amundi on environmental matters	Number	33	48	54
	Total number of resolutions voted against	Number	5,332	5,307	4,893
	Number of resolutions voted against on Board balance	Number	2,294	2,162	1,882
	Number of resolutions voted against on equity transactions (including poison pills)	Number	1,772	1,177	932
	Number of resolutions voted against on compensation of Senior Management	Number	1,121	1,408	1,307
Ethics and Compliance	Number of Compliance Committees	Number	8	9	11
	Number of complaints	Number	2,104	3,357	4,064
	Number of employees trained in anti-money laundering procedures (AML-CFT)[2]	Number	294	3,632	204
	Number of employees trained in internal/external anti-fraud procedures[2]	Number	3,531	3,706	223
	Number of employees trained in international sanctions procedures	Number	4,207	-	-
Corporate and Institutional Customer Service	Total complaints	Number	48	45	20
	of which contesting a trade	Number	7	11	10
	of which concerning the processing time of a trade	Number	2	6	4
	of which concerning the quality of offer	Number	39	27	6
	of which pricing	Number	0	1	0
Risk management[3]	Percentage of managed portfolios that are subject to a risk management strategy	%	98.4	98.3	99.8
Partner networks[4]	Staff specialising in networks	FTE	129.3	129.3	168.5
Business line headcount in Control departments	Business line headcount in Risk Departments	FTE	212.7	211.3	225.8
	Business line headcount in Audit Departments	FTE	39.4	37.5	42.9
	Business line headcount in Compliance Departments	FTE	100.3	99.9	108.0
	Percentage of total headcount	%	8.0	8.0	8.1
Sponsorship[5]	Amount of contributions	€000	2,337	2,433	1,101
Responsible purchasing*	Purchases from sheltered sector companies	€000	532	543	540
	Use of sheltered sector companies	Number of beneficiary units	24.2	26.2	25.6
	Percentage of invoices paid within 2 months	%	81	82	83

(1) Amundi Group scope, excluding Amundi-Pioneer in the USA

(2) Internal and external anti-corruption training is included within the modules on Anti-Money Laundering and Combating the Financing of Terrorism (AML-CFT). These training courses are not run every year.

(3) 2017 and 2018 data was calculated over the entire Group, with the exception of the following countries: Austria, Czech Republic, Germany, Italy and USA. In 2019, the calculation scope included all the Amundi Group countries.

(4) Historic partner networks: Crédit Agricole Regional Banks, LCL Gestion, Société Générale Gestion and Étoile Gestion.

(5) The 2017 data only covered Amundi Asset Management in France. From 2018, the Amundi Group's reference scope has been extended and includes the funding given to research chairs.

Environmental indicators		Unit	2019	Reporting scope coverage rate	2018	2017
Energy	Energy consumption	MWh	23,663.1	100%	25,037.5	22,419.9
	Proportion of green energy	%	50		47	58
	Energy consumption per employee	MWh/FTE	5.9		6.5	7.4
	CO_2 emissions	tCO_2eq	3,745.2		3,864.8	2,674.9
	CO_2 emissions per employee	tCO_2eq/FTE	0.95		0.99	0.88
Business travel	Train travel	km	5,283,477	87%	4,556,972	4,019,138
	CO_2 emissions, train travel	tCO_2eq	238.1		205.3	181
	CO_2 emissions per employee, train travel	tCO_2eq/FTE	0.06		0.06	0.07
	Air travel	km	27,786,027	100%	28,410,137	23,770,879
	CO_2 emissions, air travel	tCO_2eq	7,771.1		7,949.0	6,837
	CO_2 emissions per employee, air travel	tCO_2eq/FTE	1.97		2.05	2.09
Paper	Paper consumption	Tonnes	379	100%	337[1]	248.7
	Recycled paper consumption	Tonnes	44		97[1]	89.6
Water	Water consumption	m^3	36,573	88%	36,862	38,613
	Water consumption per employee	m^3/FTE	10.5		9.8	12.3
Waste	Volume of non-recyclable waste	Tonnes	85.0	85%	113.4	120.1
	Volume of recycled waste (excl. paper)	Tonnes	33.3	82%	32.0	26.6
	Volume of recycled paper	Tonnes	160.2	97%	143.8	107.1

(1) 2018 data has been adjusted to reflect that published in the 2018 CSR report.

4 REVIEW OF FINANCIAL STRUCTURE AND RESULTS IN 2019

4.1 FRAMEWORK FOR PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

4.1.1 Accounting principles and policies

The accounting principles and policies and their changes are described in note 1.1 of the notes to the consolidated financial statements as of 31 December 2019.

4.1.2 Scope of consolidation

The scope of consolidation and its changes are described in note 9.3 of the notes to the consolidated financial statements as of 31 December 2019.

4.2 ECONOMIC AND FINANCIAL ENVIRONMENT

4.2.1 Macro-economic and financial environment in 2019

Economic growth slowed in 2019, whether in the United States, the euro zone or China. However, it remained strongly positive. In addition to specific difficulties in the automotive sector, the uncertainties generated by the China-United States trade war and the lack of clarity regarding Brexit have played an important role in this slowdown. However, as of the end of the year, a decline in these risks has nevertheless brought some kind of hope. Central banks implemented new monetary easing measures, which was very positive for equity markets. Bond yields fell sharply until the autumn when they regained some of their lost ground.

United States

The US economy slowed gradually in 2019. After a beginning of the year marked by the longest shutdown in history (partial closure of government services due to the lack of an agreement on their financing), the focus then moved on to the developing trade wars between the United States and other countries. The Federal Reserve, concerned about the risks associated with these tensions, changed its attitude and adopted a more conciliatory tone and then lowered its benchmark rate three times. As the year progressed, the economy slowed from its peak in Q2 2018 (3.2% year on year) to a rate of only 2.1% in Q3 2019, as the effects of the budgetary stimulus of 2018 wore off and there were uncertainties on the commercial front and a fall in investment. However, the labour market remained strong, the unemployment rate continued to fall, and wage growth continued at a moderate pace. Consumer sentiment remained at a good level despite a little more caution about the future. As a result, personal consumption has not lost its vigour and has supported growth. On the production side, however, the manufacturing sector decelerated then fell into recession, whereas the slowdown in the services sector remained much more limited. In fact, the business climate deteriorated in industry, causing a slowdown in non-residential investment which stunted growth. On the contrary, residential investment has gradually improved thanks to the easing of monetary policy. Inflation improved slightly to reach 2.3% (underlying index) as of the end of the year and 1.6% (the “Core PCE” index followed by the Fed). Finally, the year ended on a positive note due to the announcement of a trade agreement reached between the United States and China, expected to be signed in January 2020.

Euro zone

After a fairly good start to the year (GDP rise of 0.4% in Q1), the euro zone’s economic growth then weakened (0.2% in Q2 and Q3). The main causes of this slowdown were international trade tensions, Brexit-related fears and sector-specific difficulties in the automotive sector (particularly in Germany). The European Central Bank responded to the downturn in business and the increasing risks with new monetary accommodation measures (drop in the deposit interest rate and a new asset purchase programme). At the end of Q4, however, the environment improved as a result of the positive developments with regard to Brexit, the agreement on the outlines of a United States-China trade agreement and the stabilisation or rebound of most of the short-term economic indicators. Overall, the difficulties of the year remained concentrated in the industrial sector, with the spread to services remaining limited. The pace of job creation slowed, but without preventing the ongoing fall in the unemployment rate (7.5% in October compared with 8% twelve months earlier). Overall inflation declined due to the base effects of the oil price, while underlying inflation rose slightly (1.3% over one year, in November). From the political point of view, the main events, in addition to those concerning Brexit, were a change of government in Italy (the consequence of which was a decline in tensions between this country and the rest of the EU); the arrival in office of a new European Commission (after elections to the European Parliament, which led to the loss by the Social Democrats and Christian Democrats of the majority they had held since 1979) and new inconclusive elections in Spain.

Emerging Countries

GDP growth in emerging economies was slower in 2019 although significant differences between countries remained. In terms of geographical regions, the situation was quite similar. The persistence of trade tensions between the United States and China and the slowdown in global trade have contributed to the weakening business climate and the reduction in investment and exports from emerging countries. The growth of GDP in emerging countries was estimated at 4.2% in 2019 compared to 4.9% in 2018. Part of the economic slowdown is attributable to lower growth in some major emerging economies such as China, India and Mexico, as well as recession in a few others such as Turkey and Argentina, which are two distinct cases. Faced with this situation, the central banks of the emerging countries and the Fed have taken a more accommodating stance in an environment characterised by relatively low inflationary pressures. The overall budgetary direction of the various countries was more mixed, with some emerging countries adopting a more expansionary policy than others.

Equity

Equity markets rose sharply in 2019. At +27% (local currencies and reinvested dividends), the MSCI ACWI fully reversed its downturn of 2018 (-7%). In addition, this increase was widely shared between Emerging Countries (+19%), Japan (+19%), Europe (+25%) and in the United States (+32%) with increases ranging from +19% to +32%. This surge took place in three stages. Firstly, from January to April, the market only caught up with its fall of 2018; a catch-up linked to the change of course by the major central banks who suspended their monetary normalisation projects in view of threats to the global economy. Then from May to mid-October, in between the intensification of monetary accommodation policies and new, exaggerated protectionism, the market developed along a horizontal plane. It was not until mid-October that the market really took off; investors having welcomed the easing of geopolitical tensions, the pursuit of accommodation policies and economic indicators proving to be more resilient than forecast.

Rates

The year 2019 was divided into two stages for the interest rate market. Initially, rates fell sharply to reach a low point at the end of August. The US 10-year rate was 2.7% as of the start of the year and reached a low of 1.5%. The German 10-year rate fell from 0.2% to -0.7%, a historic low. This fall is due to the simultaneous slowdown in the global economy and the about turn of the central banks. The Fed has lowered its rates three times this year while the central bank's own expectations suggested three interest rate increases. Global growth for the year 2019 was revised downwards to 3%. This is the slowest pace since the great financial crisis. Two years ago, 75% of the economy was accelerating. Secondly, long-term rates began to rebound, driven by more positive prospects for global economic growth. The likelihood of a short-term recession fell sharply. The US and German 10-year rates ended the year at levels close to 1.9% and -0.2%.

4.2.2 The asset management market[1]

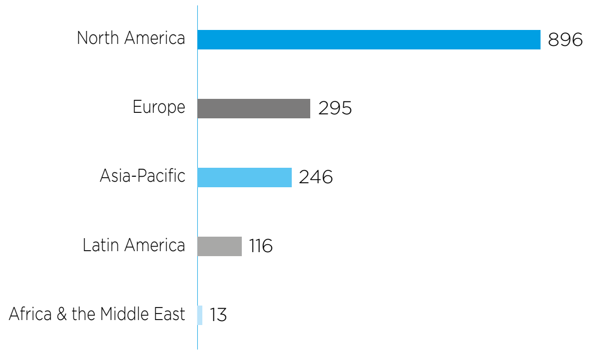
Global flows have concentrated in interest-rate products as they benefited from the incentivisation policies of central banks. On the one hand investors have been looking for bond products that are geographically diversified, enabling them to obtain positive returns, and on the other hand, investors have retained significant cash holdings in money market funds due to economic and geopolitical uncertainties.

Responsible investment (ESG) continued to grow strongly with +€156 billion of net inflows and nearly €1,000 billion of assets spread across all asset classes and all client segments.

Passive management attracted more than two-thirds of the global net flows on medium-and long-term income products (excluding cash) on all asset classes, with passive bond funds for the first time having more inflow than passive equity funds. Passive management has experienced strong demand throughout the world, particularly in the United States (+€385 billion), in Europe (+€181 billion), particularly under the impetus of exchange-traded funds (ETFs), which now reach almost €1,000 billion in assets, and in Asia (+€123 billion).

Net inflows in 2019 by geographic area around the world

(in € billions)



4.2.2.1 European market

After investors in **Europe** took a wait-and-see approach during the first quarter, they then gradually returned to long-term assets, mainly in bond funds and to a lesser extent in the last quarter in equity funds, in which the net inflows still remained negative over the whole year.

(1) Sources: Amundi and Broadridge Financial Solutions – FundFile & ETFGI/Open-ended funds (excluding dedicated mandates and funds) as of the end of December 2019. The net inflows of multi-distributed products (cross-border) has been reallocated in full in Europe.

In total, the European market ended the year with net inflows of €295 billion, well above the 2018 net inflows, but far removed from the record year of 2017. Over 80% of this net inflows was directed towards medium- and long-term products.

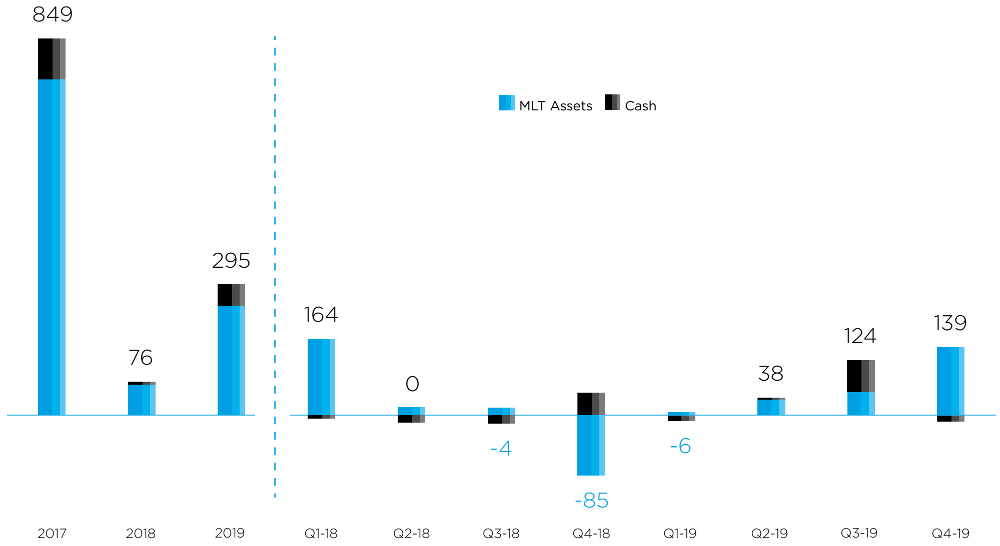
With regard to long-term products, international funds including emerging, credit and maturing were the main beneficiaries of the appetite for bonds. Equity funds had various dynamics differentiated according to their type of management. While active management funds faced strong outflows, with the exception of international and thematic equities, passive management funds attracted positive flows.

Multi-asset products remained in the red, penalised by huge purchases of some large, absolute performance funds with disappointing performance.

Boosted by growth markets, the European market reached a new record with over €12,000 billion in assets under management, up 17% over one year.

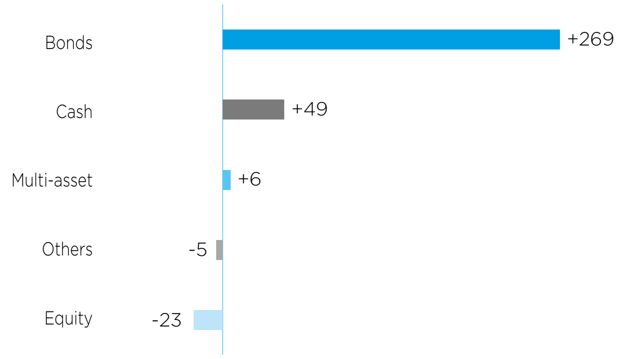
Flows in European open-ended funds in 2017, 2018 and 2019

(in € billions)



2019 net inflows by asset class in Europe

(in € billions)



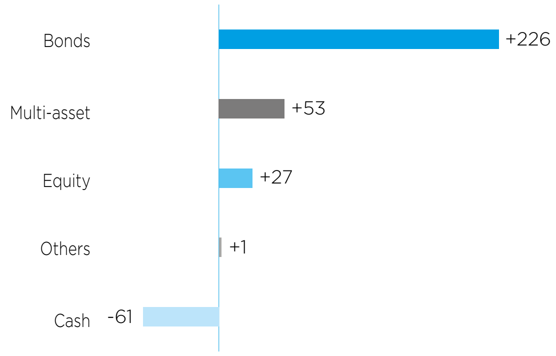
Others = ABS, derivatives, forex, hedge funds, property, commodities, etc.

4.2.2.2 Asia-Pacific markets

In Asia, as in Europe, the bulk of the net inflows (+€246 billion) came from bond products: firstly in China on local currency funds as well as on maturing bond products, which were very successful in Southeast Asia and Japan. Multi-asset funds were notable for the large net inflows on their profiled products in particular. Finally, there was significant outflow on cash funds, penalised by major takeovers in China.

Net inflows in 2019 by asset class in Asia Pacific

(in € billions)



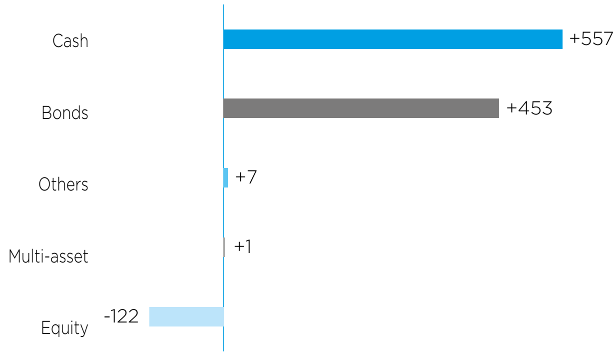
Others = ABS, derivatives, forex, hedge funds, property, commodities, etc.

4.2.2.3 US market

In the United States, net inflows also almost exclusively came from interest rate products (bond funds and cash). Despite the strong performance of equity markets, equity funds posted a net outflow. As in Europe, the positive flows on passive management equity valuations were eradicated by significant redemptions on the active management funds. Multi-asset fund net inflows was sluggish, with the positive flows of target date/lifecycle funds included in retirement products being offset by outflows in other valuations.

2019 net inflows by asset class in North America

(in € billions)



Others = ABS, derivatives, forex, hedge funds, property, commodities, etc.

4.3 ACTIVITY AND CONSOLIDATED RESULTS OF AMUNDI

Record net inflows and a growth in net income

For the tenth consecutive year, Amundi recorded growth in its net income. This reflects on the one hand a very good level of activity and on the other, good cost control. Our cost-to-income ratio thus reaches 50.9%, up +0.7 points from 2018.

Net income and adjusted net income were up by 12.2% and 6.6% respectively.

These strong results are in line with the published objectives and are testament to the robustness of Amundi's business model.

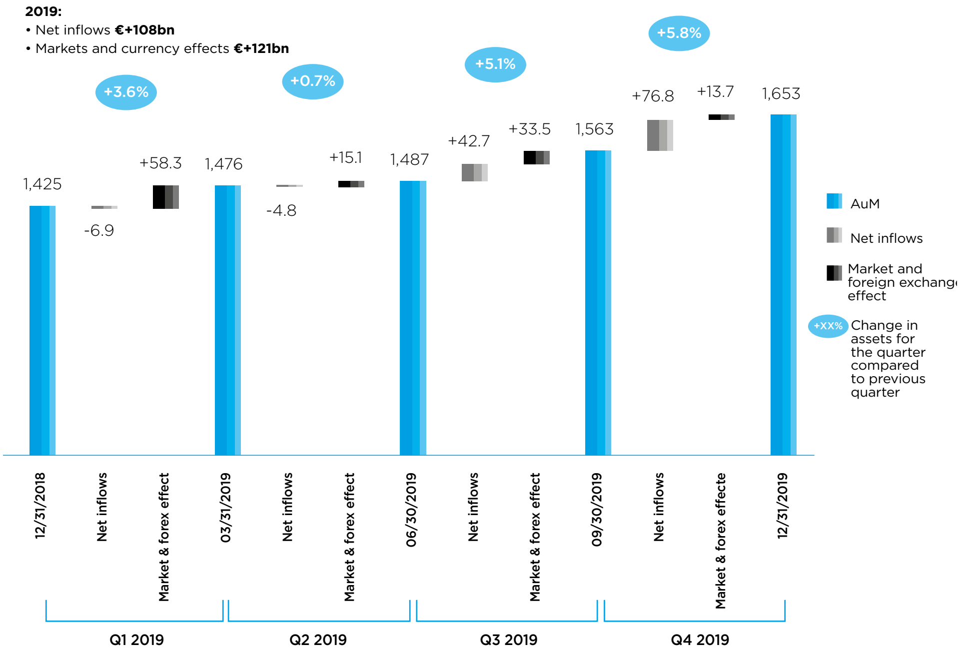
4.3.1 Activity: assets under management and net inflows

Assets under management amounted to €1,653 billion as of 31 December 2019, with a growth of +16% compared with end 2018 due to a very positive market effect (+€121 billion) and record net inflows (+€108 billion).

It should be noted that all data on assets under management (AuM) and net inflows include advised and marketed assets, and comprise 100% of the assets managed and the net inflows from the Asian joint ventures; for Wafa in Morocco, assets under management are shown at their proportional share.

Development of Amundi's assets under management in 2019

(in € billions)



In a more favourable market environment, and in the context of a gradual recovery in the net inflows of the European asset management market, **Amundi recorded the best net inflows in its history at +€107.7 billion.** These flows include the gain from two new pension fund mandates for +€74.2 billion in the Indian joint venture.

Excluding joint ventures, net inflows recovered at +€23.8 billion (compared to +€15.7 billion in 2018) and consisted primarily of MLT assets. **With a market effect of €121 billion, at the end of 2019 AuM stood at €1,653 billion, *i.e.* up 16% compared with the end of 2018.**

4.3.1.1 Assets under management and net inflows by client segment

(in € billions)	AuM 31/12/2019	AuM 31/12/2018	var. % 31/12/2018	Net inflows 2019	Net inflows 2018
French networks	111	104	+6.6%	(3.0)(1)	+2.9
International networks	128	116	+9.9%	+2.7	+4.6
Third-party distributors	194	170	+14.0%	+5.7	(3.1)(3)
Retail excl. JVs	**432**	**390**	**+10.8%**	**+5.4**	**+4.4**
Institutionals(2) and sovereigns	376	354	+6.3%	(8.8)(4)	+12.5
Corporates	79	67	+17.9%	+4.9	(3.6)
Employee savings	66	54	+22.4%	+4.8	+2.7
CA & SG Insurers	465	417	+11.3%	+17.6	(0.3)
Institutional investors	**987**	**893**	**+10.5%**	**+18.5**	**+11.4**
JVS	234	142	+64.9%	+83.9(5)	+26.3
TOTAL	**1,653**	**1,425**	**+16.0%**	**+107.7(4)(5)**	**+42.0(3)**

(1) French networks: net inflows on medium-long-term assets of -€0.1 billion in 2019.
(2) Including funds of funds.
(3) Including the reinternalisation of assets by Fineco for -€6.5 billion during Q3 2018.
(4) Including the reinternalisation of an Italian institutional mandate for -€6.3 billion as of Q1 2019.
(5) Including new mandates in the Indian joint venture of +€14.6 billion in Q3 2019 and +€59.6 billion in Q4 2019.

The flows of the retail segment (excluding joint ventures) **amounted to +€6.1 billion**[(1)] (compared to +€0.5 billion in 2018) as a result of the sustained activity of third-party distributors and international networks.

In the institutional segment, net inflows rose to +€18.9 billion[(1)] (compared to +€15.2 billion in 2018), driven by all segments.

This good level of activity benefited in particular from two elements:

- **The success of growth engines and innovative products:** like this, passive management, ETFs and Smart Beta brought inflows of +€16.2 billion, driving assets to €133 billion. In ETFs, Amundi gained market share, achieving the 4th highest net inflows in Europe[(2)] and 5th player[(2)] with +€8.9 billion in net inflows (double compared to 2018) and €56 billion in assets. In addition, the momentum in real and alternative assets continued with +€5.7 billion in flows (particularly in real estate), driving assets to €53 billion.
- **Solid, consistent management performance:** close to 80% of assets in exchange-traded funds are classified in the top 2 quartiles over 5 years[(3)]. In total, 195 Amundi funds have a Morningstar rating of 4 or 5 stars.

The joint ventures saw very strong net inflows (+€83.9 billion), particularly in India (+€84.6 billion) with the institutional segment accelerating, but also in South Korea (+€6.7 billion). In China, in activities affected by changes in the regulatory environment, flows were negative (-€9.8 billion including cash products); however, net inflows across the remainder of the business (+€2.3 billion) was positive.

4.3.1.2 Assets under management and net inflows by asset class

(in € billions)	AuM 31/12/2019	AuM 31/12/2018	var. % 31/12/2018	Net inflows 2019	Net inflows 2018
Equity	252	201	+25.4%	+4.6	+8.2
Multi-asset	250	235	+6.2%	(6.7)[(1)]	+7.3[(2)]
Bonds	636	577	+10.3%	+19.4	(4.9)
Real, Alternative and Structured	86	73	+17.2%	+7.7	+5.1
MLT ASSETS EXCLUDING JVS	1,224	1,086	+12.7%	+25.0	+15.7
Treasury products excluding JVs	195	197	(0.9)%	(1.2)	+0.0
ASSETS EXCLUDING JVS	1,419	1,283	+10.6%	+23.8	+15.7
JVs	234	142	+64.9%	+83.9[(3)]	+26.3
TOTAL	**1,653**	**1,425**	**+16.0%**	**+107.7**[(1) (3)]	**+42.0**[(2)]

(1) Including the reinternalisation of an Italian institutional mandate for -€6.3 billion as of Q1 2019.
(2) Including the reinternalisation of assets by Fineco for -€6.5 billion during Q3 2018.
(3) Including a new mandate in the Indian joint venture of +€14.6 billion in Q3 2019 and +€59.6 billion in Q4 2019.

4.3.1.3 Assets under management and net inflows by geographic area

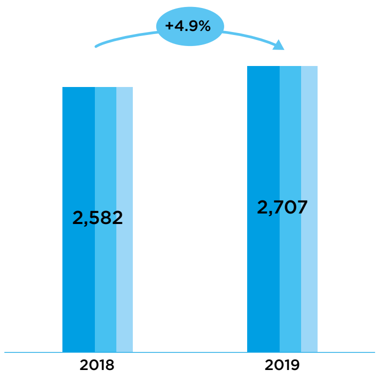
(in € billions)	AuM 31/12/2019	AuM 31/12/2018	var. % 31/12/2018	Net inflows 2019	Net inflows 2018
France[(3)]	890[(1)]	812	+9.5%	+13.6	(2.9)
Italy	177	167	+5.7%	(3.6)[(2)]	+1.6[(3)]
Europe excluding France and Italy	184	161	+14.3%	+9.8	+15.5
Asia	300	200	+49.9%	+83.8[(4)]	+26.8
Rest of world[(4)]	103	85	+21.8%	+4.0	+0.9
TOTAL	**1,653**	**1,425**	**+16.0%**	**+107.7**[(2)(4)]	**+42.0**[(3)]
TOTAL EXCL. FRANCE	**764**	**613**	**+24.6%**	**+94.1**[(2)(4)]	**+44.9**[(3)]

(1) Including €446bn for CA et SG insurers
(2) Including the reinternalisation of an Italian institutional mandate for -€6.3 billion as of Q1 2019.
(3) Including the reinternalisation of assets by Fineco for -€6.5 billion during Q3 2018.
(4) Including a new mandate in the Indian joint venture of +€14.6 billion in Q3 2019 and +€59.6 billion in Q4 2019.

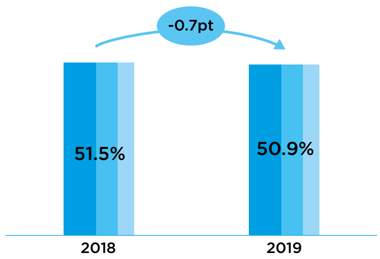
(1) MLT assets.
(2) Source ETF GI.
(3) Source: Morningstar Direct, open-ended funds and ETFs, global scope, excluding feeder funds, end of December 2019. 678 funds, i.e. €438 billion.

4.3.2 Results

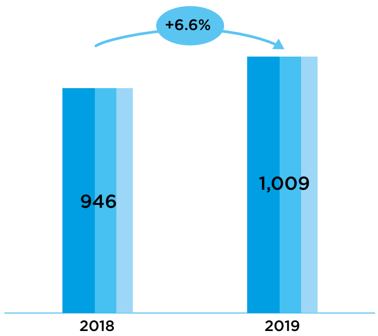
Adjusted revenues [1] (€m)



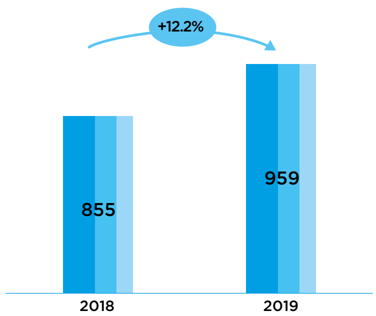
Adjusted cost-to-income ratio [1] (€m)



Adjusted net income [1] (€m)



Net accounting income (€m)



(1) Adjusted data: excluding amortisation of the distribution contracts and, in 2018, excluding integration costs.

Amundi's results grew in 2019 in particular as a result of increasing revenues and controlling operating expenses.

- **Net revenues**[1] **reached €2,707 million, a significant increase of 4.9%** compared to 2018. Net management revenues rose by 2.2%, in particular due to the very good level of performance fees which reached €171 million (+49% *vs* 2018); on the other hand, net management fees were almost stable (+0.1%). The average margin[2] on outflows was down slightly, at 18.4 bps of assets (compared with 18.8 bps in 2018), particularly given the increased proportion of institutional clients. In addition, the level of financial products was high in 2018 (€44 million *vs* -24 in 2018).
- **Operating expenses** were stable (+3.5% *vs* 2018), despite an unfavourable exchange rate effect and an increase in variable remuneration (linked to best performance). Investments in growth activities (specifically targeted recruitment) and the costs associated with strategic projects (in China and Spain) were offset by the continuation of Pioneer-related synergies (which reached 94% of the €175 million target).
- As a result, the **cost-to-income ratio was 50.9%, having improved by +0.7 points** compared to 2018. The operating expenses to average assets ratio (excl. JVs) remains one of the lowest in the industry: 10.1 bps.
- The contribution **of equity-accounted companies** (mainly Asian joint ventures) stood at €46 million (compared to €50 million in 2018) and reflected two opposite trends, the continued growth in India and South Korea, and a decline in China.

After tax and risk costs, **adjusted net earnings**[3] **amounted to €1,009 million (+6.6%), in line with the objectives announced.**

Accounting net income[4] **for the 2019 financial year amounted to €959 million, *i.e.* +12.2% compared to 2018.**

Accounting net earnings per share stood at €4.75, an appreciable increase of 12.1% on 2018.

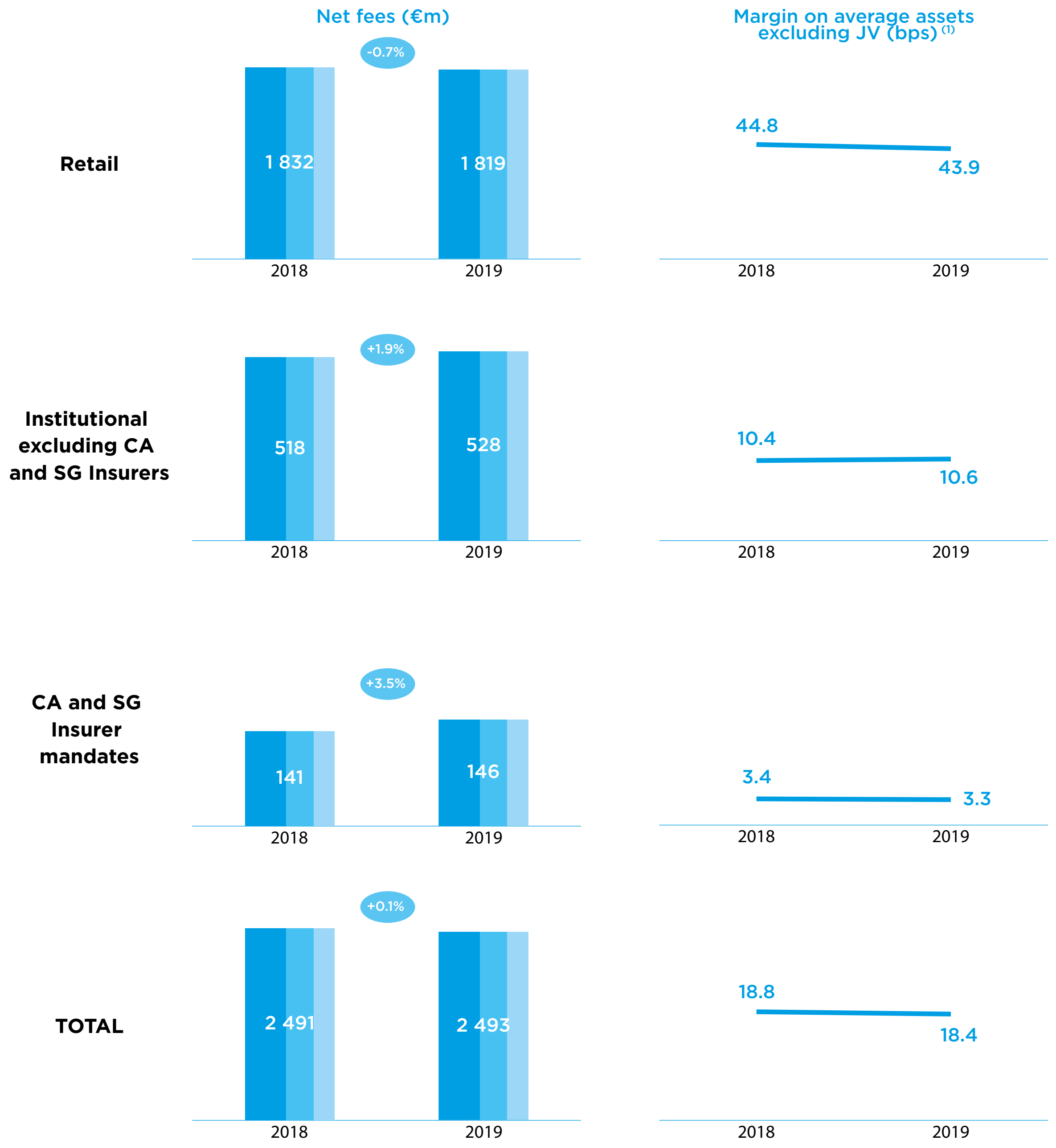
(1) Excluding amortisation of (UniCredit, SG and Bawag) distribution contracts.
(2) Average margin: net asset management revenues (excl. performance fees)/average AuM excl. JVs.
(3) Excl. amortisation of distribution contracts and, in 2018, excluding the costs of integrating Pioneer.
(4) Accounting income includes the amortisation of distribution contracts and, in 2018, Pioneer integration costs.

Income statement

(in € millions)	2019	2018	Change
ADJUSTED NET REVENUES	2,707	2,582	+4.9%
Net management revenues	2,663	2,606	+2.2%
of which, net management fees	*2,493*	*2,491*	*+0.1%*
of which, performance fees	*171*	*115*	*+49.0%*
Net financial income and other net income	44	(24)	ns
ADJUSTED GENERAL OPERATING EXPENSES	(1,377)	(1,331)	+3.5%
ADJUSTED GROSS OPERATING INCOME	1,331	1,251	+6.4%
Adjusted cost/income ratio	*50.9%*	*51.5%*	*-0.7 bps*
Cost of risk and provisions	(11)	(11)	=
Equity-accounted companies	46	50	(6.8)%
ADJUSTED PRE-TAX INCOME	1,366	1,289	+6.0%
Income tax	(357)	(343)	+4.0%
ADJUSTED NET INCOME, GROUP SHARE	1,009	946	+6.6%
Amortisation of distribution contracts after tax	(50)	(50)	=
Pioneer integration costs after tax	0	(42)	NS
NET INCOME, GROUP SHARE	959	855	+12.2%
NET EARNINGS PER SHARE *(in €)*	4.75	4.24	+12.1%

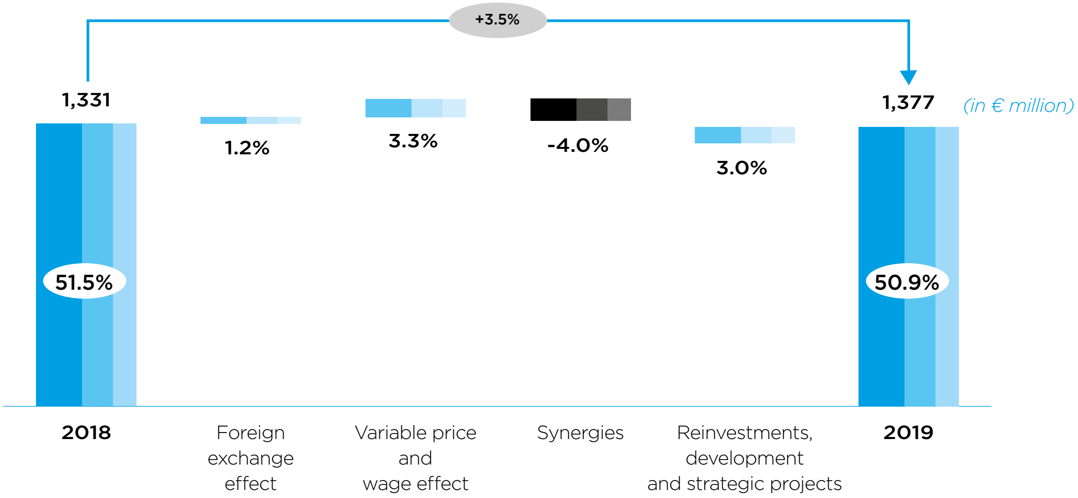
Adjusted data: Excluding amortisation of distribution contracts and, in 2018, excluding costs associated with the integration of Pioneer.

Net management fees were stable, and the average margin(1) on assets was slightly lower at 18.4 bps due to the effect of a less favourable client/product mix.



(1) *Average margin: net asset management revenues (excl. performance fees)/average AuM excl. JVs.*

Operating costs under control and an improving operating cost-to-income ratio



4.3.3 Alternative Performance Indicators (API)

4.3.3.1 Methodology note

I. Income statement

1. Accounting data

In 2019 and Q4 2019, the information corresponds to data after amortisation of distribution contracts. In 2018 and Q4 2018, the information corresponds to data after amortisation of distribution contracts and after integration costs related to Pioneer.

Costs associated with the integration of Pioneer:

- 2018: €56 million before tax and €42 million after tax;

Amortisation of distribution contracts:

- 2019: €71 million before tax and €50 million after tax;
- 2018: €71 million before tax and €50 million after tax;

2. Adjusted data

To present an income statement that is closer to the economic reality, the following adjustments have been made:

- in 2019: restatement of amortisation of distribution contracts (recognised as a deduction from net revenues) with SG, Bawag and UniCredit;
- in 2018: restatement of Pioneer-related integration costs and amortisation of distribution contracts (recognised as a deduction from net revenues) with SG, Bawag and UniCredit.

II. Amortisation of distribution contracts with UniCredit

When Pioneer was acquired, 10-year distribution contracts were concluded with UniCredit networks in Italy, Germany, Austria, and the Czech Republic; the gross valuation for these contracts came to €546 million (recognised in the balance sheet in Intangible Assets). At the same time, a Deferred Tax Liability of €161 million was recognised. Thus the net amount is €385 million which is amortised using the straight-line method over 10 years from 1 July 2017.

In the Group's income statement, the net tax impact of this amortisation is €38 million over a full year (or €55 million before tax), recognised under "Other revenues", and is added to existing amortisations of the SG and Bawag distribution contracts of €12 million after tax over a full year (€17 million before tax).

4.3.3.2 API reconciliation table

To present an income statement that is closer to the economic reality, Amundi publishes adjusted data which is determined as follows: it excludes costs associated with the integration of Pioneer and amortisation of the distribution contracts with SG, Bawag and UniCredit since 1 July 2017 (see above).

These adjusted figures are reconciled with accounting data as follows:

(in € millions)	**2019**	**2018**
Net revenues (A)	**2,636**	**2,510**
+ Amortisation of distribution contracts before tax	71	71
ADJUSTED NET REVENUES (B)	2,707	2,582
Operating expenses (C)	**(1,377)**	**(1,387)**
+ Pioneer integration costs before tax	0	56
ADJUSTED OPERATING EXPENSES (D)	(1,377)	(1,331)
Gross Operating Profit (E) = (A)+(C)	**1,259**	**1,123**
ADJUSTED GROSS OPERATING PROFIT (F) = (B)+(D)	**1,331**	**1,251**
Cost income ratio (C)/(A)	*52.2%*	*55.3%*
Adjusted cost income ratio (D)/(B)	*50.9%*	*51.5%*
Risk costs and provisions (G)	(11)	(11)
Equity-accounted companies (H)	46	50
Pre-tax income (I) = (E)+(G)+(H)	**1,295**	**1,162**
ADJUSTED PRE-TAX INCOME (J) = (F)+(G)+(H)	**1,366**	**1,289**
Income tax (K)	*(336)*	*(307)*
Adjusted income tax (L)	*(357)*	*(343)*
NET INCOME, GROUP SHARE (I)+(K)	**959**	**855**
ADJUSTED NET INCOME, GROUP SHARE (J)+(L)	1,009	946

4.3.4 Dividend policy

In accordance with the recommendations published by the European Central Bank, the Board of Amundi has decided not to submit to its General Assembly, convened on May 12th 2020, the dividend payout of €3.10 per share for the 2019 fiscal year.

4.4 BALANCE SHEET AND FINANCIAL STRUCTURE

4.4.1 Amundi consolidated balance sheet

ASSETS

(in € millions)	31/12/2019	31/12/2018	Change
Cash, central banks	0	0	NA
Derivatives	3,096	2,456	26.0%
Financial assets at fair value through profit or loss	10,704	7,995	33.9%
Financial assets at fair value through equity	610	486	25.6%
Financial assets at amortised cost	1,185	1,005	17.9%
Current and deferred tax assets	180	194	(7.2%)
Accruals and sundry assets	1,807	2,254	(19.8%)
Interests and shares in equity-accounted entities	275	264	4.3%
Property, plant and equipment	206	43	NA
Intangible assets	485	544	(10.9%)
Goodwill	5,712	5,695	0.3%
TOTAL ASSETS	**24,261**	**20,937**	**15.9%**

EQUITY AND LIABILITIES

(in € millions)	31/12/2019	31/12/2018	Change
Derivatives	2,664	2,681	(0.7%)
Financial liabilities recorded under the fair value option through profit and loss	8,418	5,532	52.2%
Financial liabilities at amortised cost	817	1,314	(37.8%)
Current and deferred tax liabilities	234	281	(16.7%)
Accruals and sundry liabilities	2,766	2,088	32.5%
Provisions	159	209	(24.0%)
Subordinated debt	304	304	=
Equity, Group share	8,900	8,528	4.4%
■ Share capital and reserves	2,928	2,947	(0.6%)
■ Consolidated reserves	5,058	4,779	5.8%
■ Unrealised or deferred gains or losses	(46)	(53)	(13.1%)
■ Net income, Group share	959	855	12.2%
Non-controlling interests	0	0	NA
TOTAL EQUITY AND LIABILITIES	**24,261**	**20,937**	**15.9%**

4.4.1.1 Changes to the balance sheet in 2019

As of 31 December 2019, the balance sheet total amounted to €24.3 billion, compared with €20.9 billion as of 31 December 2018.

This increase is mainly due to an increase in the assets and liabilities designated at fair value through profit or loss associated with the EMTN issues for Retail clients for €2.9 billion over the year.

Derivatives with assets represented €3,096 million as of 31 December 2019 (compared to €2,456 million as of 31 December 2018), up 26.0% over the financial year.

This amount mainly represents the following items:

- the positive fair value of performance swaps recorded on the Amundi Finance balance sheet. This subsidiary acts as the counterparty for structured funds and by hedging a symmetrical transaction with a market counterparty; as a result, the performance swap outstanding assets recorded as assets appear in equal amounts as liabilities on the Group balance sheet. Netted out, these transactions create no market risk;
- the positive fair value of interest rate and performance swaps entered into as part of structured EMTN issues.

Derivatives with liabilities represented €2,664 million as of 31 December 2019 (compared to €2,681 million as of 31 December 2018), down by -0.7% over the financial year.

These amounts mainly reflect the negative fair value of derivatives contracted as part of the structured funds or EMTN business and relate to the corresponding asset item, as described above.

The financial assets at fair value through profit or loss showed balances of €10,704 million as of 31 December 2019 compared to €7,995 million as of 31 December 2018, up by 33.9%. They mostly comprised:

- assets backing EMTN issues (measured symmetrically at optional fair value through profit and loss), in the amount of €8,004 million as of 31 December 2019 compared to €5,776 million as of 31 December 2018, an increase of 38.6% related to the growth of the business. These hedging assets are: bonds issued by Crédit Agricole S.A. and fund units held by Amundi Finance Émissions, and term deposits placed by LCL Émissions at LCL;
- investments in seed money (€322 million as of 31 December 2019 compared to €355 million as of 31 December 2018, down by -9.3%;
- voluntary investments (€2,279 million as of 31 December 2019 compared with €1,765 million as of 31 December 2018, up by 29.1%). The main development over the year consisted of the reallocation of monetary assets to fixed-income underlying assets, particularly long-term treasury bonds;
- non-consolidated equity interests, excluding those measured at fair value through non-recyclable equity through profit and loss, for €99 million as of 31 December 2019, which is stable compared with 31 December 2018.

Financial liabilities optionally designated at fair value through profit and loss in the amount of €8,418 million as of 31 December 2019 compared to €5,532 million as of 31 December 2018, an increase of 52.2%, represented the fair value of the structured EMTNs issued by the Group as part of broadening its range of solutions for Retail clients.

Financial assets designated at fair value through equity showed assets of €610 million as of 31 December 2019 compared to €486 million as of 31 December 2018, an increase of 25%. This item presents non-consolidated equity interests optionally recognised at fair value through non-recyclable equity through profit and loss in the amount of €194 million as of 31 December 2019, compared with €189 million as of 31 December 2018, as well as government securities (€416 million as of 31 December 2019 compared to €294 million as of 31 December 2018, an increase of 40.1%), held under the EMIR regulation to underwrite derivatives.

Financial assets at amortised cost were made up of loans and receivables from credit institutions and amounted to €1,185 million on 31 December 2019 compared with €1,005 million as of 31 December 2018, up by 17.9%. As of 31 December 2019, they broke down into €1,167 million of short-term deposits and cash and €18 million of medium to long-term loans (maturity 2022).

Liabilities at amortised cost are made up of debts owed to credit institutions and total €817 million as of 31 December 2019, compared with €1,314 million as of 31 December 2018. As of 31 December 2019, amounts due to credit institutions were made up of short-term loans totalling €610 million and medium to long-term loans totalling €207 million, mainly with the Crédit Agricole Group.

Subordinated debt, which totalled €304 million as of 31 December 2019, comprised subordinated debt subscribed with Crédit Agricole S.A. as part of financing the acquisition of the Pioneer Group subsidiaries. This subordinated debt matures in 2027.

Accruals, prepayments and sundry assets amounted to €1,807 million as of 31 December 2019 compared to €2,254 million as of 31 December 2018, down by -19.8%. This item records the collateral paid for the intermediation activity of Amundi swaps for €293 million (compared to €1,057 million as of 31 December 2018) and other accruals, prepayments and sundry assets for €1,514 million (compared with €1,197 million as of 31 December 2018), particularly management fees outstanding.

Accruals, deferred income and sundry liabilities amounted to €2,766 million as of 31 December 2019 compared to €2,088 million as of 31 December 2018, up by 32.5%. This item records the collateral received for the intermediation activity for €809 million (compared with €465 million as of 31 December 2018) and other accruals, deferred income and sundry liabilities for €1,957 million (compared with €1,623 million as of 31 December 2018), particularly the refunds to be paid to the distributors.

Intangible assets totalled €485 million as of 31 December 2019 as against €544 million as of 31 December 2018. This decrease mainly reflected the amortised value of UniCredit distribution contracts recognised upon acquisition of the Pioneer Group subsidiaries.

Goodwill totalled €5,712 million as of 31 December 2019 compared to €5,695 million as of 31 December 2018. This change was due to the impact of converting foreign currency goodwill.

Goodwill includes the following principal items:

- €378 million of goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003;
- €1,733 million of goodwill assigned in 2004 to asset management upon the acquisition of Crédit Lyonnais by Crédit Agricole S.A.;
- €708 million of goodwill from the contribution of Société Générale's asset management business to Amundi S.A. in December 2009;
- €2,537 million of goodwill relating to the acquisition of Pioneer Group subsidiaries on 3 July 2017.

Provisions amounted to €159 million as of 31 December 2019, compared with €209 million as of 31 December 2018.

The Group's shareholders' equity including earnings for the period ended 31 December 2019, were €8,900 million compared to €8,528 million as of 31 December 2018, up +4.4%. The net positive change of +€372 million is largely due to the net effect of the following items:

- Amundi dividends declared for 2018 in the amount of €579 million;
- net income for the financial year of +€959 million;
- change in "gains and losses recognised directly in equity" at +€7 million.

4.4.1.2 Investment portfolio

In summary, the breakdown of the investment portfolio between seed money and voluntary investments by asset class over the last two financial years is as follows:

	Asset classes				
31/12/2019 *(in € millions)*	**Money market instruments**	**Bonds***	**Equity and multi-asset**	**Other**	**Total**
Seed money	2	83	146	91	322
Voluntary and other investments	196	2,455	56	64	2,771
TOTAL	**198**	**2,538**	**202**	**155**	**3,093**

* *Including €413 million of Emir sovereign securities in voluntary investments and €76 million in BTPs.*

	Asset classes				
31/12/2018 *(in € millions)*	**Money market instruments**	**Bonds***	**Equity and multi-asset**	**Other**	**Total**
Seed money	4	125	169	58	355
Voluntary and other investments	594	1,375	31	63	2,063
TOTAL	**598**	**1,500**	**199**	**121**	**2,418**

* *Including €164 million of Emir OATs in voluntary investments.*

4.4.2 Off-balance sheet items

The Group's most 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 products marketed by Amundi;
- in commitments received, the financing guarantee contracted with a banking syndicate.

(in € millions)	**31/12/2019**	**31/12/2018**
Structured funds	8,175	9,260
CPPI	7,466	7,292
Other guaranteed products	4,695	3,577
TOTAL	**20,336**	**20,129**

Structured funds are intended to deliver a predefined return based on a specified structure.

CPPI funds are intended to provide partial exposure to the returns of risky assets while offering a guarantee of total or partial capital protection.

The only commitment received was the financing guarantee received under the syndicated multi-currency revolving loan agreement for €1,750 million signed on 23 October 2015 with an international syndicate of lenders.

4.4.3 Financial structure

Amundi again benefited from a solid financial structure as of the end of 2019. Tangible equity[1] amounted to €2.7 billion, an increase of €0.4 billion compared to the end of 2018. This change mainly reflects the generation of capital linked to the net income for the financial year 2019 (€959 million), net of the dividend distribution for the financial year 2018 (-€579 million), as well as the increase in the number of treasury shares held for hedging the performance share plan (additional deduction of €37 million).

The CET1 ratio amounted to 15.9%[2] (compared to 13.2% as of the end of 2018), which is much higher than the regulatory requirements.

It should be noted that from 1 January 2020, Amundi no longer has a regulatory capital requirement under the SREP process[3]. Amundi will continue to manage its balance sheet in a way which maintains a CET1 ratio which exceeds its regulatory requirements.

To recap, **in June 2019 the Fitch rating agency had renewed the A+ rating with a stable outlook,** the best in the sector.

4.4.3.1 Economic balance sheet

Amundi's total accounting balance sheet amounted to €24.3 billion as of 31 December 2019.

In order to analyse the Group's financial position from an economic standpoint, Amundi also presents a condensed statement of financial position aggregating certain items to show the effects of offsetting between certain lines.

This economic presentation of the balance sheet points to a total of €12.8 billion after offsetting and aggregation:

ECONOMIC ASSETS

(in € millions)	**31/12/2019**	**31/12/2018**
Property, plant and equipment	206	43
Interests in equity-accounted entities	275	264
Investment portfolio (incl. Emir sovereign bonds) and non-consolidated equity interests	3,311	2,705
■ investments	3,018	2,418
■ non-consolidated equity interests	293	287
Cash collateral		592
Short-term net cash	527	
Assets representing structured EMTNs	8,436	5,551
TOTAL ECONOMIC ASSETS	**12,755**	**9,155**

ECONOMIC EQUITY AND LIABILITIES

(in € millions)	**31/12/2019**	**31/12/2018**
Equity net of goodwill and intangible assets	2,703	2,288
Provisions	159	209
Subordinated debt	304	304
Long-term senior debts	207	276
Net short-term debt	/	100
Structured EMTN issues	8,418	5,532
Accruals & net sundry liabilities	449	446
Cash collateral	516	
TOTAL ECONOMIC EQUITY AND LIABILITIES	**12,755**	**9,155**

4.4.3.2 Solvency ratio

As of 31 December 2019, as indicated in the table below, the CET1 solvency ratio of Amundi amounted to 15.9%[2] compared to 13.2% as of the end of December 2018.

This increase is due to the increase in Category 1 capital, which more than offsets the increase in risk-weighted assets for credit risk, primarily linked to the growth of the investment portfolio and the entry into force of IFRS 16.

(1) Equity excluding goodwill and intangible fixed assets.

(2) Including the provisioning of the dividend, which won't be proposed to the AGM on 12 May 2020. The allocation of the entire 2019 results to previous retained earnings will positively impact the solvency ratios by more than 500 bps.

(3) Supervisory Review and Evaluation Process.

With a CET1 ratio of 15.9%(1) and 18.4% (1) in total capital (including subordinated Tier 2 debt), Amundi is broadly in line with the regulatory requirements.

(in € millions)	31/12/2019	31/12/2018
Core Equity Tier 1 (CET1)	1,871	1,440
Tier 1 capital (CET1 + AT1)	1,871	1,440
Tier 2 capital	300	300
Total regulatory capital	**2,171**	**1,740**
Total risk-weighted assets	**11,781**	**10,949**
of which, Credit risk (excl. threshold allowances and CVA)	*5,275*	*4,522*
of which, effect of threshold allowances	*909*	*714*
of which, Credit value adjustment (CVA) effect	*313*	*436*
of which, Operational risk and Market risk	*5,284*	*5,277*
OVERALL SOLVENCY RATIO	18.4% (1)	15.9%
SOLVENCY RATIO CET1	**15.9% (1)**	**13.2%**

(1) Including the provisioning of the dividend, which won't be proposed to the AGM on 12 May 2020. The allocation of the entire 2019 results to previous retained earnings. will positively impact the solvency ratios by more than 500 bps

4.4.3.3 Net financial debt

Like at 31 December 2018, the financial position of Amundi as of 31 December 2019 is that of a net lender, as indicated in the table below:

(in € millions)	31/12/2019
a. Net cash	1,126
b. Voluntary investments (excl. seed money) in money market funds and short-term bank deposits	227
c. Voluntary investments (excl. seed money) in fixed-income funds	1,966
d. Liquidity (a+b+c)	**3,319**
e. Position net of margin calls on derivatives(1)	**(516)**
Of which, in balance sheet assets	*293*
Of which, in balance sheet liabilities	*809*
f. Short-term debts to credit institutions	599
g. Current portion (<1 year) of medium and long-term amounts due to credit institutions	69
h. Current financial amounts due to credit institutions (f+g)	**668**
i. Long-term portion (>1 year) of medium and long-term amounts due to credit institutions	438
j. Non-current financial debts to credit institutions	**438**
k. NET FINANCIAL DEBT (h+j-d-e)	**(1,697)**

(1) The main variation factor in the Group's cash position came from margin calls on collateralised derivatives. This amount varies depending on the market value of the underlying derivatives.
(a) Net cash means asset and liability 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.

As of 31 December 2019, Amundi's one-month Liquidity Coverage Ratio *(LCR)* in a stressed scenario was 541.1%. The aim of the LCR is to strengthen the short-term resilience of banks' liquidity risk profiles by ensuring they have enough unencumbered high-quality liquid assets (HQLA) that can be easily and immediately converted into cash on private markets in the event of a hypothetical 30-calendar day liquidity squeeze. Credit institutions have been subject to limits on this ratio since 1 October 2015, with a minimum ratio of 100% as from 2018.

In addition, it is noted that 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 (renewed in October 2017 and with maturity on 23 October 2022). The purpose of this agreement is to increase the Group's liquidity profile in all currencies it covers and to secure access to that liquidity particularly if needed to deal with outflows in some funds managed by the Group. It includes two covenants, for which the requirements were met as of 31 December 2019: a minimum level of tangible equity and a gearing ratio, being the ratio of net debt to tangible equity.

4.5. OTHER INFORMATION

4.5.1 Related parties transactions

The main transactions entered into with related parties are described in note 9.3.2 "Related parties" to the condensed consolidated financial statements as of 31 December 2019.

Furthermore, in accordance with Article L. 225-37-4, 2 of the French Commercial Code, the Corporate Governance report (which will be included in Chapter 2 of the 2019 Universal Registration Document) shows that there were no agreements covered by the provisions of Article L. 225-38 signed in 2019 and submitted to the Shareholders' Meeting for approval.

The statutory Auditors' Special Report dated 10 April 2020, as incorporated in the 2019 Universal Registration Document in Chapter 8, *"Special report by the statutory auditors on regulated agreements and regulated commitments"*, informs you that there are no agreements falling under Article L. 225-38 of the French Commercial Code and describes the essential features and procedures of the agreements and commitments previously approved in previous financial years and which continued to be performed during the 2019 financial year.

4.5.2 Main risks and internal control

4.5.2.1 Main risks

In accordance with Article L. 225-100-1, paragraphs 3 and 4, of the French Commercial Code, Chapter 3 and Chapter 5 of this 2019 Universal Registration Document set out the principal risks and uncertainties facing the Company, as well as indications of the financial risks arising from climate change and a presentation of measures the Company is taking to mitigate these by applying a low-carbon strategy to all components of its business.

4.5.2.2 Internal control

The main features of the internal control and risk management procedures put in place by the Company relating to the preparation and processing of accounting and financial information are presented in Chapter 5 of this 2019 Universal Registration Document (URD).

4.6 RECENT EVENTS AND OUTLOOK

In accordance with its international development strategy, Amundi recently announced two significant initiatives that will enable it to accelerate its expansion in Europe and Asia:

- **Spain: on 21 January 2020, Banco Sabadell and Amundi announced the signing of a 10-year strategic partnership for the distribution of Amundi products in Banco Sabadell networks in Spain. This strategic alliance also includes the acquisition by Amundi of Sabadell Asset Management,** a leading asset manager in Spain, with €22 billion in assets under management. The cost of the acquisition is €430 million(1) which will be financed exclusively by Amundi's existing financial resources. Amundi will benefit from Banco Sabadell's strength in the region through its network of over 1,900 agencies, which will become a new partner network in Spain. **With the acquisition of Sabadell Asset Management(2) Amundi will become number 4 in Spain (a major European savings market), reinforcing its leadership in Europe.**
- **China: on 20 December 2019, the Chinese regulator approved the creation of a joint venture between Amundi and Bank of China Wealth Management in asset management.** The objective is to launch this new joint venture (in which Amundi will be the majority partner) in the second half of 2020. Amundi, which is the first foreign company to benefit from such an authorisation, will thus benefit from a strong partnership with the 4th leading Chinese bank, which is to complete its existing agreement with ABC, third leading Chinese bank (€68 billion under management in the joint fund management joint venture). **Amundi will have a strong position to take advantage of the potential and depth of the Chinese market.**

The COVID-19 pandemic is an intense crisis whose size and duration are difficult to predict. This health crisis has become an economic crisis; this is reflected in the sharp drops and increased volatility on financial markets. As far as Amundi is concerned, the main impact comes from the sensitivity of the managed assets to this fall in financial market (equity, rates, etc.), with the resultant effect on their valuation and on net asset management revenues. This crisis may also have an impact on Amundi's other revenues, and on business activity. The consequences of the Covid-19 crisis on Amundi's revenues, earnings and financial situation were impossible to estimate at the date of filing this Universal Registration Document.

Statement made on March 27, 2020, post Board meeting of February 11, 2020.

(1) Plus an additional amount up to €30 million, payable in 2024, based on the future performance of the business.
(2) This transaction is subject to approval by the regulators and is expected to be concluded during the third quarter of 2020.

Key sensitivities

Changes in the equity markets	-/+ 10%	-/+ €25/30 bn in Assets under Management (AUM)	**-/+ €80-85m in net revenues** (run rate, excl. performance fees)
Changes in interest rates	-/+ 100 pts	+/- €30-35 bn in Assets under Management (AUM)	**+/- €35-40m in net revenues** (run rate, excl. performance fees)

These sensitivities do not include an indirect effect on net inflows from market fluctuations.

4.7 ANALYSIS OF THE RESULTS OF AMUNDI (PARENT COMPANY)

In 2019, the net banking income of Amundi (parent company) was €622 million compared to €482 million in 2018, an increase of €140 million.

This net banking income is composed primarily of:

- securities income of €609 million, of which €601 million in dividends received from Amundi subsidiaries;
- income on these various securities portfolios from the value of securities of its various portfolios of €17 million.

General operating expenses amounted to €51 million in 2019, compared to €22 million in 2018.

In view of these items, gross operating income totalled €571 million in 2019, up by €111 million compared to the 2018 financial year.

After recognising "cost of risk" and "net gains (losses) on fixed assets", pre-tax income on ordinary activities was €571 million. As part of its tax consolidation agreement (16 companies were consolidated), Amundi recorded a net income tax charge of €3 million.

In total, Amundi's net income for the period was a profit of €562 million in 2019, compared with a profit of €488 million in 2018.

Amundi (parent company) five-year results

Type of indicator	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019
Share capital at the end of the financial year *(in €)*	418,113,093	419,813,673	503,776,405	504,260,885	505,408,263
Shares issued	167,245,237	167,925,469	201,510,562	201,704,354	202,163,305
Transactions and income in the financial year *(in € thousand)*					
Net revenues	505,675	333,048	150,895	481,789	621,783
Income before tax, depreciation, amortisation and provisions	484,742	304,215	135,802	459,973	570,764
Income tax	(23,558)	(5,078)	988	27,783	(3,380)
Earnings after tax, depreciation, amortisation and provisions	461,179	299,126	136,779	487,745	567,445
Amount of profit distributed	342,754	443,306	503,601	584,943	
Per share data *(in €)*					
Income after tax, but before depreciation, amortisation and provisions	2.76	1.78	0.68	2.42	2.81
Earnings after tax, depreciation, amortisation and provisions	2.76	1.78	0.68	2.42	2.81
Dividend per share	2.05	2.20	2.50	2.90	(1)
Employees					
Average headcount	10	10	11	12	12
Payroll during the year *(in € thousand)*	2,287	745	1,754	3,390	1,751
Employee benefits and social contributions paid during the financial year (social charges and taxes) *(in € thousand)*	492	536	863	1,445	451

(1) In accordance with the recommendations published by the European Central Bank Amundi has announced on April 1st, 2020, not to submit to its General Assembly, convened on May 12th 2020, the dividend payout for the 2019 fiscal year.

5 RISK MANAGEMENT AND CAPITAL ADEQUACY

5.1 RISK CULTURE (AUDITED)

Asset management is primarily a risk management activity. Consequently, risk culture is essential to all of the Company's business units. 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 risk, facilitated by:

- operating across business units;
- the systematic representation of control functions (Risk and Compliance) within the various committees: products, investments, customer service, etc.;
- combining the applications and risk measurement methods onto a single IT platform, creating a set of guidelines shared by all teams;
- establishing initiatives to discuss and provide information on the various risks related to the Company's business;
- 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 which describe those risks and how they are affected by economic conditions, along with the solutions put in place by the management teams to deal with them advantageously.

5.2 RISK FACTORS

In accordance with regulation (EU) 2017/1129, this section sets out the **main risk factors** to which Amundi is exposed. The table below provides a summary of these main risk factors, classified in decreasing order of critical importance within the different risk categories, taking into account the internal control system in place within Amundi.

It should be noted that the COVID-19 pandemic is an intense crisis whose size and duration are difficult to predict. This health crisis has become an economic crisis; this is reflected in the sharp drops and increased volatility on financial markets. As far as Amundi is concerned, the main impact comes from the sensitivity of the managed assets to this fall in financial market (equity, rates, etc.) and the resultant effect on their valuation. This risk is referred to in section 5.2.1.2 (Activity risk, and notably in paragraph I. Business risk). Moreover, the operational risks, as described in section 5.2.1.1 (Activity risk, and notably in paragraph V. Risk of Business Interruption), are potentially aggravated by a prolonged period operating in the atypical context resulting from the decisions to confine the population.

MAIN RISKS BY TYPE

Risk associated with the asset management activity		Financial risk	
Operational risk	**Activity risk**	**Credit risk**	**Market risk**
I. Promises made to clients II. Process failure, human error III. Non-compliance, tax, regulatory and legal IV. Business interruption	I. Business risk II. Extra-financial risk	I. Default II. Counterparty to a market transactions III. Equity investment IV. Concentration	I. Price fluctuations in the investment portfolio II. Foreign exchange III. Real estate

5.2.1 Risk associated with the asset management activity

5.2.1.1 Operational risk

Operational risk is primarily the result of the inadequacy or failure of the processes, systems, or persons responsible for processing transactions, as well as the risk associated with external events. Associated risks include legal risk and compliance risk in connection with Amundi's exposure to civil or criminal proceedings, non-compliance risk in connection with failure to comply with the regulatory and legal provisions that govern its activities, and reputational risk that may arise as a result of a failure to comply with its regulatory or legal obligations, or with ethical standards.

Risk	Potential consequences
I Promises made to clients	
■ Non-compliance with investment rules ■ Failure to align management with (implicit or explicit) promises made to clients ■ Decrease in fund liquidity	■ Client compensation ■ Penalty applied by the regulator ■ *Ad hoc* support measures
II Process failure, human error	
■ Incident resulting from the failure of an operational process ■ Human error	■ Client compensation ■ Penalty applied by the regulator
III Non-compliance, tax, regulatory and legal risk	
Amundi's primary business is asset management and, consequently, it is governed by the various regulatory frameworks associated with this activity. Amundi is also classified as a credit institution and is therefore also subject to monitoring by the banking supervisory authorities. As a consequence, Amundi is exposed to: ■ developments and increases in regulatory requirements. ■ regulatory reforms that could have an impact on Amundi's clients (banks, insurance companies or pension funds), encouraging them to review their investment strategies. ■ Non-compliance with applicable laws or regulations, or any change in the interpretation or implementation of these.	■ Complying with these requirements is costly and may impact Amundi's growth. ■ Regulatory reforms could have a financial impact on Amundi's clients and encourage them to review their investment strategies to the detriment of Amundi and/or reduce client interest in Amundi products, leading to an adverse impact on assets under management and its earnings. ■ Non-compliance with laws and regulations may result in fines, bans on certain business activities, a loss of clients or other penalties, as applicable, that could have an adverse effect on Amundi's reputation and its earnings.
IV Risk of business interruption	
■ Unavailability of information systems (loss of hardware, viral attack, crashing of a database, etc.). ■ Unavailability of the working environment (inaccessibility of the site, failure of technical equipment). ■ Unavailability of personnel (public transport strike, epidemic, flood, etc.).	■ Non-availability of IT systems (cyber-attack or other) preventing the completion of market transactions ■ Potential losses from breaches

I. Promises made to clients

The risk associated with managing assets for a third party arises from a failure to align management practices with (implicit or explicit) promises made to clients. As such, the main risk is the liquidity risk arising from the use of open-ended funds.

The vast majority of risks related to investments made on behalf of third parties are borne by the clients.

Risk monitoring related to the third-party asset management business has three main aspects:

- *ex-ante* **rules** approved by the Risk Management Committee for all investment management activities. These rules set out the applicable Risk Strategy rules for each portfolio or group of portfolios. The Risk Strategies define the investment universe, the authorised or forbidden instruments, the nature and level of acceptable market risk (VaR, tracking error, sector exposures, sensitivity, etc.), issuer risk and liquidity risk. The rules may also include specific control rules for the relevant portfolios;
- **real-time 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) either agreed contractually with clients (investment agreements, notices, mandates, etc.) or set out in Amundi's internal asset management 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;
- check *ex-post* constraint compliance;
- 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 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.

Failure to comply with the investment rules could result in:

- the implementation of support measures in the event of a lack of liquidity on certain asset classes to enable clients to withdraw their investment;
- having to compensate clients in the event of adverse market developments as a result of non-compliance with investment constraints;
- a penalty imposed by the regulator.

II. Risk of process failure, human error

Amundi's communication and information systems, as well as those of its clients, service providers and counterparties, may be subject to operational failure. It is also impossible to totally exclude the risk of someone making an unintentional error while they are performing a task. The consequences of operational failure or human error vary depending on the type of incident, it could be a matter of compensating a client, penalties imposed by the regulator, damage to Amundi's reputation, etc.

In order to limit these risks, internal procedures are implemented and checks carried out to ensure these procedures are carried out properly and updated regularly. In addition, incidents related to operational processes are monitored by the Operational Risk Management Committee which defines measures to strengthen these processes, if appropriate.

III. Non-compliance, tax, regulatory and legal risk

(i) Non-compliance risk

"Non-compliance risk" is defined as the risk of judicial, administrative or disciplinary sanction, significant financial loss or damage to reputation, arising from non-compliance with provisions specific to banking and financial activities, whether or not these are legislative or regulatory in nature, or whether or not they involve professional and ethical standards or instructions from Senior Management.

These main non-compliance risks are grouped together by level of risk in the following categories:

- Market integrity;
- Professional ethics,
- Financial security;
- Protection for clients and unitholders;
- Prevention of fraud and corruption.

Non-compliance risks are identified and assessed each year for each compliance topic within "non-compliance risk mapping". 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 procedures are based on Crédit Agricole S.A.'s compliance procedures and include the specific characteristics of the business units offered by Amundi and its subsidiaries, particularly asset management. They apply to all entities in the Amundi Group. These Compliance procedures are accompanied by a set of compliance checks that are common to all entities, ensuring consistent implementation of controls across the entire scope.

Market integrity

Regulations require Amundi 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.

"Best selection" procedure

Amundi has committed to take all reasonable steps to obtain the best possible result when executing orders. Amundi has implemented a selection and execution policy that applies to all financial instruments covered by Directive 2014/65/EU on markets in financial instruments (MiFID II) that are traded on financial markets by intermediaries.

Due to their status, Group asset management companies do not have access to financial markets. In order to obtain the best execution possible, Amundi has chosen to use Amundi Intermédiation for its transmission and order execution activities. Amundi Intermédiation has been approved by the *Autorité de contrôle prudentiel et de résolution* (ACPR) as an investment company able to provide Reception and Transmission of Orders (RTO) services and order execution on behalf of third parties relating to all financial instruments specified in Article L. 211-1 of the French Monetary and Financial Code.

As the provider of services for the reception and transmission of orders on behalf of third parties, Amundi Intermédiation 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.

The selected intermediaries are bound to offer the best possible execution when they deliver an investment service. 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.

To obtain the best possible result for its clients, Amundi Intermédiation regularly re-examines the conditions and mechanisms it uses for order execution. 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 the reports drawn up by these committees.

Monitoring of order allocation

The system in place is based on a strict separation of the Portfolio Management and Trading business units.

Portfolio managers' orders are placed and processed by the Trading business unit (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 tool which systematically time stamps and pre-allocates orders from the moment they are entered into the IT systems.

The order placement 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.

Professional ethics

Amundi employees undertake to comply strictly with the applicable ethical standards in accordance with the law, and with the regulations and codes of conduct in force. Compliance with ethical standards is an essential element of the quality of service that Amundi is committed to delivering to its clients.

In order to protect and prioritise the interests of its clients, Amundi has implemented a policy for identifying, preventing and managing any conflicts of interest that may arise during the course of its business.

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. Up to and including Senior Management, Amundi is also organised into business units to separate the various functions likely to give rise to conflicts of interest.

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. Employees on those lists are informed of the fact, and they are reminded of the relevant conduct rules at that time.

Amundi aims to develop and promote a strong culture of compliance in accordance with the laws and regulations in force. The Compliance Department provides Amundi employees with mandatory training sessions, available in e-learning or face-to-face format.

Financial security

Amundi has set up an effective system of anti-money-laundering and combatting the financing of terrorism.

The measures and internal procedures Amundi has adopted are adequate and appropriate. They enable it to ensure compliance with all of its financial security obligations.

The Financial Security system is based on the following fundamental principles:

- the implementation of an appropriate framework, including a set of written procedures and training for employees;
- a risk classification system that ensures appropriate due diligence measures are taken which are proportionate to the risks posed by clients and their transactions, as well as an efficient warning system;
- a control system based on governance, permanent control and periodic control;
- protection for clients and unitholders.

As an investment services provider, Amundi:

- ensures that information about the products offered to clients and UCI unitholders is clear, transparent and not misleading;
- ensures that clients and unitholders are treated fairly;
- refrains from placing the interests of a group of clients, unitholders or shareholders ahead of those of another group of clients, unitholders or shareholders.

In particular, the Compliance Department ensures that any information produced is balanced and of high quality, verifies that clients are offered appropriate products, approves all new products or any substantial change to an existing product, and checks that responses to any complaints submitted by clients and unitholders comply with procedures.

Prevention of fraud and corruption

Within Amundi, the system for preventing the risk of fraud applies to all Amundi businesses and offices in France and worldwide. It aims to manage the consequences of fraud in the broadest sense, whether this involves financial loss, regulatory risk or reputational risk. This system is built around three pillars: prevention, detection and management of fraud.

The anti-corruption measures implemented by Amundi include:

- monitoring the gifts and benefits employees give or receive in the course of their professional activities;
- incorporating clauses in the contracts it has with its partners that enable Amundi to terminate the relationship if the partner is involved in acts of corruption;
- implementing an annual non-compliance risk mapping system that includes the risk of corruption;
- enabling any Amundi employee who suspects or is aware of the existence of a corruption risk to report it.

Due to its international dimension and the diversity of its activities, Amundi has included the detection of the risk of money laundering, tax fraud and tax evasion within the scope of its normal due diligence measures.

(ii) Regulatory and legal risk

Amundi, like all other financial institutions, is obliged to comply with new requirements in terms of reporting and, more specifically, the global fight against tax evasion. These new reporting requirements, and more generally, any mechanisms implemented to enhance cooperation between tax administrations in the fight against tax evasion, will subject Amundi to increasing administrative burdens and reporting obligations that require the implementation of costly procedures and systems.

A variety of regulatory and supervisory regimes apply to Amundi in each of the countries in which it operates.

In Europe, in respect of its subsidiaries that conduct asset management activities, Amundi is principally subject to three separate regulatory regimes for the management of retail mutual funds (the UCITS V Directive), the management of alternative investment funds, known as AIFs (the AIFM Directive) and portfolio management and investment advisory services (the MiFID II regulations). In addition, activities that use over-the-counter derivatives are subject to the EMIR regulation. Amundi is subject to similar regulatory regimes in other jurisdictions in which it does business.

In addition, certain Amundi entities, as authorised credit institutions or investment companies, are subject to regulation by the banking supervisory authorities. Moreover, as a significant subsidiary of a banking group, the Crédit Agricole Group, Amundi is subject to additional bank regulatory requirements.

These regulations subject Amundi's business activities to a pervasive array of detailed operational requirements, compliance with which is costly and may affect Amundi's growth.

Key regulatory reforms that may impact Amundi include, in particular:

- *transparency requirements* that govern the ability of investment service providers or banking networks providing investment advice to accept payments (including fee-sharing) and non-monetary benefits from portfolio managers such as Amundi;
- *money market fund requirements* that notably include rules relating to asset diversification, liquidity and transparency, as well as stress-testing procedures;
- *new requirements relating* to the extent and transparency of information concerning investments in financial instruments and packaged investment and life insurance products, including rules relating to asset diversification, liquidity and transparency;
- *increased disclosure* or *reporting requirements* which require Amundi to make regular investments in new and enhanced information technology and reporting tools which are likely to increase Amundi's costs;
- to a lesser extent, the new European Regulation on Data Protection, under which Amundi and its Group must adapt certain IT solutions and implement an appropriate internal organisation.

Non-compliance by Amundi with applicable laws or regulations, or any changes in the interpretation or implementation of these, could, if applicable, result in fines, temporary or permanent prohibition from conducting certain activities, and related client losses, or other penalties which could have a material adverse effect on Amundi's reputation or business and thereby a material adverse effect on its earnings.

Other specific regulatory reforms could also affect some of Amundi's clients, such as banking, insurance and pension fund clients, which could cause them to review their investment strategies or allocations to the detriment of Amundi and/or reduce the interest these clients have in Amundi's products. This could have a material adverse effect on Amundi's AuM, earnings and financial position.

As of 31 December 2019, 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 position or profitability of the Company and/or Group over the past 12 months.

(iii) Tax risk

As an international Group operating in multiple jurisdictions, Amundi has structured its commercial and financial activities to comply with the regulations that apply to it.

Since it is not always possible to draw clear-cut and definitive interpretations of the tax legislation of the various countries in which the Amundi entities are located or operate, the Group cannot guarantee that its tax affairs will not be subject to challenge by the relevant tax authorities. In general, any breach of the tax legislation of a particular country could result in tax adjustments and, if applicable, penalties, fines and interest on arrears.

In addition, the tax legislation of the various countries in which the Amundi entities are located or operate is subject to change (particularly in the event of changes in the position of the tax authorities and/or the interpretation of the law by a judge).

These various risk factors may result in an increase in Amundi's tax burden and have a material adverse effect on its business, its financial position and its earnings.

IV. Risk of business interruption

(i) Risk related to information systems

The organisation and governance of the security of information systems are primarily based on:

- the COMSEC, Amundi's Security Committee, chaired by the Deputy General Manager who is Head of the Business Support and Control Division;
- the Chief Information Security Officer (CISO) reports to the Security Department and is independent of the Information Systems department.

  The CISO (Chief Information Security Officer) carries out controls under his/her responsibility as defined in the annual control plan. They ensure that the results are consolidated and consistent, and help to prepare the information systems section of the regulatory internal control report. The results of the audits and the related recommendations are also provided so that they can be monitored at consolidated level.

  These control actions ensure that the risk scenarios are properly covered and that any irregularities are highlighted and incorporated into follow-up plans;
- a unit dedicated to operational response managed by the Information Security Officer (ISO) and reporting to the CISO;
- a network of local correspondents in the subsidiaries;
- a Control System making it possible to evaluate and report on the risk level of information systems.

With regard to cyber security, intrusion tests are carried out throughout the year by a specialised external company, both internally and externally. These tests are reviewed systematically and measures are taken if weaknesses are identified.

An operational committee, the IT Security Steering Committee, meets on a monthly basis to oversee the control of information systems alongside the Security Committee, a senior management committee that participates in the internal control system. The Security Committee meets four times per year and is chaired by the General Manager in charge of the Business Support and Control Division.

The current structure makes it possible to manage the security issues relating to Amundi's business in accordance with the following four objectives:

- availability of systems and data;
- integrity of services provided and information processed;
- confidentiality of managed data;
- proof and traceability of transactions.

The Information Systems Security Policy (ISSP), as the documentary benchmark resource, comprises:

- the Principal Policy (document that establishes the foundations of the ISSP);
- domain-specific Policies (by particular subject);
- organisational and technical standards (technical versions of the policies).

This policy is updated regularly to take into account the evolving threat, the development of new technologies and the emergence of new standards.

(ii) Unavailability of material and human resources

The business continuity plan (BCP) describes the rescue applications and how they are to be implemented depending on the operational crisis scenario involved and is validated by a senior management committee, the Amundi Security Committee.

This operating plan incorporates five key aspects:

- a crisis management plan based on an organisation and resources available 24/7 to alert, analyse and monitor the situation, but also to make decisions and distribute information;
- a user back-up plan (UBP), which can be operational within four hours and which, for the Paris entities, is based at a site located 25 kilometres from Paris, comprising 230 dedicated workstations (which can be increased to 700 if necessary), and with a remote working platform capable of handling 1,000 simultaneous connections (which can be increased to 2,000); for trading purposes, a business continuity mechanism can re-establish operations in under two hours in the event of the dedicated premises being unavailable as part of an immediate backup plan;
- an IT recovery plan, which can be operational within four hours, and which relies on dual data centres managed in "hot" mode with platform redundancy;
- verification of the business continuity plan for service providers;
- a business continuity plan (BCP) steering system based on cross-functional organisation. Amundi conducts business impact analysis (BIA) for each of its business units, defining for each process a level of critical importance and requirements necessary to maintain the business in question.

This emergency and business continuity plan is updated regularly and tested annually.

The potential incident scenarios covered are:

- unavailability of the local work environment due to site inaccessibility or the failure of technical equipment (blackout, dead telecommunications devices, etc.). This scenario includes the shutdown of a building or group of buildings;
- unavailability of personnel due to a public transport strike, epidemic, flood, etc. The solutions that would cover this scenario must allow Amundi to maintain continuity of its operations once 30% of its employees are available;
- physical unavailability of the information systems caused by the physical destruction of data centre hardware or devices giving network access to the Data Centre;
- unavailability of data centre software caused by malicious act, error or accident (virus attack, hacking, accidental destruction of a data bay or a database-altering computer bug);
- widespread unavailability of workstations caused, *e.g.* by a massive virus infecting the workstations.

Throughout the course of 2019, Amundi's BCP was tested, with particular emphasis on:

- the IT recovery plan, which was tested from 10 to 17 November 2018 by simulating the loss of a data centre for one week. The next test is due to take place at the beginning of the year;
- the UBP, which was tested on 21 June 2019 and activated under real conditions in August 2019;
- regular activation in December 2019 during the transport strikes rounded off these annual tests.

Amundi Group entities apply the business continuity policy and tailor it by adapting it if 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) Risk related to 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 as part of its responsibilities as a company managing financial portfolios.

Within this framework, Amundi has chosen to focus since its creation 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, taking into account the custodians' ability to perform these functions as a centralising agent of subscription/redemption orders on behalf of their clients.

This approach has been taken in France as well as in international entities whenever possible.

Dedicated structures are responsible for the quality control of the execution of outsourced services, as well as monitoring the relationship with each service provider concerned.

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 controlling the quality of the banking and accounting records, among other functions.

Generally, for depositary duties as well as for the other delegated asset servicing duties (valuation, transfer agent), Amundi relies mainly on its two traditional providers, CACEIS/SGSS, for mutual funds or on other third-party providers when their clients have explicitly requested so for their mandates or dedicated funds.

Each of these services is governed by a framework agreement that defines the scope of the duties outsourced and the commitments specific to each of the two parties in the agreement. The operational range of the delegated duties is detailed in a separate document that defines the level of service expected as well as the daily relationship with providers (Service Level Agreement).

The governance, monitoring and control of these relationships are assured through regular committees, specific Service Reviews, and monthly operational reviews. Key performance indicators complete this qualitative review of services rendered.

5.2.1.2 Activity risk

Activity risk relates to Amundi's strategy, its asset management activities and its competitors.

Risk	Potential consequences
I Business risk	
The main risks affecting asset management activities are: ▪ changes in financial markets; ▪ client demand; ▪ management fee rates.	▪ Drop in the value of assets resulting in a decrease in overall fees. ▪ Difficulty in achieving performance, leading to reduced performance fees. ▪ Risk-averse investors in disrupted markets. ▪ Any restrictions or limitations on certain activities.
II Extra-financial risk	
ESG offering that does not comply with investor expectations in terms of merit and commitment.	▪ Customer disaffection.

I. Business risk

The vast majority of Amundi's revenue consists of management fees calculated according to the assets under management. Its earnings are therefore sensitive to factors that impact the performance of its assets:

- the value of financial instruments could decrease (direct impact on the value of assets under management and indirect impact on deposit-taking). The sensitivity to the main variations in the markets is described in section 4.6 Recent events and outlook;
- demand from Amundi's clients depends on factors that are beyond its control and have an overall impact on the asset management market;
- Amundi is largely dependent on the distribution networks of the Crédit Agricole and Société Générale groups;
- management fee rates are subject to competitive pressure and market pressure;
- Amundi's inability to recruit and retain its employees could result in the loss of clients and provoke a drop in its assets under management;
- harm to Amundi's reputation (due to low investment yields, litigation, regulatory measures, negligence or violation of applicable laws or regulations by its managers or distributors) could result in a decrease in its assets under management, its revenue, and its earnings.

II. Extra-financial risk

Amundi takes measures to meet the expectations of its various stakeholders regarding corporate social responsibility. Extra-financial risk is addressed in policies pertaining to the operation of the Company (Purchasing policies, Human Resources policies) that are implemented by the relevant business units.

Extra-financial risks in portfolios managed on behalf of third parties are controlled by investment limits established based on internal ratings determined by a dedicated team of analysts who analyse ESG criteria. The various parameters selected to create this rating and the investment limits applicable to portfolios as an aggregate and/or to individual portfolios depending on the financial management processes, are subject to specific governance involving the risk monitoring teams.

Once the rules are defined, compliance with ESG limits is monitored in real time, in the same manner as investment ratios.

5.2.2 Financial risk

5.2.2.1 Credit risk

Credit and counterparty risk is linked to the failure of a counterparty. Amundi is exposed to credit risk in the context of the management of guaranteed funds if the default of a third party results in inadequate performance in relation to the guarantee provided, but also in the context of derivative brokerage, as Amundi is the intermediary between the funds and banking counterparties. Amundi is also exposed to credit risk on its investment portfolio.

Risk	Potential consequences
I Default risk	
Amundi is exposed to default risk on: ■ its investment portfolio; ■ certain products offered to clients that feature guaranteed levels of returns and/or capital guarantees.	■ Potential losses. ■ Payment of financial compensation if a guaranteed product underperforms. ■ Drop in the value of assets resulting in a decrease in overall fees.
II Counterparty risk on market transactions	
Amundi being an intermediary between the funds and banking counterparties, this activity does not generate market risk, but exposes Amundi to the risk of counterparty default.	■ Potential loss in the event of a counterparty default combined with adverse changes in the markets.
III Equity investment risk	
Amundi bears the risk of a fall in the value of the capital securities it holds in the context of strategic equity investments.	■ Potential losses if the value of the capital securities held decreases.
IV Concentration risk	
Amundi has a high concentration of credit and counterparty risk in the financial sector.	■ Potential losses in the event of default of one or more issuers or counterparties.

I. Default risk

Amundi is exposed to default risk on its investment portfolio as well as through guarantees given on some of the products it offers to clients. This risk is monitored continuously by the Credit Analysis team of the Risk Management Department which alerts the Credit Committee if the financial condition of an issuer or counterparty deteriorates. 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.

Structured funds benefiting from guarantees granted by Amundi mainly consist of three types: structured funds, constant proportion portfolio insurance (CPPI) funds and Italian pension funds.

Structured funds are intended to deliver a predefined return, based on a formula that is usually linked to share prices or indexes. The structure usually includes a form of capital protection.

CPPI funds are intended to offer partial exposure to the returns of risky assets, along with a guarantee that is defined at the outset.

Italian pension funds are designed to protect the capital of subscribers until retirement age (except in the case of early exit).

The following table shows amounts guaranteed as of 31 December 2019 and 31 December 2018:

In € millions	31/12/2019	31/12/2018
Structured funds	8,175	9,260
Constant proportion portfolio insurance (CPPI) funds	7,466	7,292
Italian pension funds	2,770	2,517
Other guaranteed funds	1,925	1,059
TOTAL OFF-BALANCE SHEET COMMITMENTS	**20,336**	**20,129**

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 structure in the case of structured funds.

The Risk Management Department continuously monitors the adequacy of assets held relative to returns due from the funds.

Fund assets may comprise the following:

- direct acquisition of debt obligations;
- acquisition of equities whose performance may be swapped with top-tier banks;
- repurchase agreements with top-tier banks;
- purchase of fund units (multi-asset investments).

Except for the Italian pension funds, 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 are subject to:

- prior authorisation of each investment from the independent credit analysis team. The exposure for each issuer has limits placed upon it. There is no sector or geographic restriction a priori but the assets must be rated at least investment grade at the time they are acquired;
- monthly reports in terms of exposure, limits and ratings.

II. Counterparty risk on market transactions

To ensure that clients receive the promised returns in structured vehicles (structured funds or structured EMTNs), derivative agreements are entered into with external bank counterparties selected through a tender process. As of 31 December 2019, the total nominal amount of transactions concluded between Amundi Finance and its market counterparties was €38.6 billion.

Once the funds and the EMTNs have been sold, the transactions 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 as of 31 December 2019 was €969 million compared to €229 million at 31 December 2018.

Performance swaps are written with market counterparties in a notional amount equal to the projected level of sales. The fund is committed only to the actual level of sales. Amundi bears the risk of a variance between the projected level of sales and the actual level. These are short-term liabilities (average marketing time is three months). A provision appraised by experts is recognised on the reporting date should there be a variance in current transactions between the projected level of sales and the actual level. No provision had been made as of 31 December 2019.

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 guarantee activity. Counterparties used 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.

III. Equity investment risk

When it makes strategic equity investments in the share capital of a company, Amundi's degree of control may be limited and any disagreement with other shareholders or with the management of the entity concerned could have an adverse impact on Amundi's ability to influence the policies of that entity. Amundi is exposed to the risk that the value of the capital securities it holds could fall.

IV. Concentration risk

As of 31 December 2019 and 2018, the break-down of exposures is as follows by rating, geographical area and sector (in proportion to the nominal amount of securities directly acquired by guaranteed funds, *i.e.* €4,006 million in 2019 and €4,670 million in 2018):

BREAKDOWN BY RATING

	31/12/2019	31/12/2018
AAA	2%	4%
AA+	11%	8%
AA	4%	6%
AA-	7%	4%
A+	11%	21%
A	6%	9%
A-	10%	7%
BBB+	20%	19%
BBB	6%	5%
BBB-	22%	17%
NR	1%	1%
TOTAL	**100%**	**100%**

BREAKDOWN BY GEOGRAPHICAL AREA

	31/12/2019	31/12/2018
France	22%	36%
Belgium	4%	4%
Spain	16%	13%
Italy	24%	19%
United Kingdom	2%	2%
Netherlands	2%	2%
Germany	4%	5%
United States	18%	14%
Other	7%	5%
TOTAL	**100%**	**100%**

BREAKDOWN BY SECTOR

	31/12/2019	31/12/2018
Financial institutions	25%	37%
Sovereigns and agencies	57%	47%
Corporates	18%	16%
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.

5.2.2.2 Market risk

Market risk is linked to variations in market parameters: interest rates, exchange rates, securities prices, credit spreads, etc.

Risk	Potential consequences
I Risk of price variations in the investment portfolio	
The main risk factors that may impact the value of the assets held in Amundi's investment portfolio are: ■ credit spreads; ■ interest rates; ■ equity markets	■ Potential losses in the event of adverse changes in market parameters.
II Foreign exchange risk	
Amundi's primary exposure to foreign exchange risk is structural, related to its foreign investments.	■ Depreciation in the value of investments.
III Real estate risk	
Amundi issues bonds whose structure is partially linked to the real estate market. This exposure is hedged by real estate assets which involves risk in the event of a significant fall in the price of these assets due to the capital guarantee attached to the product.	■ Negative market effect on assets on balance sheet, not offset by changes in liabilities. ■ Potential losses in the event of a significant drop in the price of real estate assets.

I. Risk of price fluctuations in the investment portfolio

The investment portfolio includes surplus capital voluntary investments 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 Management Committee, which meets up to twice per quarter and establishes guidelines pertaining to the voluntary investments portfolio and ensures the monitoring of the risk structure of the investment portfolio; overall portfolio investment limits as well as limits for each underlying asset are set by the Risk Management Department annually.

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 4.4.3 of this Universal Registration Document.

Market risk is measured by Value at Risk (VaR), a statistical measure 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. It amounted to €14 million as of 31 December 2019 and reached a maximum of €49 million during the course of 2019 (compared to €19 million in 2018).

Other indicators are also used to monitor the portfolio: unrealised capital gains or losses, sensitivity to changes in interest rates, spreads, and share prices and historical and hypothetical stress indicators.

II. Foreign exchange risk

Amundi's primary exposure to foreign exchange risk is structural, related to its investments in foreign subsidiaries and joint ventures. Amundi's policy is not to systematically hedge against all such exposure.

In 2019 it was decided to hedge the most significant exposures (in USD, JPY and GBP) with a view to optimising hedging costs in relation to impact in terms of immunising the CET1 ratio from risk. These hedges amounted to €174 million as of 31 December 2019.

Operational foreign exchange positions are subject to a global limit. This limit requires foreign-currency revenues to be regularly converted into euros. It also requires any foreign-currency investment made in connection with the investment portfolio to be hedged. Amundi's operational foreign exchange positions are not material.

III. Real estate risk

Since the end of 2013, Amundi has developed a business in issuing index-linked bonds:

- bonds whose structure is linked to the equity markets: these issues are hedged by derivatives and pose no market risk for Amundi;
- bonds whose structure is benchmarked in part to the real estate market: these issues are hedged using the same principles as equity-linked issues, but they expose Amundi to the risk of changes in real estate prices, because of the capital guarantee attached to them. This type of risk has its own set of restrictions.

The risk of change in the price of real estate assets is not managed actively since the transactions are set up back-to-back (solely holding as assets 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.

As of 31 December 2019, the nominal amount of EMTN issues was €7,897 million, including €1,462 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.

5.3 RISK MANAGEMENT SYSTEM

5.3.1 Internal control and risk management system

Amundi's internal control system notably complies with the provisions of the French Monetary and Financial Code (Article L. 511-41), the Order of 3 November 2014 concerning the internal control of companies in the banking, payment services and investment services sector, which are subject to regulation by the *Autorité de contrôle prudentiel et de résolution* (ACPR), the AMF General Regulation and guidelines on corporate governance, particularly those issued by the European Banking Authority and the Basel Committee.

The structure of the internal control system also consistently 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 risk as part of the controls carried out by the Group, the majority shareholder. These external guidelines are supplemented by Amundi's own charters, standards and internal procedures in the areas of risk monitoring, including IT and accounting, compliance checks and internal audit.

The internal control system applies equally to all Amundi Group entities (excluding joint ventures in which Amundi is the minority shareholder) and covers the management and control of activities, as well as the measurement and monitoring of risk. The system implemented by Amundi is adapted to suit the various operational units and subsidiaries depending on their specialist areas, and particularly with regard to their regulatory obligations.

The Board of Directors defines the risk appetite framework and the risk limits that apply to the Group. The governance of the internal control system stipulates that the Board of Directors' Risk Management Committee is to systematically report back the results of controls and significant incidents in light of this framework.

The resources, tools and reports used in this regulatory environment mean that Senior Management and the Board of Directors can be given regular reports on the functioning of the internal control system and its adequacy with regard to the Group's risk profile.

5.3.1.1 Fundamental principles

Amundi's internal control system is based on the following fundamental principles:

- systematic reporting to the Board of Directors in relation to the risk management framework, the monitoring of set limits, the activities and results of audits carried out by the various parts of the internal control system, as well as significant incidents;
- direct involvement of Senior Management in the organisation and functioning of the internal control system;
- comprehensive coverage of activities and risk;
- a clear definition of responsibilities and the effective segregation of the commitment and control functions through a system of formal, up-to-date delegations.

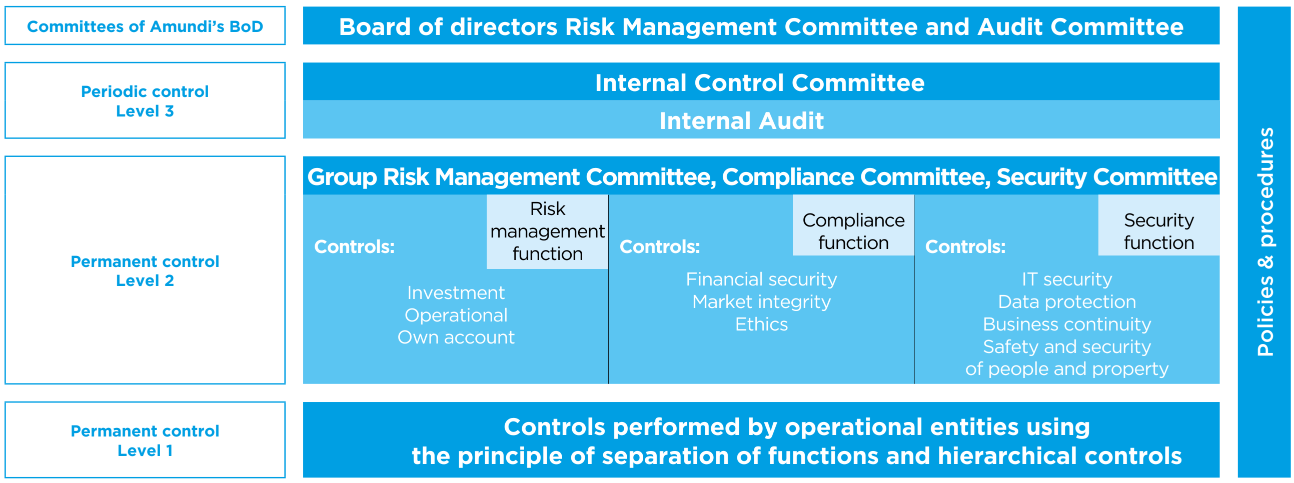
The design of the internal control system relies on two main cornerstones:

- systems for the measurement, monitoring and control of risk: financial risk, operational risk (operational processing, accounting and financial information, information systems), legal risk and non-compliance risk;
- level 1 permanent control system is carried out by the operational units, Level 2 permanent control is ensured by the Risk, Compliance, and Security functions and periodic controls are performed by Internal Audit.

Amundi's internal control system covers all of the Group within France and internationally, except for the joint ventures in which Amundi holds a minority interest.

5.3.1.2 Duties of the control functions

INTERNAL CONTROL SYSTEM SCHEME



Level 1 Permanent control

Level 1 Permanent Control provides the foundation for the Internal Control system. It is implemented by all operational units under their hierarchy. Level 1 Permanent Control is designed to ensure compliance with internal procedures relating to the operational processes, and their compliance with current laws and regulations, professional standards and codes of conduct. It makes it possible to prevent or detect any risk arising as a result of Amundi's activities.

The executives of the operational units are individually responsible for managing the risk associated with their activities. They are responsible for the definition, efficient deployment and regular updating of the Permanent Control system within their units.

The control system takes into account the regulatory framework and internal procedures. It is understood that these procedures must evolve and be adapted to our clients' expectations. They must take into account improvements that are expected in relation to any actual or potential incidents, as well as the recommendations made by Internal Audit.

The operational units obtain the resources necessary to perform these controls and regularly communicate the results to the Department to which they report, the Risk Management Department, the Compliance Department, and the Security Department.

They prepare reports to their hierarchy at least once a year, including a list of the key indicators and controls used to monitor the risks to which they are exposed, as well as a summary of the results of the controls carried out.

In the event of the significant deterioration of a risk, the operational units alert their hierarchy without delay, as well as the control functions.

The quality and relevance of the Level 1 controls and the effective relaying of their results for Level 2 control functions is an essential factor in the effectiveness of Level 2 controls.

Level 2 Permanent control

Level 2 Permanent Control is performed jointly by three control functions, which are independent from the operational units:

- the Risk Management function;
- the Compliance function;
- the Security function.

Collectively, these three functions are responsible for the cooperative and coordinated management of the entire Permanent Control system to verify that it provides comprehensive cover of the risks Amundi is exposed to. These control functions report to the Company's Second Executive Director, the Head of Amundi's Business Support and Control Division.

Coordination within Amundi as a whole

Amundi's Risk Management, Compliance, and Security Departments are responsible for the overall steering of the Permanent Control system of the Amundi Group. Accordingly, they define the approach and principles for implementation within the Group's various entities. They coordinate the control plans and organise the reporting of the findings.

The Risk Management, Compliance, and Security functions act in a collective and complementary manner in their respective fields of competence by ensuring the consistency and effectiveness of the controls carried out by the operational departments.

The Risk Management, Compliance, and Security functions take into account the Level 1 controls implemented by the business units and the resulting reports relayed when defining their own Level 2 controls. The frequency and comprehensiveness of these Level 2 controls depend on the annual risk assessment and mapping exercise carried out by each of the three functions.

Level 2 control functions are not a substitute for the Level 1 controls carried out by the operational departments.

The Risk Management function is responsible for monitoring the risk to which Amundi is exposed on its own account and as manager on behalf of third parties, with the exception of non-compliance risk and IT risk.

In this regard, the Risk Management function:

- continuously checks that the company and its clients are not exposed to financial risk beyond their risk tolerance;
- ensures that investment constraints are complied with;
- checks that operational risk is controlled.

The Compliance function is responsible for monitoring non-compliance risk and continuously ensures compliance with regulatory and ethical requirements in terms of:

- market integrity;
- financial security;
- protection for clients and unitholders;
- professional ethics;
- prevention of fraud and corruption.

In this context, the Compliance function also has the goal of ensuring that employees are being trained continuously on these topics.

The Security function is responsible for monitoring the risk associated with the information system (IT infrastructure, applications and data) as well as the risk relating to personal data protection (under the European regulations on the handling of personal data and the free circulation of these data), business continuity, and the protection of persons and property.

Consolidated performance indicators for the Crédit Agricole Group

The Crédit Agricole Group has established a set of key indicators (classified as 2.2c controls) in various fields, which include: Credit risk, financial risk, accounting risk, non-compliance risk, business continuity plan, security safety prevention, IT risk, and operational risk.

An individual responsible for each category is appointed within Amundi to establish the relevant indicators using the 2.2c indicators proposed by Crédit Agricole S.A. as a methodological benchmark. This is done for all Amundi Group entities. This individual retains the audit trail of the controls completed and the results obtained.

Amundi's Risk Management Department is in charge of coordinating the collection and consolidation of the results of controls carried out based on indicators defined by the individuals responsible for each category on behalf of Amundi, and providing them to Crédit Agricole S.A.

Level 3 controls

Amundi's Internal Audit is in charge of the Group's periodic control; it ensures the lawfulness, security and effectiveness of all operations and risk control activities across all Amundi entities. It intervenes *via* audit plans approved by the Board of Directors' Risk Management Committee to cover the activities at frequencies appropriate to the risks of each activity. Each audit results in a report and recommendations, to which the audited entities respond. The effective implementation of recommendations is monitored twice yearly by Amundi's Internal Audit. The General Internal Audit Department of Crédit Agricole S.A. also conducts audits of the Amundi Group.

5.3.2 Governance (audited)[1]

Acting on the recommendation of Senior Management, the Board of Directors approves the risk appetite at Amundi consistent with Amundi's defined strategy.

Internal control system governance at Amundi is organised around:

- the Board's Risk Management Committee and the Audit Committee, both offshoots of the Board of Directors;
- four Internal Control Committees to which Senior Management actively contributes, and which are described below.

In addition, Senior Management receives a monthly report of the Group's risk situation and any sensitive issues. It ensures that the internal control system is subject to constant monitoring to verify its adequacy and effectiveness. Senior Management is informed of the main malfunctions identified and the corrective measures applied.

The Board of Directors:

- on the recommendation of Senior Management, approves the risk appetite in view of the Group's defined strategy;
- is informed at least twice a year, through presentations by Senior Management, about the Group's consolidated risk situation and earnings, the status of the risk monitoring and internal control system and the earnings from operations and the internal control findings.

In addition, the Board of Directors is informed of significant incidents that exceed certain thresholds which are reviewed annually by the Risk Management Committee of the Board of Directors. Lastly, it reviews the annual report on internal control once a year.

5.3.2.1 Internal control committees

Internal Control Committee

The Internal Control Committee, chaired by the Head of Amundi's Business Support and Control Division, ensures the consistency, effectiveness and completeness of the internal control system and coordinates Periodic Control, Permanent Control, Risk Monitoring, Compliance and Security activities. Other members of this committee include Amundi's Head of Risk Management, Head of Compliance, Head of Security, Head of Legal Affairs and Head of Internal Audit. It meets 11 times a year.

The duties of the Committee include:

- assessing the internal control system and the control system implemented;
- examining the major risks of any kind to which Amundi is exposed and changes to the risk and performance measurement systems, and ensuring the adequacy of the internal control system to correctly oversee these risks;
- making any decision necessary to remedy weaknesses in the internal control system;
- monitoring the implementation of commitments made as a consequence of internal and external audits;
- deciding on corrective measures for shortcomings revealed by the audits as well as by the operating and control reports available to those responsible for the control or management functions of the entity.

Risk Management Committee

Amundi's Group Risk Management Committee, chaired by the Head of the Business Support and Control Division, is the main risk governance body. It meets 11 times a year.

The objectives of the Committee are to set the risk management policy governing all Amundi Group entities (risks taken on behalf of third parties and on its own account). Accordingly, it has complete authority to:

- define Amundi's risk policy;
- approve management strategies and investment processes;
- approve methodologies used to calculate risk indicators;
- approve credit and counterparty limits;
- set overall limits;
- make decisions about the funds' use of new financial instruments;
- determine the risk framework for each product and activity;
- review the findings of audits performed;
- make the decisions necessary to resolve any exceptions discovered.

Decisions made by the Group Risk Management Committee apply to all Group entities.

The Group Risk Committee delegates the specific duties entrusted to it to several sub-committees. Thus:

- the Valuation Committee sets the valuation policy;
- the Credit Committee approves the per issuer limits on supervised funds and own account and counterparty limits on all funds;
- the Operational Risk Management Committee handles the monitoring of incidents related to operational processes and defines the measures to enhance these processes.

The local Risk Committees, chaired by the local General Manager, have the authority to adapt the policy framework applicable to investments to particular local regulations or market conditions, though always complying with the decisions of the Group Risk Management Committee. These committees meet at least quarterly.

Compliance Committee

Amundi's Compliance Committee, chaired by the Head of the Business Support and Control Division, meets eleven times a year. Amundi's Compliance Committee is an operational committee responsible for overseeing the implementation and application of the Compliance control program for Amundi and the entities falling within the scope of its internal control system. Therefore, any significant information regarding any incidents arising from the application of French or foreign legislation and regulations is submitted to the Compliance Committee.

(1) Information bearing the word "Audited" forms 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.

The Compliance Committee approves the non-compliance risk mapping and the Compliance control plan, which are reviewed each year.

Amundi's Compliance Committee oversees the results of the local Compliance Committees. At least twice a year, Amundi's Compliance Committee will submit to its Board of Directors a report containing information regarding any incidents arising from the application of French or foreign legislation and regulations.

Each relevant subsidiary or entity sets up a Compliance Committee that is in keeping with local conditions, and makes the necessary arrangements to ensure it functions properly. The local Compliance Committee can cover a wide range of tasks such as:

- supervising and managing the guidelines issued by the Amundi Compliance Committee;
- approving the controls common to each entity falling within its local authority;
- ensuring regulatory requirements and their application are kept up to date;
- disseminating and communicating a culture of compliance within the entity; etc.
- relaying information to the Amundi Compliance Committee.

This organisational structure means that the various compliance processes can be implemented consistently within each subsidiary.

Security Committee

The Security Committee, chaired by the Head of the Amundi Business Support and Control Division, steers the security of property and persons, information systems, the business continuity and crisis management plan, as well as the protection of personal data. It meets four times per year.

Specialised committees

The following specialised committees have been set up:

- the Products and Services Committee, which examines and approves each proposal to create or modify new products and services;
- the Seed Money Committee, which examines and approves on a case-by-case basis the seed money investments or any other type of support needed;
- the Financial Management Committee, which analyses the financial risk borne by the Group (such as liquidity, foreign exchange and overall interest rate) and makes any decision to optimise the structure of the balance sheet and limit the financial risk directly borne by the Group.

5.3.2.2 Resources

Senior Management defines the general organisation of the Company and ensures that it is effectively implemented by competent individuals. It clearly allocates the roles and responsibilities with regard to internal controls and allocates the necessary resources.

As of the end of 2019, the numbers of people employed by the various business units were:

(in FTE)	2018	2019
Risk Management Department	212	214
Compliance Department	100	100
Security Department	28	29
Internal Audit	38	41

5.3.3 Organisation of control functions and systems

5.3.3.1 Risk management function

Within the Risk Management business unit, 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 put in place an organisation to manage risk which is based on a high level of integration of the Risk Management business unit across the whole of the Amundi Group, with the following objectives:

- uniformity of the risk monitoring processes;
- the pooling of resources adapted to suit the various entities;
- a high level of team expertise, by means of dedicated centres of competence.

5.3.3.1.1 Organisation of the Risk Management business unit

The Risk management business unit employs a matrix organisation consisting of:

- cross-business Risk Management Departments which determine the broad methods of controlling and monitoring risk related to the way funds are managed and provide supervision of this risk. The goal of these departments is to integrate all risk and performance factors and indicators for each fund analysed and to ensure the internal consistency of these indicators and their suitability to a fund's objectives. Within these departments, Senior Risk Managers (SRM) consult with Senior Investment Managers to oversee the risks of each asset class managed;
- in each subsidiary that manages assets, a Risk team oversees the risks and reports functionally to a department head;

- teams specialised by field of expertise and brought together in a dedicated department whose mission is to ensure consistency across business lines of the approach taken for each type of risk. The main missions of this department are to define the standards and methods for measuring risk, produce the risk indicators and provide expertise in applying these measurements to the portfolios;
- the department is organised around the following seven areas of expertise:
  - implementation and administration of the monitoring software for regulatory and contractual constraints,
  - measurement and attribution of performance,
  - calculation of credit and market risk indicators, definition and control of the valuation policy,
  - supervision of the monitoring system for operational risk and accounting risk, as well as co-ordination of the work done on permanent control at consolidated level,
  - establishment of a list of authorised counterparties and, for certain managed portfolios, the setting of issuer limits,
  - the steering and implementation of solutions for the Risk Management department and cross-business projects,
  - establishment of a list of authorised counterparties for all managed portfolios and the setting of per issuer limits for certain managed portfolios;
- a dedicated team in charge of steering the operational risk monitoring system. This team's main role is to:
  - map operational risk at the Amundi level,
  - collect information about operational incidents,
  - monitor all action plans designed to mitigate this risk,
  - contribute to calculating the capital requirement,
  - contribute to the permanent control system.

  Amundi takes a comprehensive approach to managing operational risk. All teams and managers are involved in managing operational risk.

To make risk monitoring more consistent, the risk management information system is shared by all entities within the internal control scope, including the following applications:

- applications for managing constraints and risk limitations;
- applications for measuring market risk;
- systems for performance measurement and attribution.

Periodic reports are provided to Senior Management and to the Board of Directors on the controls carried out by the Risk Management function. In 2018, 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 business unit's various governance committees which Senior Management takes part in, including Amundi's Group Risk Management Committee which is the head committee of the Risk Management system.

The Board of Directors also receives regular information through presentations given by the Risk Management Committee, which cover:

- the risk management system, its current state and any changes to it;
- a summary of risks, changes in risk, the level of the main risk limits and usage of those limits.

5.3.3.1.2 Improvement and adaptation of the risk monitoring system in 2019

Work to improve and adapt the risk monitoring system continued throughout 2019. The main highlights of this were:

- completion of the work to consolidate the former Pioneer scope, focussing particularly on:
  - Industrial platform: completion of the IT migration of funds brought over from Pioneer with an emphasis on the teams adopting new systems and re-launching IT projects that had been suspended while the merger took place,
  - Commercial positioning: following the plans to merge/streamline the Luxembourg funds, which was finalised in the first six months of 2019, there should be an ongoing streamlining of product lines within each management platform;
- the consolidation of a new subsidiary in Taiwan during the 1st half of 2019.

In terms of changes to the control system:

- activities performed on behalf of third parties:
  - continued updating of risk frameworks,
  - publication of the liquidity management policy for Amundi funds;
- activities performed on our own account:
  - regular updating of the risk appetite system.

5.3.3.2 Compliance function

Amundi's Compliance business unit is organised as a centralised function that is independent of operational services. The duties of Amundi's Head of Compliance are carried out totally independently. A feature of this independence is a dual reporting system; reporting hierarchically, on the one hand, to the Head of Compliance of Crédit Agricole and operationally, on the other, to Amundi's Deputy General Manager, the Head of the Business Support and Control Division.

The Compliance Business Unit ensures that the prevention and control systems for non-compliance risk are consistent and effective throughout the entities that are monitored on a consolidated basis by Amundi. Along with the Risk Management and Security business units, it constitutes the second line of defence of the Group's internal control system. The Compliance business unit relies on the controls formalised by the managers of the operational units, who are primarily responsible for and the guarantors of the effective deployment of the internal control system and ensure that the transactions carried out comply with laws and regulations and internal standards.

Its main tasks are:

- to disseminate a culture of compliance within the Group;
- to define the framework of compliance standards;

- to assist the Group's managers and employees with carrying out their business activities;
- to help the business units assess non-compliance risk and implement and monitor the corresponding controls;
- to represent the Group in its dealings with regulators, national authorities and professional associations in conjunction with the Group's other control functions;
- to inform and, if applicable, warn Senior Management of a non-compliance risk.

Amundi's Compliance business unit which is structured as a globally integrated function, brings together all of the Compliance teams of Amundi and its subsidiaries. It is itself incorporated into Crédit Agricole's Compliance business unit. Its structure is designed to preserve the independence of the entities' Compliance Managers, to ensure that the resources allocated to the effective management and control of non-compliance risk are adequate and proportionate and to ensure information is transparent.

In each country, the Compliance business unit must ensure that the activities and operations of the entities within the Amundi Group comply both with local regulations and with any other regulations and any of the Group's internal rules that apply to them. Every year, the Compliance Department of each entity and subsidiary:

- maps the risk of non-compliance with legislative and regulatory provisions with the aim of identifying major areas of risk and determining the regulatory procedures to be put in place and setting out any remedial action. In the event of a significant risk being identified, the escalation procedure will be implemented and Senior Management and the Board of Directors notified, if necessary;
- prepares the annual Compliance report for the entity's Board of Directors and forwards it to Amundi's Head of Compliance. This annual Compliance report sets out the conditions for ensuring Compliance, essential information and the lessons learned from measuring and monitoring non-compliance risk.

Based on the annual reports of its subsidiaries, as well as on the results of its own controls, Amundi's Compliance Department produces the annual Compliance report for Amundi's CEO and Board of Directors, and informs the Head of Compliance of Crédit Agricole.

In 2019, Senior Management was updated on Compliance matters as follows:

- monthly, at Compliance Committee meetings, during which the results of controls performed by Compliance were presented;
- annually, *via* the annual report on the management of non-compliance risk.

The Board of Directors receives regular information through presentations given by the Board's Risk Management Committee, which cover:

- the system for managing non-compliance risk (including non-compliance risk mapping);
- the control plan and the results of controls.

Major actions taken by the Compliance Department in 2019:

- strengthening the regulation of the business with the drafting and updating of policies, procedures and different versions of the Group standards;
- during the 1st half of 2019, launching a new Compliance expertise division: "Distribution & Fund Hosting";
- implementing indicators of appetite for non-compliance risk in accordance with the requirements of the Crédit Agricole Group (fraud indicator, new business indicator and screening indicator);
- strengthening of AML/CFT controls and Penalties on issuers: New post-trade controls on issuers in at-risk countries;
- developing the control plan;
- in September 2019, all employees in all Group entities were made aware of the Amundi Code of Conduct, which was made available to all external contacts on the Amundi website, www.amundi.com. In particular, it meets the requirements imposed by the French Sapin II law on transparency, anti-corruption and modernising the economy.

5.3.3.3 Security function

The Security Department is organised in a centralised fashion while still relying on coordination cells or local correspondents. It combines divisions with different expert departments in charge of the security of persons and property, business continuity, information systems security or personal data protection.

The resources dedicated to the security of information systems (IS) are separated from the IT Department. This team is tasked with defining the security policy for IS, managing its proper execution as well as implementing a strategy to anticipate and prevent any breaches to the integrity, confidentiality, availability or traceability of the overall system. It is also responsible for protecting the information systems, detecting any malicious acts or acts that breach internal policy and for responding to such acts.

The IT risk control function is based on Level 1 and Level 2 permanent controls (including vulnerability scans and regular intrusion tests), a monthly operational committee (the IT Security Steering Committee) and the strategic level Security Committee which meets four times a year.

Based on the disaster scenarios defined by the Crédit Agricole Group, the Amundi individual in charge of BCP ensures that all Amundi entities apply the prevalent policy in terms of business continuity by adapting it as needed to the local legal and regulatory constraints. The results of the control plan are presented to the Security Committee.

5.3.3.4 Periodic control

The Amundi Internal Audit Department reports hierarchically to the Crédit Agricole S.A. General Internal Audit Department and operationally to Amundi's Senior Management. The Periodic Control system includes a central Internal Audit team, which covers the entire Amundi scope, and decentralised Internal Audit teams in several of its subsidiaries, which report to local management and to Amundi's Head of Internal Audit.

Integrated within the Internal Audit business unit of the majority shareholder, Crédit Agricole S.A., Amundi's periodic control system is based on the tools and methods adopted by the Crédit Agricole Group, in particular with regard to audit mapping, planning and conducting audits, monitoring implementation of recommendations issued and reporting on follow-up to its work.

The audit plan is drawn up on the basis of a multi-year audit program based on the mapping of the Amundi Group's risks. It also factors in requests from Amundi's Senior Management, the Internal Audit business unit of Crédit Agricole S.A. and the Board of Directors' Risk Management Committee. The objective of the multi-year program is to cover the audit scope (which is based on the scope of the monitored entities) over a maximum of five years, with an average frequency of three years used.

In addition, Internal Audit conducts half-yearly audits to follow up the implementation of all of its recommendations, as well as ensuring quarterly follow-up of some important recommendations. All work carried out by Amundi Internal Audit, the Crédit Agricole S.A. General Internal Audit Department and by supervisory authorities are subject to this formal monitoring system which ensures that remedial actions are implemented within the deadlines agreed with the entity's management at the end of the audit. The system also enables the Head of Internal Audit to issue alerts to the Board when necessary, as set out in Article 26 of the Order of 3 November 2014.

The 2019 audit plan was not fully completed as a result of organisational developments, which meant that some audits were postponed to 2020 or replaced by other assignments, changes that were subject to the prior approval of the governance bodies of the Amundi Group.

The audit conclusions were presented to Senior Management and the Board of Directors' Risk Management Committee, who were also kept updated regarding the progress made to implement the recommendations.

Finally, the approach taken by Amundi's Internal Audit function is subject to an ongoing quality improvement process.

5.3.3.5 Specific internal control system for accounting and financial information; role and responsibilities in the preparation and processing of accounting and financial information

Under the authority of the 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 IFRS and the accounting rules and principles set and distributed by Crédit Agricole Group;
- prepares the financial statements of each entity in accordance with current local accounting standards;
- prepares the various regulatory, prudential and fiscal reports;
- produces the various pieces of management information necessary to steer the activities;
- ensures that Amundi's financial communications are issued to investors.

Permanent controls on accounting and financial information

The accounting and financial information control system 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 reporting directly to the Chief Financial Officer. This system is supported by permanent accounting controls provided by an independent team reporting to the Risk Management function.

The permanent accounting control objectives are designed to ensure adequate coverage of the major accounting risk which could alter the quality of the accounting and financial information in terms of:

- compliance of data with regard to the legal and regulatory provisions, and the standards of the Crédit Agricole Group;
- reliability and accuracy of the data, so that it provides a true picture of the earnings and financial position of Amundi and of the entities within its scope of consolidation;
- security of the data preparation and processing procedures, limiting the operational risk with regard to Amundi's commitment to the information published;
- prevention of the risk of fraud and accounting irregularities.

The permanent controls on the accounting and financial information are based on an evaluation of the risks and controls of the accounting processes managed by the operational units. In particular, the risks monitored by the Risk Management Department, especially those related to the off-balance-sheet commitments, are reconciled with Accounting in order to ensure that the information is complete and is properly evaluated in the financial statements.

The Head of Amundi's Permanent Accounting Control ensures that any corrective actions are implemented in order to reinforce the system of permanent accounting controls.

Relationships 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 separate and consolidated financial statements;
- a limited audit of the half-yearly consolidated financial statements;
- a reading of all the supporting materials for the published financial information.

As part of their legal mandate, the statutory auditors present their findings to the Audit Committee and to Amundi's Board of Directors.

5.3.4 Brief statement concerning risk

(Statement prepared in accordance with Article 435 (1) (f) of EU Regulation No. 575/2013 and approved by the Amundi Board of Directors on 11 February 2020)

Risk appetite at Amundi means the type and aggregate level of risk, by nature of risk and by activity, that Amundi is prepared to assume in light of its strategic objectives. Amundi defines its risk appetite by including the essential dimensions of its business: the attractiveness of the products it offers, the strength of its financial position and the pursuit of its short and long-term profitability objectives.

The formalisation of Amundi's risk appetite is instructive for Senior Management and the Board of Directors as they plan the Group's development trajectory and how that translates into each business unit's strategy.

This formalisation is the result of a coordinated and shared effort among the Finance, Risk Management, Compliance and Security Departments and has as its goal:

- to engage the Directors of the Board and Senior Management in discussions and conversations about risk-taking;
- to formalise, standardise and specify the acceptable level of risk (framework of standards) relating to a given strategy;
- to fully integrate the risk/return relationship into the strategic steering 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 that an alert level is reached compared to standard risk appetite;
- to improve external communications with third parties, regulators and investors concerning earnings stability and the management of risk.

Amundi's risk appetite framework for the 2019 financial year was set out at the Board of Directors meeting of 12 February 2019. It was regularly reviewed during the financial year in order to adapt it to regulatory changes and to Amundi's profile.

Process for formalising the risk appetite framework

In line with the Group's policy, Amundi expresses its risk appetite in terms of key indicators, broken down into three levels of risk:

- **appetite** refers to the normal, recurring management of risk. This is expressed in the form of budget objectives in terms of solvency, liquidity and profitability, as well as operational limits pertaining to market, ALM and credit risk 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 supervisory bodies of the Company are informed in proportion to the level of risk incurred.

Furthermore, although Amundi chooses most of its risks as part of its strategic plan, certain risks such as operational risks and some non-compliance risks are inevitably going to be incurred, even though the protective measures and the control systems in place may limit their occurrence and their potential 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 performance indicators in the risk profile as of 31 December 2019

In 2019, Amundi used nine key performance indicators to express its risk appetite and risk profile:

- **four overall indicators of risk exposure:**
  - *total Risk-Weighted Assets* (RWA) within the meaning of the CRD IV regulation: as of 31 December 2019, Amundi's RWA totalled €11,782 million,
  - *RWA in terms of credit risk* (including threshold allowances and CVA) and market risk, which was €7,327 million as of 31 December 2019,
  - *RWA in terms of operational risk* which was €4,455 million as of 31 December 2019. This indicator shows the implementation of controls and supervision, the purpose of which is to reduce the impact of operational risk to the incompressible minimum,
  - *the CET1 solvency ratio*, which stood at 15.9%[1] as of 31 December 2019;
- **two indicators of balance-sheet liquidity:**
  - *the Gearing or Debt ratio* (net debt/tangible shareholders' equity): as of 31 December 2019, the Gearing ratio was -9.2%,
  - *the liquidity coverage ratio* (LCR): Amundi's LCR as of 31 December 2019 was 541%;
- **three profitability indicators:**
  - *cost of risk*, which takes into account operational risk, credit risk (particularly default by an issuer or counterparty that may affect Amundi) and, where applicable, any market risk arising from the management of guaranteed funds; Amundi's cost of risk for the 2019 financial year was €10.7 million (excluding a general provision for regulatory risk),
  - *cost-to-income ratio*, which reached 50.9% for the 2019 financial year, from an adjusted point of view,
  - *net income Group share*, which for the 2019 financial year amounted to €959 million.

For the 2019 financial year and as of 31 December 2019, the various key indicators of the risk profile were situated within the acceptable risk range defined by Amundi and did not reach their tolerance thresholds.

(1) Including the provisioning of dividend, which won't be proposed for vote at the AGM (decision of April 1st, 2020). The allocation of the entire 2019 results to previous retained earnings will positively impact this ratio by more than 500 bps to over 20%.

5.4 SOLVENCY AND CAPITAL ADEQUACY

5.4.1 Solvency ratio

5.4.1.1 Applicable regulatory framework

As a credit institution, Amundi is subject to French prudential regulations, which implement into French law the provisions of the EU 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 EU 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 French *Autorité de contrôle prudentiel et de résolution* (ACPR) to cover risk-weighted assets in terms of credit risk, operational risk and market risk.

Regulatory capital, calculated based on Amundi's scope of consolidation, breaks down into three categories:

- Common Equity Tier 1 (CET1);
- Additional Tier 1 capital (AT1);
- Tier 2 capital consisting of equity and debt instruments, to which various adjustments are made.

Regulatory capital is obtained from accounting shareholders' equity. The adjustments made (prudential filters) mostly involve deducting goodwill and intangible assets (net of deferred taxes).

Amundi principally holds CET1 capital, consisting of share capital and undistributed reserves. As part of the financing of the acquisition of Pioneer Investments, Amundi issued Tier 2 capital in the amount of €300 million in 2017, maturing in 2027.

5.4.1.2 Minimum regulatory requirements

The requirements for Pillar 1 are governed by the CRR regulation. The regulator also sets, on a discretionary basis, minimum requirements under Pillar 2.

Minimum requirements of Pillar 1

- **Capital ratios before buffers:** since 2015, the minimum CET1 requirement has been set at 4.5% and the minimum Tier 1 requirement was increased to 6%. Finally, the minimum total capital requirement is 8%.
- **These requirements are supplemented by capital buffer requirements:**
  - the capital conservation buffer (2.5% of risk-weighted assets);
  - the counter-cyclical buffer (between 0 and 2.5% of range of risk-weighted assets);
  - systemic risk buffers (generally between 0% and 3%, and up to 5% with European Commission approval, and more exceptionally over 5%) and for global systemically important banks (G-SIBs) (between 0% and 3.5%) or other systemically important institutions (O-SIIs) (between 0% and 2%). These buffers are not cumulative and, generally speaking, with some exceptions, only the highest will apply. Only the Crédit Agricole Group belongs to the systemically important institutions category. Amundi does not fall under these categories;
  - these buffers must be covered by CET1 capital.

Minimum requirements of Pillar 2

Since 2017, the ECB has changed the methodology used, splitting the regulatory requirements into two parts:

- **a "Pillar 2 Requirement" (P2R).** This requirement applies to all levels of capital and must be entirely made up of Common Equity Tier 1 capital (CET1). Non-compliance with this requirement will automatically result in restrictions on distributions (additional Tier 1 capital instrument coupons, dividends, variable compensation). Consequently, this requirement is published;
- **a "Pillar 2 Guidance" (P2G).** This requirement is not currently published.

Amundi was required to meet a minimum consolidated CET1 ratio of 8.64% as of 31 December 2019. This level included the requirements of Pillar 1, Pillar 2 P2R, the capital conservation buffer and the countercyclical buffer.

At the end of 2019, Amundi was notified by the European Central Bank (ECB) of changes to the applicable capital requirements following the results of the Supervisory Review and Evaluation Process ("SREP").

Consequently, from 1 January 2020, Amundi no longer has any additional P2R or P2G requirements, and is therefore required to meet a minimum consolidated CET1 ratio of 7.31%, taking into account the forecast countercyclical buffer as of 31 December 2020.

5.4.1.3 Capital ratios as of the end of 2019

As of 31 December 2019, Amundi's total capital ratio was 18.4% (1)**, compared to 15.9% in 2018,** a rise resulting from the increase in Category 1 capital, which more than offsets the increase in risk-weighted assets for credit risk, primarily linked to the growth of the investment portfolio and the entry into force of IFRS 16.

The CET1 ratio stood at 15.9% (1), significantly higher than the P2R for 2019, and up from 13.2% at the end of 2018.

The reconciliation between accounting equity and regulatory capital is presented in section 4.4 of this Universal Registration Document.

The key figures are shown in section 5.5 below.

Amundi applies IFRS 9 to financial instruments since 1 January 2018. This standard is being applied retrospectively. Accordingly, the impact associated with the new classification and the measurement principles for financial instruments and the writing down of credit risk was all taken into account with regard to Amundi's capital. This impact was not material for Amundi.

(1) Including the provisioning of the dividend, which won't be proposed to the AGM on 12 May 2020. The allocation of the entire 2019 results to previous retained earnings. will positively impact the solvency ratios by more than 500 bps

For credit risk purposes, risk-weighted assets are calculated using the standardised prudential 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 prudential 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 according to the standardised prudential standards ("valued at their market value" method).

In 2019, €829 million in risk-weighted assets were calculated for market risk, mainly linked to structural, unhedged foreign exchange exposures. At the end of 2018, Amundi received the ECB's permission to take into account deductions linked to goodwill and financial stakes for exposures denominated in US dollars and Chinese yuans.

Capital requirements for operational risk are partially calculated using the advanced measurement approach (AMA) developed by Crédit Agricole Group and used by Amundi. Use of the AMA method was approved by the French *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 risk ratio, Amundi's biggest exposure was €241 million at end of 2019, in compliance with the 25% threshold of total regulatory capital.

5.4.2 Leverage ratio

Article 429 of the CRR, setting out the terms and conditions relating to the leverage ratio, was modified by Delegated Regulation No. 62/2015 of 10 October 2014 published in the *Official Journal* of the European Union on 18 January 2015.

Since the European regulation CRR 2 was published in the *Official Journal* of the European Union on 7 June 2019, the leverage ratio has become a Pillar 1 minimum requirement with effect from 28 June 2021:

- the minimum leverage ratio requirement will be 3%;
- from 1 January 2022, for global systemically important banks (G-SIBs), and therefore for the Crédit Agricole Group, there will be an additional leverage ratio buffer set at half of the entity's systemic buffer;
- finally, non-compliance with the leverage ratio buffer requirement will result in limitations on distributions and calculation of a maximum distributable amount (L-MMD).

The leverage ratio is the ratio of a bank's CET1 to its total exposures, *i.e.* total assets plus off-balance sheet items after certain restatements for derivatives, intra-group transactions, financial securities transactions, items deducted from the numerator and off-balance sheet items.

Since 1 January 2015, it has been mandatory to publish the leverage ratio at least once a year.

Amundi's leverage ratio was 8.8% as of 31 December 2019, compared to 8.1% at the end of 2018.

In € millions	31/12/2019	31/12/2018
Tier 1 capital	1,871	1,440
Leverage exposure	21,211	17,716
LEVERAGE RATIO	**8.8%**	**8.1%**

5.4.3 Economic capital management

With a view to always retaining adequate equity to hedge the risk to which it is exposed, Amundi supplements the capital requirements measure (Pillar 1) with a measure on economic capital requirements which relies on the risk identification process and valuation using an internal approach (Pillar 2).

This procedure is one of the components of ICAAP (Internal Capital Adequacy Assessment Process). Economic capital is developed in accordance with the interpretation of the main regulatory standards:

- the Basel agreements;
- CRD 4 *via* its transposition into French regulations by the Order of 3 November 2014;
- European Banking Authority guidelines;
- the prudential expectations relating to the ICAAP and the ILAAP.

For each of the risks recorded during the risk identification process, calculating economic capital requirements consists of:

- adjusting capital requirements calculated under Pillar 1 so that internal capital reflects the risks of each business activity from an economic standpoint;
- applying a quantile (probability of the occurrence of a default) at a defined level based on the Group's risk appetite in terms of external ratings;
- taking into account, in a prudent manner, the effects of diversification.

In addition to a quantitative aspect, Amundi's approach is also based on a qualitative aspect that completes the economic capital requirement measures.

5.5 KEY PERFORMANCE INDICATORS/RISK PROFILE

	31/12/2019	31/12/2018
ASSETS UNDER MANAGEMENT INCL. JV *(in € billions)*	1,653	1,425
of which, AuM excluding JV	1,419	1,283
of which, JV AuM	234	142
EQUITY, GROUP SHARE *(in € millions)*	8,900	8,528
REGULATORY CAPITAL *(in € millions)*	2,171	1,740
of which, Tier 1 capital (Tier 1 = CET1 + AT1)	1,871	1,440
of which, Common Equity Tier 1 capital (CET1)	*1,871*	*1,440*
of which, Tier 2 capital	300	300
TOTAL RISK-WEIGHTED ASSETS *(€ millions)*	11,782	10,949
of which, Credit risk	6,498	5,672
of which, Credit risk excl. threshold allowances and CVA	*5,276*	*4,522*
of which, effect of threshold allowances	*909*	*714*
of which, Credit value adjustment (CVA) effect	*313*	*436*
of which, Market risk	829	818
of which, Operational risk	4,455	4,459
OVERALL SOLVENCY RATIO	18.4% (1)	15.9%
CET1 RATIO	15.9% (1)	13.2%
INVESTMENT PORTFOLIO AUM *(in € millions)*	3,093	2,418
of which, Money market	220	598
of which, Fixed income	2,538	1,499
of which, Equities and multi-asset	198	200
of which, Other	155	121

(1) Including the provisioning of the dividend, which won't be proposed to the AGM on 12 May 2020 (decision of April 1st, 2020).

6 CONSOLIDATED FINANCIAL STATEMENTS OF THE AMUNDI GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

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 primary business is managing assets on behalf of third parties.

Amundi is the consolidating entity of the Amundi Group of companies. It is a Limited Liability Company with a Board of Directors (registered under number 314 222 902 in the Trade and Companies Register of Paris, France) with share capital of €505,408,262.50 comprising 202,163,305 shares with a nominal value of €2.50 each. The Company's registered office is located at 91, boulevard Pasteur, 75015 Paris, France.

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 with approval from the *Autorité de contrôle prudentiel et de résolution* (ACPR) under number 19530. Group companies that perform asset management activities have obtained the necessary approvals from the supervisory authorities they report to in France and other countries.

As of 31 December 2019, Amundi was owned 68.07% by Crédit Agricole S.A. and 1.71% by other Crédit Agricole S.A. Group companies.

Amundi is fully consolidated in the financial statements of Crédit Agricole S.A. and the Crédit Agricole Group.

6.2. CONSOLIDATED FINANCIAL STATEMENTS

6.2.1. Income statement

(in € thousands)	Notes	2019	2018
Revenue from commissions and other income from customer activities (a)		4,725,218	4,803,695
Commissions and other expenses from customer activities (b)		(2,120,293)	(2,230,051)
Net gains or losses on financial instruments at fair value through profit or loss on customer activities (c)		58,352	32,121
Interest and similar income (d)		16,680	6,976
Interest and similar expenses (e)		(30,052)	(21,740)
Net gains or losses on financial instruments at fair value through profit or loss (f)		49,003	(16,440)
Net gains or losses on financial assets at fair value through equity (g)		7,038	6,440
Income from other activities (i)		20,823	16,779
Expenses from other activities (j)		(90,602)	(87,344)
Net revenues from commissions and other customer activities (a)+(b)+(c)	4.1	**2,663,276**	**2,605,765**
Net financial income (d)+(e)+(f)+(g)	4.2	**42,669**	**(24,764)**
Other net income (i)+(j)	4.3	**(69,779)**	**(70,565)**
NET REVENUES		2,636,166	2,510,436
General operating expenses	4.4	(1,376,773)	(1,387,201)
GROSS OPERATING INCOME		1,259,393	1,123,236
Cost of risk	4.5	(10,696)	(11,249)
Share of net income of equity-accounted entities		46,342	49,745
Net gains or losses on other assets	4.6	(11)	(114)
Change in the value of goodwill			-
INCOME BEFORE TAX		1,295,028	1,161,618
Income tax charge	4.7	(335,706)	(306,792)
NET INCOME FOR THE FINANCIAL YEAR		959,322	854,827
Non-controlling interests		(40)	177
NET INCOME – GROUP SHARE		**959,282**	**855,004**

NB: Details on the calculation of earnings per share are presented in note 5.15.3.

6.2.2. Net income and gains and losses recognised directly in equity

(in € thousands)	Notes	2019	2018
NET INCOME		959,322	854,827
■ Actuarial gains and losses on post-employment benefits		(8,020)	1,024
■ Gains and losses on financial liabilities attributable to changes in own credit risk			
■ Gains and losses on equity instruments recognised in non-recyclable equity through profit or loss	5.5	(11,943)	(38,657)
■ 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		(19,963)	(37,633)
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		2,292	(226)
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		**(17,671)**	**(37,860)**
■ Translation gains and losses (a)		23,701	24,298
■ Gains and losses on debt instruments recognised under recyclable equity	5.5	(4)	(1,845)
■ Gains and losses on hedging derivative instruments (b)			
■ Gains and losses on non-current assets held for sale (c)			
Pre-tax gains and losses recognised directly in recyclable equity, excluding equity-accounted entities (a)+(b)+(c)		23,697	22,453
Taxes on gains and losses recognised directly in recyclable equity, excluding equity-accounted companies		3	612
Pre-tax gains and losses recognised directly in recyclable equity of equity-accounted entities		875	(7,642)
Taxes on gains and losses recognised directly in recyclable equity of equity-accounted entities			
Net gains and losses recognised directly in recyclable capital as income at a later date		**24,576**	**15,423**
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		6,905	(22,436)
TOTAL NET INCOME INCLUDING NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY		**966,227**	**832,391**
of which, Group share		966,203	832,571
of which, non-controlling interests		24	(180)

6.2.3. Assets

(in € thousands)	Notes	31/12/2019	31/12/2018
Cash and central banks	5.1	38	40
Financial assets at fair value through profit or loss	5.2	13,799,697	10,451,477
Financial assets at fair value through equity	5.5	610,404	485,951
Financial assets at amortised cost	5.6	1,185,449	1,005,180
Current and deferred tax assets	5.9	180,306	194,264
Accruals, prepayments and sundry assets	5.10	1,807,150	2,254,128
Investments in equity-accounted entities	5.11	275,269	263,812
Property, plant and equipment	5.12	206,215	42,624
Intangible assets	5.12	485,098	544,228
Goodwill	5.13	5,711,745	5,695,486
TOTAL ASSETS		**24,261,371**	**20,937,188**

6.2.4. Balance sheet equity and liabilities

(in € thousands)	Notes	31/12/2019	31/12/2018
Financial liabilities at fair value through profit or loss	5.3.	11,081,207	8,213,323
Financial liabilities at amortised cost	5.7.	816,724	1,313,655
Current and deferred tax liabilities	5.9.	234,097	281,109
Accruals, deferred income and sundry liabilities	5.10.	2,766,487	2,088,322
Provisions	5.14.	158,722	208,723
Subordinated debt	5.8.	303,842	303,826
TOTAL DEBT		15,361,079	12,408,958
Equity Group share		**8,899,984**	**8,528,124**
Share capital and reserves	5.15	2,928,348	2,946,566
Consolidated reserves		5,058,377	4,779,498
Gains and losses recognised directly in equity		(46,023)	(52,944)
Net income for the period		959,282	855,004
Non-controlling interests		**308**	**107**
TOTAL EQUITY		8,900,292	8,528,230
TOTAL LIABILITIES		**24,261,371**	**20,937,188**

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**	**Consolidated premiums and reserves related to share capital**	**Removals of treasury shares**	**Total share capital and consolidated reserves**	**In non-recyclable equity**	**In recyclable equity**
EQUITY AS OF 1 JANUARY 2018	**503,777**	**7,036,405**	**(1,405)**	**7,538,776**	**(13,574)**	**(3,381)**
Capital increase	484	9,263		9,747		
Change in treasury shares			(39,916)	(39,916)		
Dividends paid in 2018		(503,600)		(503,600)		
Effect of acquisitions and sales on non-controlling interests				-		
Changes related to share-based payments		27,716		27,716		
Changes related to transactions with shareholders	**484**	**(466,621)**	**(39,916)**	**(506,053)**	**-**	**-**
Change in gains and losses recognised directly in equity		1,429		1,429	(37,860)	23,065
Share of capital fluctuations of equity-accounted entities				-		(7,642)
Income, as of 31 December 2018				-		
Comprehensive income as of 31 December 2018	**-**	**1,429**	**-**	**1,429**	**(37,860)**	**15,423**
Other changes	-	(198)		(198)		
EQUITY AS OF 31 DECEMBER 2018	**504,261**	**7,263,124**	**(41,321)**	**7,726,064**	**(37,181)**	**(15,763)**
Appropriation of 2018 net income		855,004		855,004		
EQUITY AS OF 1 JANUARY 2019	**504,261**	**8,118,128**	**(41,321)**	**8,581,068**	**(37,181)**	**(15,763)**
Capital increase	1,147	18,143		19,290		
Change in treasury shares		(33,116)	(37,511)	(70,627)		
Dividends paid in 2019		(579,365)		(579,365)		
Effect of acquisitions and sales on non-controlling interests				-		
Changes related to share-based payments		36,311		36,311		
Changes related to transactions with shareholders	**1,147**	**(558,027)**	**(37,511)**	**(594,391)**	**-**	**-**
Change in gains and losses recognizer directly in equity				-	(17,655)	23,701
Share of capital fluctuations of equity-accounted entities				-		875
2019, income				-		
Comprehensive income as of 31 December 2019	**-**	**-**	**-**	**-**	**(17,655)**	**24,576**
Other changes	-	48		48		
EQUITY AS OF 31 DECEMBER 2019	**505,408**	**7,560,149**	**(78,832)**	**7,986,725**	**(54,835)**	**8,813**

		Non-controlling interests				
			Gains and losses recognised directly in equity			
Net income	**Equity Group share**	**Share capital consolidated reserves and income**	**In non-recyclable equity**	**In recyclable equity**	**Non-controlling interests**	**Consolidated share capital**
681,294	**8,203,116**	**187**	**(32)**	**-**	**156**	**8,203,273**
	9,747				-	9,747
	(39,916)				-	(39,916)
	(503,600)	130			130	(503,470)
	-				-	-
	27,716				-	27,716
-	**(506,053)**	**130**	**-**	**-**	**130**	**(505,923)**
	(13,365)		(2)		(2)	(13,367)
	(7,642)				-	(7,642)
855,004	855,004	(177)			(177)	854,827
855,004	**833,997**	**(177)**	**(2)**		**(179)**	**833,818**
	(198)				-	(198)
855,004	**8,528,124**	**139**	**(34)**	**-**	**107**	**8,528,230**
(855,004)	-				-	-
0	**8,528,124**	**139**	**(34)**	**-**	**107**	**8,528,230**
	19,290				-	19,290
	(70,627)				-	(70,627)
	(579,365)	177			177	(579,188)
	-				-	-
	36,311				-	36,311
-	**(594,391)**	**177**	**-**	**-**	**177**	**(594,214)**
	6,046		(16)		(16)	6,030
	875				-	875
959,282	959,282	40			40	959,322
959,282	**966,203**	**40**	**(16)**		**24**	**966,227**
	48				-	48
959,282	**8,899,984**	**358**	**(50)**	**-**	**308**	**8,900,292**

6.2.6. Cash flow statement

The Group's cash flow statement is presented below using the indirect method. Cash flows in the financial year are shown by type: operating activities, investment activities and financing activities.

Operating activities are activities carried out on behalf of third parties which are selected mainly by 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 interests included in this section are accounted for as "Available-for-sale financial assets".

Financing activities cover all transactions relating to equity (issues and buy-backs of shares or other equity instruments, dividend payments, etc.) and long-term borrowings.

Net cash includes cash, receivables and amounts due with central banks, debit and credit balances in bank current accounts and demand loans with credit institutions, and overnight accounts and loans.

(in € thousands)	Notes	2019	2018
PRE-TAX INCOME		1,295,028	1,161,618
Net depreciation and amortisation and provisions in relation to tangible and intangible assets	4.4	78,070	27,511
Goodwill impairment			
Net write-downs and provisions		(34,376)	(28,824)
Share of income of equity-accounted companies		(46,342)	(49,745)
Net income from investment activities		11	114
Net income from financing activities		7,993	5,886
Other movements		(35,416)	54,536
Total non-monetary items included in net income before tax and other adjustments		**(30,061)**	**9,478**
Changes in interbank items		(402,541)	809,088
Changes in other financial asset and liability transactions[(1)]		(613,300)	(363,928)
Changes in non-financial asset and liability transactions[(2)]		1,103,190	(739,303)
Dividends from equity-accounted companies	5.11	18,494	15,809
Tax paid	4.7	(388,776)	(298,820)
Net decrease (increase) in assets and liabilities from operating activities		**(282,933)**	**(577,154)**
NET CHANGES IN CASH FLOW FROM OPERATING ACTIVITIES (A)		982,035	593,943
Changes in participating interests		10,281	(56,310)
Changes in tangible and intangible assets		(45,336)	(18,743)
NET CASH FLOWS FROM INVESTING ACTIVITIES (B)		(35,055)	(75,053)
Cash flow from or intended for shareholders		(630,525)	(533,635)
Other net cash flows from financing activities		(124,055)	(76,413)
NET CASH FLOW FROM FINANCING TRANSACTIONS (C)[(3)]		(754,579)	(610,048)
Impact of exchange rate changes and other changes on cash (d)		11,427	10,222
CHANGES IN NET CASH (A + B + C + D)		**203,829**	**(80,936)**
CASH AT BEGINNING OF THE PERIOD		928,674	1,009,610
Net cash balance and central banks		40	43
Net balance of accounts, demand loans and borrowings with credit institutions		928,634	1,009,567
CASH AT END OF THE PERIOD		1,132,503	928,674
Net cash balance and central banks		38	40
Net balance of accounts, demand loans and borrowings with credit institutions		1,132,464	928,634
CHANGES IN NET CASH		**203,829**	**(80,936)**

(1) Operating flows impacting financial assets and liabilities include investments and divestments in the investment portfolio.

(2) The flows of non-financial assets and liabilities includes margin calls on collateralised derivatives. These amounts fluctuate depending on the fair value of the underlying derivatives.

(3) Financing transactions flows include the impact of the dividend payment to shareholders for the 2018 financial year as well as the partial repayment of the senior loan taken out in 2017 as part of the acquisition of Pioneer Investments.
Since 1 January 2019, they have also incorporated the decreases in lease liabilities recognised as part of applying IFRS 16.

6.3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Detailed summary of the notes

Period highlights

The scope of consolidation and its changes as of 31 December 2019 are presented in detail in note 9.3.

We note here the main transactions that were carried out in financial year 2019.

Capital increase reserved for Group employees

On 31 July 2019, a press release from the Amundi Group announced its intention to launch a capital increase for employees authorised in principle by the General Meeting of 16 May 2019 for a maximum number of 1,000,000 shares.

The subscription period for this capital increase reserved for employees ended on 14 October 2019.

Nearly 1,000 employees from 13 countries took part in this capital increase by subscribing for 458,951 new shares (or 0.2% of the share capital) for an aggregate amount of €19.5 million.

Once the transaction was complete, employees owned 0.5% of the share capital, compared to 0.3% previously.

This share issue brought the number of shares comprising Amundi share capital up to 202,163,305 shares.

Creation of a joint venture between Amundi and BOC Wealth Management

On 20 December 2019, Amundi and BOC Wealth Management, a subsidiary of Bank of China, received approval from the China Banking and Insurance Regulatory Commission to establish an asset management joint venture.

This partnership will complement and accelerate Amundi's development strategy in China. Thus, Bank of China and Amundi have started preparatory work for the creation of their joint venture and have taken the lead in starting the process to obtain domestic regulatory approval. The objective is to launch the joint venture during the second half of 2020.

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 2019, as adopted by the European Union. This reference is available from the European Commission website at: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en

1.1.1 Standards applied as of 31 December 2019

The accounting principles and methods chosen by Amundi Group to prepare its consolidated financial statements as of 31 December 2019 are identical to those used for the preparation of the consolidated statements for the financial year ended 31 December 2018, with the exception of the following standards, amendments and interpretations newly applicable to the 2019 fiscal period:

Standards, amendments and interpretations	Date of publication by the European Union	Date of first mandatory application for open financial years from
IFRS 16 "Leases" Replacement of IAS 17 on accounting for lease agreements 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")	31 October 2017 (EU 2017/1986)	1 January 2019
IFRIC 23 "Uncertainty over income tax treatments" Clarifications to IAS 12 "Income taxes"	24 October 2018 (EU 2018/1595)	1 January 2019 (1)
IFRS improvements (2015-2017 cycle): ■ IAS 12 "Income taxes" ■ IAS 23 "Borrowing costs" ■ IFRS 3 "Business combinations" ■ IFRS 11 "Joint arrangements"	15 March 2019 (EU 2019/412)	1 January 2019
Amendment to IAS 28 "Investments in associates and joint ventures" Details for the investor on accounting for long-term interest granted to an associate/joint venture	11 February 2019 (EU 2019/237)	1 January 2019
Amendment to IAS 19 "Employee benefits" Clarification of the consequences of an amendment, reduction or liquidation of a scheme on calculating the cost of services rendered and net interest	14 March 2019 (EU 2019/402)	1 January 2019

(1) The implementation of IFRIC 23 interpretation had no impact on the Group's equity at 1 January 2019. At this date, the Amundi Group has moved the provisions for income tax risk from the «Provcisions» line to the «Current tax liabilities» on the Balance Sheet.

Thus, the Amundi Group is publishing its IFRS financial statements for the first time from 1 January 2019 pursuant to IFRS 16 "Leases" (see section 1.3 Accounting Principles and Methods).

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").

The main change made by IFRS 16 has to do with accounting for lessees. IFRS 16 will require a model in respect of lessees that recognises all leases on the balance sheet, with a lease liability on the liability side representing commitments over the life of the lease, and on the asset side, an amortisable right-to-use.

For the first-time application of IFRS 16, the Group has chosen to apply the modified retrospective approach without restating 2018 comparative information in accordance with article C5(b) of IFRS 16. In accordance with this approach, for leases previously classified as simple leases pursuant to IAS 17, the Group recognised on 1 January 2019 a lease liability equal to the present value of the remaining rent payments and an asset under the Right of Use equal to the amount of the lease liability adjusted, where applicable, by the amount of the rents paid in advance or payable which were recognised in the statement of financial position immediately before the date of first application.

The application of IFRS 16 therefore does not have an impact on equity.

On the transition date, the Group chose to apply the following simplified approach proposed by the standard:

- no adjustment for leases with a remaining term at the time of application of less than twelve months. This applies in particular to the 3/6/9 leases which were being extended automatically at the time of first application.

  In accordance with AMF recommendation 2019-13, the Amundi Group did not take into account the IFRIC decision on setting the lease term in its financial statements as of 31 December 2019.

  However, the potential impact of this decision is not assessed as being material;
- no adjustment is made for leases whose underlying assets are of low value;
- adjustment made for the right of use of the amount recognised as of 31 December 2018 in the statement of financial position for provisions under loss-making leases;
- initial direct costs excluded for valuing the rights of use.

The Group also chose not to reassess whether a contract either is or contains a lease agreement on the transition date. For contracts concluded prior to the transition date, the Group applied IFRS 16 to contracts identified as leases under IAS 17 and IFRIC 4.

The discount rate used to calculate the right of use and lease liability is the marginal debt ratio on the date of first application of IFRS 16, based on the residual term of the lease on 1 January 2019.

The rights of use recognised on the date of first application primarily relate to real estate leases (office buildings).

Furthermore, the application of IFRIC 23 – Uncertainty over Income Tax Treatments, published on 24 October 2018, applies as of 1 January 2019 to all entities that have identified one or more uncertainties over income tax treatments undertaken with regard to their taxes. It also provides details of their estimates:

- the analysis must be based on an identification made solely by the tax administration;
- the tax risk must be recognised as a liability if it is more likely than not that the tax authorities will challenge the treatment used, at an amount reflecting the Management's best estimate;
- in the event that the probability of redemption by the tax authorities is greater than 50%, a receivable must be recorded.

On 25 September 2019, the IFRIC specified that uncertain tax treatments should be classified as tax debts on the balance sheet.

The Amundi Group decided to implement this decision, which led to the provisions for tax risks relating to income tax in the "Provisions" section being reclassified to the "Current and deferred tax liabilities" section of the balance sheet on 1 January 2019.

1.1.2 Standards not yet adopted by the EU

As of 31 December 2019, the Group has not applied the standards and interpretations published by the IASB and not yet adopted by the European Union. They will not become compulsory until the date set by the European Union and, therefore, the Group has not adopted these as of 31 December 2019.

1.2 Presentation format of the financial statements

Amundi presents its balance sheet in decreasing liquidity order. The assets and liabilities balance sheet is presented in notes 6.2.3. and 6.2.4.

The income statement is presented, by type, in note 6.2.1.

The main income statement aggregates are:

- net income, including net revenues from commissions and other customer activities (note 1.3.5) and net financial income;
- general operating expenses;
- cost of risk (note 1.3.12);
- the share of net income from equity-accounted entities;
- net gains or losses on other assets.

1.3 Accounting methods and principles

1.3.1 Use of assumptions and estimates for the preparation of the financial statements

The preparation of the financial statements in accordance with the 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 1.4.6. and 5.13.);
- appreciation of the concept of control (see note 1.4.1.1.);
- the fair value measurement 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 5.14).

1.3.2 Financial instruments

1.3.2.1 Definitions

IAS 32 defines a financial instrument as any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity, *i.e.* any contract representing contractual rights or obligations to pay or receive cash or other financial assets.

Derivatives are financial assets and liabilities that derive their value from an underlying, which require little or no initial investment and which are settled at a future date.

Financial assets and liabilities are recognised in the financial statements in accordance with the provisions of IFRS 9 as adopted by the European Union.

IFRS 9 sets new principles governing the classification and measurement of financial instruments, impairment of credit risk and hedge accounting, excluding macro-hedging transactions.

Please note, however, that Amundi has opted not to apply the general IFRS 9 hedging accounting model. Consequently, IAS 39 continues to be applied to all hedging relationships whilst awaiting future provisions for macro-hedging.

1.3.2.2 Bases for measuring financial assets and liabilities

Initial measurement

Upon initial recognition, financial assets and liabilities are valued at fair value as defined by IFRS 13.

Fair value as defined by IFRS 13 is 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 or most advantageous market.

Subsequent measurement

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 (EIR) method, as specified by IFRS 13. Derivatives are always measured at fair value.

Amortised cost is the amount at which the financial asset or liability is measured upon initial recognition, including the transaction costs directly attributable to their acquisition or issue, less principal repayments, plus or minus accumulated amortisation, calculated using the effective interest rate (EIR) method for any difference (discount or premium) between the initial amount and the amount at maturity. In the case of a financial asset, the amount is adjusted for impairment losses, if necessary.

1.3.2.3 Financial assets

Classification and measurement of financial assets

Non-derivative financial assets (debt or equity instruments) are classified in accounting categories in the financial statements that determine their accounting treatment and their subsequent measurement method. These financial assets are classified in one of the following three categories:

- financial assets at fair value through profit or loss;
- financial assets at amortised cost;
- financial assets at fair value through equity.

The criteria for classifying and measuring financial assets depend on the nature of the financial asset, according to whether it qualifies:

- as a debt instrument (*i.e.* loans or fixed or determinable-income securities); or
- as an equity instrument (*i.e.* shares).

Debt instruments

The classification and measurement of debt instruments depends on two criteria, the management model and the analysis of contractual characteristics (unless the fair value option is used).

The three management models

The management model is representative of the financial asset management strategy followed by Amundi's management in order to meet its objectives. The management model is specified for an asset portfolio and does not constitute an intention, on a case-by-case basis, for an isolated financial asset.

There are three separate management models:

- the "hold to collect" model which aims to collect contractual cash flows over the life of the assets; this model does not necessarily mean that all assets are held to contractual maturity, but asset sales are strictly controlled;
- the "hold to collect and sell" model which aims to collect cash flows over the life of the asset and to dispose of assets; under this model, the sale of financial assets and the receipt of cash are both essential; and
- the other/sale model whose primary objective is asset disposal.

  When the strategy pursued by the Management for managing financial assets does not match either the "hold-to-collect" model or the "hold-to-collect-and-sell" model, these financial assets are classified in an other/sale portfolio model.

This model mainly relates to portfolios that aim to collect cash flows *via* disposals, portfolios whose performance is measured on the basis of fair value and portfolios of financial assets held for trading.

Contractual characteristics ("solely payments of principal & interests" or "SPPI" test)

The "SPPI" test combines a series of criteria, examined on a cumulative basis, that make it possible to establish whether the contractual cash flows have the characteristics of a simple financing arrangement (payments of principal and interest on the principal outstanding).

The test is satisfied when the financing arrangement gives rise solely to payments of principal and where the payment of interest received reflects the time value of money, the credit risk associated with the instrument, the other costs and risks of a traditional loan agreement as well as a reasonable margin, whether the interest rate is fixed or variable.

Under a simple financing arrangement, the interest represents the cost of the passage of time, the price of the credit and liquidity risk over the period and other components related to the asset's carrying cost (*e.g.* administrative costs, etc.).

In some cases, this qualitative analysis is not conclusive and quantitative analysis (or Benchmark Test) is carried out. This additional analysis consists of comparing contractual cash flows for the asset under consideration and cash flows for a benchmark asset.

If the difference between the financial asset's cash flows and those of the benchmark asset is deemed to be immaterial, the asset is deemed to be a simple financing arrangement.

In addition, a specific analysis will be conducted if the financial asset was issued by ad hoc entities establishing an order of payment priority between financial asset holders by bundling multiple instruments together under contract and creating credit risk concentrations ("tranches").

Each tranche is given a level of subordination which specifies the order of distribution of the cash flows generated by the structured entity.

In this event, the SPPI test requires an analysis of the contractual cash flow characteristics of the asset in question and of underlying assets according to the "look-through" approach and of the credit risk carried by the subscribed tranches compared with the credit risk for the underlying assets.

The debt instrument recognition method arising from qualification of the management model combined with the SPPI test can be presented in the form of the diagram below:

Debt instruments		Management models		
		Pure hold to collect	Mixed	Pure disposal
SPPI test	Satisfactory	Amortised cost	Fair value through recyclable equity	Fair value through profit or loss
	Unsatisfactory	Fair value through profit or loss	Fair value through profit or loss	Fair value through profit or loss

Debt instruments at amortised cost

Debt instruments are measured at amortised cost if they are eligible for the hold to collect model and if they satisfy the SPPI test.

They are recorded on the settlement/delivery date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

This financial asset category is subject to impairment under the conditions described in the specific paragraph on "Provisions for credit risks".

Debt instruments at fair value through recyclable equity

Debt instruments are measured at fair value through equity recyclable through profit or loss if they are eligible for the "hold to collect and sell" model and if they satisfy the "SPPI" test.

They are recorded on the trading date and their initial measurement also includes accrued interest and transaction costs.

Amortisation of any premiums or discounts and transaction costs on fixed-income securities is recognised in profit or loss using the effective interest rate method.

These financial assets are subsequently assessed at fair value and changes in fair value are recorded in recyclable equity through profit or loss as an offset to outstanding assets (excluding accrued interest recognised in profit or loss using the effective interest rate method).

In the event of sale, these changes are transferred to profit or loss.

This financial instrument category is subject to impairment under the conditions described in the specific paragraph on "Provisions for credit risks" (without affecting the fair value at the balance sheet date).

Debt instruments at fair value through profit or loss

Debt instruments are assessed at fair value through profit or loss under the following circumstances:

- the instruments are classified in portfolios made of financial assets held for trading or whose main objective is disposal.

  Financial liabilities held for trading 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. Although contractual cash flows are received during the time that Amundi holds the assets, receipt of these contractual cash flows is ancillary rather than essential;

- debt instruments that do not meet the "SPPI" test criteria. This is particularly true of UCIs;
- financial instruments classified in portfolios for which the entity chooses measurement at fair value to lessen a difference in accounting treatment in the income statement. In this case, classification of fair value through profit or loss is designated as an option.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (taken directly to profit or loss) and including accrued interest.

They are subsequently measured at fair value and changes in fair value are recognised through profit or loss, in net revenues as an offset to outstanding assets.

No impairments are recognised for this category of financial assets.

Debt instruments measured at fair value through profit or loss as an option are recorded on the trading date.

Equity instruments

Equity instruments are, by default, recognised at fair value through profit or loss, apart from an irrevocable option of classification at fair value in non-recyclable equity through profit or loss, provided that such instruments are not held for trading purposes.

Equity instruments at fair value through profit or loss

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (taken directly to profit or loss). They are recorded on the settlement/delivery date.

They are subsequently measured at fair value and changes in fair value are recognised through profit or loss, in net revenues as an offset to outstanding assets.

No impairments are recognised for this category of financial assets.

Equity instruments at fair value through non-recyclable equity through profit or loss (irrevocable option)

The irrevocable option of recognising equity instruments at fair value in non-recyclable equity through profit or loss is taken on a transactional level (line by line) and is applied from the date of initial recognition. These securities are recorded on the trading date.

The initial fair value includes transaction costs.

On subsequent measurements, changes in fair value are recognised in non-recyclable equity through profit or loss. In the event of disposal, these changes are not recycled through profit or loss, the gain or loss on the disposal is recognised in equity.

Only dividends are recognised through profit or loss.

Derecognition of financial assets

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 if almost all of the risks and benefits 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.

Financial assets renegotiated for commercial reasons in the absence of financial difficulties by the counterparty and with the aim of building or retaining a business relationship are derecognised on the renegotiation date. New loans to clients are recorded on that date at their fair value on the renegotiation date. Subsequent recognition is dependent on the management model and the "SPPI" test.

1.3.2.4 Financial liabilities

Classification and measurement of financial liabilities

Balance sheet financial liabilities are classified in these two accounting categories:

- financial liabilities at fair value through profit or loss, either by type or designated as an option;
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss by type

Financial instruments issued primarily with a view to short-term buy-back, instruments forming part of a portfolio of identified financial instruments which are managed as a unit and which show signs of having a recent short-term profit-taking profile, and derivatives (apart from some hedging derivatives) are measured at fair value by type.

Changes in the fair value of this portfolio are recognised through the income statement.

Financial liabilities at fair value through profit or loss as an option

Financial liabilities meeting one of the three cases provided by the standard may optionally be valued at fair value through profit or loss: hybrid issues including one or more separable embedded derivatives, lessening or elimination of the distortion of the accounting treatment, or groups of managed financial liabilities whose performance is measured at fair value.

This option is irrevocable and is applied, on a mandatory basis, on the date of the instrument's initial recognition.

On the occasion of subsequent measurements, these financial liabilities are measured at fair value through profit or loss for changes in fair value unrelated to own credit risk and in non-recyclable equity through profit or loss for changes in value linked to own credit risk unless this makes the accounting mismatch worse.

Financial liabilities measured at amortised cost

Any other liabilities meeting the definition of a financial liability (apart from derivatives) are measured at amortised cost.

This portfolio is initially recorded at fair value (including transaction income and costs) and subsequently at amortised cost using the effective interest rate method.

Reclassification of financial liabilities

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is authorised.

Distinction between liabilities and equity

The distinction between debt instruments and equity instruments is based on an analysis of the economic substance of contractual arrangements.

A financial liability is a debt instrument if it includes a contractual obligation:

- to return cash, other financial assets or a variable number of equity instruments to an entity; or
- to exchange financial assets and liabilities with another entity under potentially unfavourable conditions.

An equity instrument is a non-repayable financial instrument 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.

Buy-back of treasury shares

The treasury shares purchased by Amundi, including shares held for hedging the performance share allocation plans, do not fall within the definition of a financial asset and are recognised as a deduction from the equity. They do not have any impact on the income statement.

Derecognition and modification of financial liabilities

A financial liability is derecognised in full or in part:

- when it is extinguished; or
- when quantitative or qualitative analyses conclude that it has undergone a substantial change following restructuring.

Substantial modification of an existing financial liability must be recorded as the extinction of the initial financial liability and the recognition of a new financial liability (the novation). Any difference between the carrying amount of the liability that has been extinguished and the new liability will be recorded immediately in the income statement.

If the financial liability has not been derecognised, the original effective interest rate continues. A discount/premium is immediately recognised through profit or loss on the date of the modification and is then apportioned at the original effective interest rate over the remaining life of the instrument.

1.3.2.5 Provisions for credit risk

Scope of application

In accordance with IFRS 9, Amundi recognises impairments under Expected Credit Losses or ECL for outstanding assets on the following:

- financial assets that are debt instruments recognised at amortised cost or at fair value in recyclable equity through profit or loss (loans and receivables, debt securities);
- guarantee commitments covered by IFRS 9 and which are not measured at fair value through profit or loss;

Equity instruments (at fair value through profit or loss or at fair value in non-recyclable OCI) are not affected by impairment provisions.

Counterparty risk is calculated for derivatives and other instruments at fair value through profit or loss which is not pursuant to the ECL model.

Credit risk and provisioning stages

Credit risk is defined as the risk of losses associated with the default of a counterparty leading to its inability to meet its commitments to the Group.

The credit risk provisioning process distinguishes between three different stages (Buckets):

- stage 1 (Bucket 1): from the initial recognition of the financial instrument (credit, debt security, guarantee, etc.), the entity recognises 12-month expected credit losses;
- stage 2 (Bucket 2): if the credit quality deteriorates significantly for a given transaction or portfolio, the entity recognises the expected losses to maturity (ECL to maturity);
- stage 3 (Bucket 3): when one or more default events occur in respect of the transaction or the counterparty and have a damaging effect on estimated future cash flows, the entity recognises objective evidence of impairment. Subsequently, if the conditions for classifying financial instruments in Bucket 3 are not met, the financial instruments are reclassified in Bucket 2, then in Bucket 1, depending on the subsequent improvement in credit risk quality.

Definition of default

The definition of default for the requirements of provisioning for ECLs is identical to that used in management and for calculating regulatory ratios. A debtor is thus considered to be in default when at least one of the following two conditions has been met:

- payment arrears generally in excess of 90 days unless special circumstances show that the arrears are due to reasons unrelated to the debtor's situation;
- the entity believes that it is unlikely that the debtor will settle its credit obligations in full without recourse to measures such as the provision of surety.

An outstanding asset in default (Bucket 3) is said to be impaired when one or more events have occurred that have a harmful effect on this financial asset's estimated future cash flows.

Signs of a financial asset's impairment include observable data on the following events:

- major financial difficulties experienced by the issuer or the borrower;
- a breach of contract, such as failed or late payment;
- the granting of one or more favours by one or more lenders to the borrower for economic or contractual reasons relating to the borrower's financial difficulties that the lender or lenders would not have envisaged under other circumstances;
- the increasing probability of the failure or financial restructuring of the borrower;
- the disappearance of an active market for the financial asset due to financial difficulties;
- the purchase or creation of a financial asset with a big discount, which reflects the credit losses suffered.

It is not necessarily possible to single out a particular event since the impairment of the financial asset may be the result of the combined effect of several events.

The concept of expected credit loss ("ECL")

ECL is defined as the probability-weighted estimate of discounted credit loss (principal and interest). It is the actual value of the difference between contractual cash flows and expected cash flows (principal and interest).

The ECL approach aims to allow expected credit losses to be recognised as early as possible.

Governance and measurement of ECLs

Governance of the system used to measure IFRS 9 parameters is based on the organisation put in place under the Basel framework. The Group's Risk Management Department is responsible for defining the methodological framework and oversight of the system of loss provisioning.

The Group prioritises the internal rating system and current Basel processes when generating the IFRS 9 parameters needed to calculate ECLs. Assessment of the change in credit risk is based on an expected loss model and extrapolation based on reasonable scenarios. All available, relevant, reasonable and supportable information must be used, including forward-looking information.

The calculation formula incorporates the parameters of probability of default, loss in the event of default and exposure at the time of default.

These calculations are based on internal models applied within a regulatory framework where this exists, but with restatements to determine an economic ECL. IFRS 9 recommends a Point in Time analysis while taking account of historic loss data and Forward-looking macroeconomic data, whilst the prudential viewpoint is analysed Through The Cycle for the probability of default and at the lowest point of the cycle (downturn) for losses in the event of default.

This accounting approach also results in the recalculation of certain Basel parameters to neutralise internal recovery costs or the floors imposed by the regulator in the regulatory calculation of Loss Given Default or LGD.

ECL calculation methods must be assessed according to product type: financial instruments and off-balance sheet instruments.

12-month expected credit losses are a portion of the lifetime expected credit losses and represent the cash flow shortfalls caused by default within 12 months of the reporting date (or a shorter period if the financial instrument's lifetime is expected to be less than 12 months), weighted by the probability of default.

Expected credit losses are discounted using the EIR determined at the financial instrument's initial recognition.

IFRS 9 parameters are determined and updated in line with the methodologies defined by the Group, thereby enabling a base level, or shared basis for provisioning to be established.

ECL measurement methods take into account the assets assigned as collateral and other credit enhancements that are part of the contractual terms and that the entity does not recognise separately. The estimated cash flow shortfalls expected from a secured financial instrument reflects the amount and the timing for recovering the collateral. In accordance with IFRS 9, the recognition of guarantees and collateral does not affect the assessment of the significant deterioration in credit risk: this is based on changes in credit risk on the debtor without taking into account guarantees.

The models and parameters used are back-tested at least once a year.

Significant deterioration in credit risk

On each reporting date, all Group entities must assess the deterioration of the credit risk for each financial instrument since its initial recognition. This assessment of the change in credit risk leads entities to categorise their transactions by risk rating (Buckets).

To assess significant deterioration, the Group operates a process based on two levels of analysis:

- an initial level depending on Group rules and relative and absolute criteria imposed on Group entities;
- a second level relating to the assessment, certified by an expert for local Forward Looking data, of the risk carried by each entity on its portfolios that may lead the Group to adjust its criteria for downgrading to Bucket 2 (portfolio or sub-portfolio switching to ECL at maturity).

All financial instruments, save for some exceptions, are monitored for significant deterioration. No contagion is required to switch financial instruments from the same outstanding from Bucket 1 to Bucket 2. Monitoring significant deterioration must take account of changes to the main debtor's credit risk, without taking account of the warranty.

For outstanding assets comprising small loans and receivables with similar characteristics, the counterparty-by-counterparty review may be replaced by a statistical estimate of expected losses.

To measure significant deterioration in credit risk since initial recognition, it is necessary to recover the initial internal rating and PD (probability of default).

The date of origination is understood to be the trading date, when the entity becomes party to the contractual provisions of the financial instrument. For financing and guarantee commitments, the date of origination is understood to be the irrevocable commitment date.

For outstanding assets (other than securities) for which internal rating systems have been constructed (in particular, exposures monitored using authorised methods), the Amundi Group considers that all the information incorporated in such rating systems allows for a more relevant assessment than the sole criterion of payments more than 30 days past due.

If the deterioration since the date of origination ceases to be recorded, the impairment may return to 12-month expected credit losses (Bucket 1).

To compensate for the fact that some factors or signs of significant deterioration cannot be identified at the level of an individual financial instrument, the standard authorises the assessment of significant deterioration for portfolios, groups of portfolios or portions of portfolios of financial instruments.

The construction of portfolios to assess deterioration on a collective basis may result in common characteristics such as:

- the type of instrument;
- the credit risk rating (including the internal Basel II rating for entities with an internal rating system);
- the type of collateral;
- the initial recognition date;
- the remaining term to maturity;
- the value of collateral relative to the financial asset, if it has an impact on the probability of a default occurring (for example, non-recourse loans in some jurisdictions or loan-to-value ratios).

Groupings of financial instruments for the purpose of assessing changes in credit risk on a collective basis may change over time as new information becomes available.

For securities, Amundi uses an approach that consists of applying an absolute level of credit risk in accordance with IFRS 9, beyond which exposures are classified in Bucket 2 and provisioned on the basis of ECL at maturity.

The following rules will apply for monitoring the significant deterioration of securities:

- securities ranked as "Investment Grade" securities on the reporting date, will be classified in Bucket 1 and provisioned on the basis of a 12-month ECL;
- securities ranked as "Non-Investment Grade" (NIG) securities, on the reporting date, must be monitored for significant deterioration, since the date of origination, and be classified in Bucket 2 (ECL at maturity) in the event of a significant deterioration in credit risk.

Relative deterioration must be assessed upstream of the occurrence of a proven default (Bucket 3).

Non-recoverability

When a receivable is deemed to be irrecoverable, *i.e.* there is no hope of recovering all, or part, of the receivable, the amount deemed to be irrecoverable must be derecognised and written off.

Assessment of the time taken to write the receivable off is based on expert judgement. Each entity must set the write-off time with the Risk Management Department, depending on how much information it has on its business. Prior to any write-offs, Bucket 3 provisioning must be made (apart from financial assets at fair value through profit or loss).

For loans at amortised cost or at fair value in recyclable equity, the amount written off is recorded under cost of risk for the principal and under net financial income for the interest.

1.3.2.6 Financial derivatives

Classification and measurement

Derivatives are financial assets or liabilities classified, by default, as derivative instruments held for trading, unless they can be classified as derivative hedging instruments.

They are recorded in the balance sheet at their initial fair value on the trading date.

They are subsequently measured at fair value.

On every reporting date, any change in the fair value of derivatives on the balance sheet is recorded:

- In profit or loss for derivatives held-for-trading or as fair value hedges;
- In equity through profit or loss if these are derivatives used to hedge cash flows or a net investment in a foreign operation, for the effective portion of the hedge.

Hedge accounting

General framework

In accordance with the Group's decision, Amundi does not apply the "Hedge accounting" section of IFRS 9 in line with the option given by the standard. All hedging relationships will continue to be documented in accordance with IAS 39 rules until, at the latest, the macro-hedging text is adopted by the European Union. The eligibility of financial instruments for hedge accounting under IAS 39 takes into consideration IFRS 9 principles governing the classification and measurement of financial instruments.

Under IFRS 9, and in consideration of IAS 39 hedging principles, debt instruments at amortised cost and at fair value in equity recyclable through profit or loss are eligible for fair value hedging and cash flow hedging.

Documentation

Hedging relationships must comply with the following principles:

- the aim of fair value hedges is to protect against exposure to changes in the fair value of a recognised asset or a liability or an unrecognised firm commitment, due to the risk(s) hedged and which may affect the profit or loss (for example, hedging of all or some changes in fair value due to interest rate risk on a fixed-rate debt);
- cash flow hedging is intended to provide protection from exposure to future changes in cash flows from a recognised asset or liability or a transaction that is considered to be highly probable, attributable to the risk(s) hedged and which could (in the case of a forecast transaction that has not yet been performed) affect the profit or loss (for example, hedging of changes in all or some future interest payments on a floating-rate debt);
- hedging of a net investment 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 which is Amundi's reporting currency.

Hedges must also 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.

For interest rate hedges for financial asset or liability portfolios, the Amundi Group favours documentation of fair value hedging as permitted under IAS 39 adopted by the European Union (carve out version). In particular:

- the Group documents these hedging relationships on the basis of the gross position of derivatives and hedged items;
- the effectiveness of these hedging relationships is evidenced by means of timelines.

Measurement

The change in value of the derivative at its fair value is recognised as follows:

- fair value hedge: the change in value of the derivative is recognised in profit or 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 or 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 recyclable equity for the effective portion, and any ineffective portion of the hedge is recognised in profit or loss. Any profits or losses on the derivative accrued through equity are then recycled in profit or 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 difference in recyclable equity and any ineffective portion of the hedge is recognised in profit or loss.

  When the conditions for benefiting from hedge accounting are no longer met, the following accounting treatment must be applied prospectively:

- fair value hedge: only the hedging instrument continues to be revalued as a counterparty to profit or loss. The hedged item is wholly recognised according to its classification. For debt instruments at fair value in equity recyclable through profit or loss, changes in fair value subsequent to the end of the hedging relationship are recorded, in full, in equity. For hedged items valued at amortised cost which were interest rate hedges, the revaluation surplus 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 surplus 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.

1.3.2.7 Determining the fair value of financial instruments

The fair value of financial instruments is determined by maximising the use of observable input data. It is presented using the hierarchy defined by 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 if 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 the case for the CVA calculation (Credit Valuation Adjustment) and 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 that maximise the use of relevant observable data and minimise the use of 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 – CVA) and, using a symmetrical treatment, the non-performance risk for derivative liabilities (Debit Valuation Adjustment – DVA or own credit risk).

CVA makes it possible to determine expected counterparty losses from Amundi's perspective. DVA makes it possible to determine 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 expected losses given the probability of default and loss in the event of default. The methodology used maximises the use of observable market data. It is primarily based on market parameters 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 parameters may also be used.

No CVA/DVA is calculated either for derivatives contracted by Amundi or for funds, taking into account 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 shares in investment funds 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).

Level 2: fair value measured using directly or indirectly observable inputs other than those in Level 1

This data is directly observable (*i.e.* prices) or indirectly observable (data derived from prices) and generally meet the following criteria: this is data not specific to the entity, which is 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 (such as the method of discounting future cash flows or the Black & Scholes method) 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 observed on the reporting date.

When the models used are consistent with standard models and on observable market parameters (such as yield curves or implied volatility ranges), the initial margin generated on the instruments valued in this way is recognised in profit or loss from inception.

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.

These are mainly complex rate products, equity derivatives and structured credit products whose valuation requires, for example, correlation or volatility parameters that 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 structured financial instruments is generally recognised in profit or loss spread over the period during which the parameters are deemed to be unobservable. When the market data becomes observable, the margin remaining to be spread is immediately recognised in profit or loss.

The valuation methodologies and models used to value the financial instruments presented in Levels 2 and 3 incorporate all of the factors that market players 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.

1.3.2.8 Offsetting of financial assets and liabilities

In accordance with IAS 32, Amundi offsets a financial asset and a financial liability and reports the net balance if, and only if it has a legally enforceable right 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. concerning the amendment to IFRS 7 on disclosures regarding the offsetting of financial assets and financial liabilities.

1.3.2.9 Net gains or losses on financial instruments

Net gains or losses on financial instruments at fair value through profit or loss

For financial instruments at fair value through profit or loss, this heading includes the following income statement items:

- dividends and other revenue from shares 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 derivatives not included in a fair value hedging relationship or cash flow hedge.

This heading also includes the ineffective portion of hedging transactions.

Net gains or losses on financial instruments at fair value by equity

For financial assets at fair value through equity, this heading includes the following income statement items:

- dividends from equity instruments classified as financial assets at fair value in non-recyclable equity through profit or loss;
- gains and losses on disposals as well as net income associated with the termination of the hedging relationship on debt instruments classified as financial assets at fair value in recyclable equity through profit or loss;
- net income on disposals or termination of fair value hedging instruments for financial assets at fair value through equity where the item being hedged is sold.

1.3.2.10 Financial guarantees given

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due under the original or amended terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value, then subsequently at the higher of:

- the amount of impairment losses determined under the provisions of IFRS 9, section on "Impairment"; or
- the amount initially recognised less, where appropriate, cumulative revenue recognised in accordance with the principles of IFRS 15 "Revenue from contracts with customers".

For Amundi, the financial guarantees given are funds where capital or performance is guaranteed.

1.3.3 Provisions

Amundi identifies all (legal or constructive) obligations 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.

This 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:

- execution risks for commitments made;
- operational risks;
- employee benefits;
- disputes;
- regulatory and tax (excluding income tax) risks and other risks.

1.3.4 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 financial year 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 financial year);
- severance pay;
- post-employment benefits, falling into one of two categories described below: defined-benefit plans and defined-contribution plans.

1.3.4.1 Retirement plan – defined-contribution plans

There are several compulsory retirement plans to which "employer" companies contribute. Funds 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 of the benefits corresponding to services rendered by the employees during the financial year and during prior financial years. Consequently, Amundi Group entities have no liabilities in this respect other than their contributions to be paid for the year ended.

1.3.4.2 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 of allocating an expense corresponding to the rights vested over the period for each financial year of employment. The expense is calculated based on the future, discounted benefit.

The calculations for expenses for future social benefits are made on the basis of 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 Index.

The rate of return forecast for the assets in the plans is also estimated by Management. The estimated returns are based on the projected returns for fixed-income securities including, notably, the yield on bonds.

In accordance with IAS 19 R, the rate of return is equal to the discount rate.

The provision amount is equal to:

- the current value of the commitment for the defined benefits on the closing date, calculated using the actuarial method recommended by IAS 19;
- less, if appropriate, the fair value of assets allocated to hedging the commitments. They can be represented by an eligible insurance policy. In the event that the obligation is fully hedged by a policy which exactly covers, in both amount and time, all or part of the benefits payable by virtue of the plan, the fair value of the latter is considered to be that of the corresponding obligation (*i.e.* the amount of the corresponding actuarial debt).

Amundi has taken out an "IFC" insurance policy (end-of-career allowance) with an insurance company in the Crédit Agricole Group.

A provision to cover the retirement benefits is included in balance sheet liabilities in the "Provisions" item for commitments which are not covered.

1.3.4.3 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 financial year 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 financial year in which they were earned, but which are not indexed to shares.

The valuation 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 financial years subject to meeting certain performance conditions set in advance and continued employment at the time of payment to the employees to whom they were granted.

1.3.5 Revenue from contracts with customers (IFRS 15)

Most of the Group's revenue comes from third-party asset management in collective or individual portfolios (dedicated funds or mandates). It is essentially based on the assets under management in managed funds.

The net fees comprise net management fees which are equal to the gross management fees received after deduction of fees paid:

- The gross management fees compensate the portfolio management services. They are primarily calculated by reference to a percentage of the outstanding amounts managed;
- The fees paid are composed of:
  - i. contractual retrocessions paid to distributors. These generally correspond to a percentage of the management fees,
  - ii. custodian and valuation agent fees, where these are paid by the asset management company, as well as a limited number of associated administrative costs such as the ETF listing fees.

Net fees are also composed of:

- fees paid to Amundi for the guarantee given to guaranteed funds or structured EMTNs. Various costs connected to the formation and the life of structured products are added to these fees;
- transfer fees paid by the fund in respect of the execution of sales and purchases of securities on behalf of funds by the Amundi trading desk;
- other fees for lower amounts, such as: entry fees, compensation for consulting services, borrowing and lending securities fees, account maintenance fees for Employee Savings Plans.

Performance fees are paid to the asset management company as provided by the contractual provisions. They are computed on the basis of a percentage on the positive difference between the actual performance and the benchmark index as provided by the contract.

Income and expenses for fees are recorded in profit or loss according to the nature of the services they represent. Their recognition on the income statement must reflect the rate at which control of the goods or services sold is transferred to the customer:

Net income from a transaction associated with a service provision is recognised under Fees upon transfer of control of the service provided to the customer, if this can be reliably estimated. Said transfer may be made as the service is rendered (ongoing service) or on a given date (one-off service).

i. fees remunerating ongoing services (management fees, for example) are recorded in profit or loss according to the stage of completion of the service provided;

ii. fees received or paid for one-off services are recorded, in full, in profit or loss when the service is provided.

The fees payable or receivable contingent upon meeting a performance target are recognised only if all of the following conditions are met:

i. the amount of fees and commissions can be estimated reliably;

ii. it is probable that the future economic benefits resulting from the services rendered will flow to the Company;

iii. 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.

These performance fees are, therefore, recognised in the majority of cases in profit or loss at the end of the calculation period.

1.3.6 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 or 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 (allocating performance shares).

  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;
- Amundi and Crédit Agricole S.A. share subscriptions are made available to employees as part of the Company Savings Scheme. They are also covered by the provisions of IFRS 2. The shares are offered with a maximum discount of 30%. The plans have no vesting period, but include a five-year lock-up period. The benefit granted to employees is measured as 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 plan settled by Amundi and 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".

1.3.7 Current and deferred tax assets

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 financial year". The taxable income is the profit (or loss) for a given financial year 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.

On 1 January 2010, a tax consolidation group was set up for the French entities with Amundi as the head of the group.

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 financial 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 financial 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 base, 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) on 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 base, insofar as it is deemed likely 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 the Group will have access to future taxable profits 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 base. As a result, deferred tax is not recognised on these gains. When the securities in question are classified as fair value securities recognized in equity, unrealised gains and losses are recognised as an offset to equity. The tax charge or tax savings effectively borne by the entity arising from these unrealised gains or losses is reclassified as a deduction from them.

In France, capital gains on the sale of equity investments, as defined by the French General Tax Code and coming under long-term taxation treatment, are exempt from corporation tax (except for a 12% share of capital gains taxed at the normally applicable rate). Accordingly, unrealised gains recognised at the end of the financial year generate a temporary difference requiring the recognition of deferred tax on this share.

As part of IFRS 16 "Leases", a deferred tax liability is recognised on the right of use and a deferred tax asset on the lease liability for leases for which the Group is lessee.

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 financial 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 and liabilities;
- and the deferred tax assets and liabilities concern income tax 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 financial year in which it is expected that substantial deferred tax assets or liabilities will be paid or recovered.

Tax risks relating to income tax resulting in the recognition of a receivable or a current tax liability when it is deemed to be more likely than unlikely that the assets will be received or the liabilities paid.

When tax credits on income from securities portfolios and receivables are effectively used to pay corporation tax due for the financial 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" heading in the income statement.

1.3.8 Property, plant and equipment

Amundi applies component accounting to all of its tangible assets. In accordance with the provisions of IAS 16, the depreciable base takes account of the potential residual value of property, plant and equipment.

Operating and investment buildings, as well as equipment, are recognised at acquisition cost less accumulated depreciation, amortisation and write-downs since they were commissioned.

Depreciation

Fixed assets are depreciated based on their estimated useful lives. The main periods used are:

- Fixtures and fittings 5 to 10-year straight-line;
- Computer hardware 3-year accelerated;
- Office equipment 5-year straight-line;
- Office furniture 10-year straight-line;
- Technical plant 10-year straight-line;
- Buildings 20-year 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 which Amundi has about the value of its amortisable fixed assets has led it to conclude that impairment tests would not result in any change in the values recorded in the balance sheet.

1.3.9 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 cost less accumulated depreciation and impairment since the acquisition date.

Proprietary software is recognised at production cost less accumulated depreciation, amortisation 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:

- for software: based on their 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.

1.3.10 Foreign currency transactions

A distinction is made between cash and non-cash items, in accordance with IAS 21.

On the reporting date, foreign-currency denominated monetary assets and liabilities are converted at the closing price into the Amundi functional currency. The resulting translation adjustments are recognised in profit or loss. There are two exceptions to this rule:

- for available-for-sale financial assets, only the translation adjustments calculated on an amortised cost are taken to profit or loss; the balance is recorded in equity;

- exchange adjustments on items 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 on the reporting date.

Exchange 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 or loss,
- in equity, if the gain or loss on the non-monetary item is recorded in equity.

1.3.11 Earnings per share

In accordance with IAS 33, basic earnings per share is equal to net consolidated income divided by the weighted average number of shares in circulation during the financial year.

There are no dilutive instruments on Amundi's capital. The basic earnings per share is therefore identical to diluted earnings per share.

1.3.12 Cost of risk

The cost of risk mainly consists of provisions for litigation, provisions for guaranteed funds and other expenses related to operational risk.

1.3.13 Leases

The Amundi Group holds lease agreements primarily as a lessee.

Lease transactions are recognised in the balance sheet on the date of availability of the leased assets. The lessee accounts for an asset that is representative of the right to use the leased asset in the property, plant and equipment during the estimated term of the contract and a debt owed under an obligation to pay the rents in the various liabilities over the same term.

The term of lease corresponds to the non-cancellable term of the lease adjusted by the contract extension options that the lessee is reasonably likely to exercise and the termination option that the lessee is reasonably likely not to exercise.

In France, the term used for the so-called "3/6/9" commercial leases is generally nine years with an initial non-cancellable period of three years.

The lease liability is recognised at an amount equal to the present value of the rent payments over the term of the contract. Rent payments include fixed rents, variable rents based on a rate or index, and payments that the lessee expects to make as residual value guarantees, a purchase option or as an early termination penalty.

Variable rents that do not depend on an index or a rate and the non-deductible VAT on rents are excluded from the debt calculation and are recognised as general operating expenses.

The discount rate applicable for calculating the right of use and the rental liability is, by default, the lessee's marginal debt ratio over the term of the contract on the date of signature of the contract when the implicit rate cannot easily be calculated. The marginal debt ratio takes account of the rental payment structure.

The expense of the lease contracts is partly comprised of interest and partly of capital amortisation.

The right to use the asset is valued at the initial value of the lease liability, plus the initial direct costs, advance payments and refurbishment costs. It is amortised over the estimated term of the contract.

The lease liability and the right of use may be adjusted in the event of an amendment to the lease agreement, a reassessment of the lease term or a rent review linked to the application of indices or rates.

Deferred taxes are recognised on the basis of timing differences between the rights to use and the lessee's rental liabilities.

In accordance with the exception set out in the standard, short-term leases (an initial term of less than twelve months) and leases where the value when new of the leased property is low are not recognised in the balance sheet. The corresponding leasing expenses are recorded on a straight-line basis in the income statement in General operating expenses.

In accordance with the provisions set out in the standard, the Group does not apply IFRS 16 to leases for intangible assets.

1.3.14 Non-current assets held for sale and discontinued operations

A non-current asset (or a group held for sale) is classified as held-for-sale if, at close, its carrying amount will be recovered principally through a sale transaction rather than through ongoing use.

For this to be the case, the asset (or group held for sale) must be available for immediate sale in its present condition and its sale must be highly likely.

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 or loss. They are no longer amortised when they are reclassified.

If the fair value of a group of assets held for sale 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 discontinued 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 major separate business line or a 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 the cost of sale of the assets and liabilities constituting the discontinued operations, net of tax.

Amundi did not record any transactions covered within the scope of IFRS 5 during the 2019 financial period.

1.4 Consolidation principles and methods

1.4.1 Consolidation scope and methods

The consolidated financial statements include Amundi's financial statements and those of all companies over which, in compliance with the provisions of 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 (voting or contractual) rights 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 of 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, because 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 only give the investor the power to direct relevant activities in specific circumstances and any other facts or circumstances that indicate that 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 must be 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, but also 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, either 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 to be primary:
  - *i.e.* in the event of a direct holding in the fund above 35%, or;
  - in the event of a direct holding in the fund above 20% together with the sharing of performance fees between the management company and investors such that total Amundi revenue from the fund is greater than 35%;
- the durable nature of the investment, established in the event of a holding greater than the above thresholds for a period longer than one year.

Under this analysis, cases of control of a fund by a company within the scope are limited and only involve dedicated funds and certain fund holdings for seed money.

Funds guaranteed by Amundi

Amundi provides guarantees to funds managed by the Group (see note 9.5):

- structured funds;
- "portfolio insurance" funds.

The analysis conducted leads to the conclusion that there is no control as defined by IFRS 10 criteria so the funds are therefore not consolidated.

Once the structure of structured 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 on 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 which is essentially tied to monetising assets and is governed by the same restrictions as those applied to structured 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 substitutes each of the assets and liabilities carried by each subsidiary for the value of the shares.

Equity method

The equity method substitutes for the value of shares the Group's proportional share of the equity and net 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 that give the 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 depreciation measured at the time of disposal of an internal transaction is recognised.

1.4.4 Translation of the financial statements of foreign subsidiaries

Consolidated financial statements are prepared in euros.

The financial statements of entities which constitute a "foreign operation" (subsidiaries, branches, associates or joint ventures) are converted into euros in two stages:

- 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 translations);
- the functional currency is translated into euros, the currency in which the Group's consolidated financial statements are presented. Assets and liabilities, including goodwill, are translated at the closing rate. Equity items, such as share capital or reserves, are translated at their historical exchange rate. The income and expenses included in the income statement are translated at the average exchange rate for the period. The resulting exchange differences are recognised as a separate component of equity. These translation differences are recognised as net income in the event of disposal of the foreign operation (sale, repayment of capital, liquidation, discontinuation of operations) or in the event of a deconsolidation due to a loss of control (even without sale) while accounting for the income from the disposal or 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, on the acquisition date, the entity 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 or 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 purchaser's choice:

- at fair value on the acquisition date;
- 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 counterparty at the time of a business combination (acquisition cost) is measured as the total of fair values transferred by the purchaser on the acquisition date in exchange for control of the acquired entity (for example: cash, equity instruments).

The costs directly attributable to the business combination in question 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 acquisition cost 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 and, 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 recorded immediately in profit or 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 on the reporting date.

When control is taken by stages, the interest held before taking control is revalued at fair value through profit or loss on the acquisition date 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 which it already exclusively controls, 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 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 to which it belongs.

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 interdisciplinary nature of the functions inherent to asset management. This centralisation and integration translate into the following organisational principles: an integrated management platform, cross-functional investment products and solutions, interlinked sales and key interdisciplinary 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 the market value and the 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

Capital Management and regulatory ratios

As a credit institution, Amundi is subject to French prudential regulations, which implement into French law the provisions of the EU Directive "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 EU Directive 2013/36 (CRD IV) and European Regulation 575/2013 (CRR) since 1 January 2014 and required by the relevant authorities, the European Central Bank and the *Autorité de contrôle prudentiel et de résolution* (ACPR) to cover risk-weighted assets in terms of credit risks, operational risks and market risks.

Regulatory capital, calculated on Amundi's scope of consolidation, breaks down into three categories: Common Equity Tier 1 capital (CET1), Additional Tier 1 capital (AT1) and Tier 2 capital (Tier 2) consisting of equity and debt instruments, to which various adjustments are made. Regulatory capital is obtained from accounting shareholders' equity. The adjustments made (prudential filters) mostly involve deducting goodwill and intangible assets (net of deferred taxes).

Amundi principally holds CET1 capital, consisting of share capital and undistributed reserves. As part of the financing of the Pioneer acquisition, Amundi issued Tier 2 capital in the amount of €300 million in 2017, maturing in 2027.

Amundi met all regulatory requirements in effect as of 31 December 2019, as it did in 2018.

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 financial years presented. The financial asset and liability balances are shown by contractual maturity date. Equities, funds and other variable-income securities do not have a contractual maturity and are shown in the "Indefinite" column.

The Group has a portfolio of money market investments and current accounts to meet its liquidity requirements.

	31/12/2019					
(in € thousands)	**≤ 3 months**	**> 3 months up to ≤ 1 year**	**> 1 year up to ≤ 5 years**	**> 5 years**	**Indefinite**	**Total**
Financial assets held for trading	22,955	194,617	1,796,299	1,081,409	-	3,095,280
Financial assets at fair value through profit or loss as an option	87,967	262,136	2,585,281	5,068,403	2,700,145	10,703,931
Derivative hedging instruments	-	-	-	486	-	486
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	110,923	456,752	4,381,580	6,150,299	2,700,145	13,799,697
Debt instruments recognised at fair value in recyclable equity through profit or loss	3,135	-	389,518	23,747	-	416,400
Equity instruments recognised at fair value in non-recyclable equity through profit or loss	-	-	-	-	194,004	194,004
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	3,135	-	389,518	23,747	194,004	610,404
Financial assets at amortised cost	1,167,431	713	17,305	-	-	1,185,449
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS	1,167,431	713	17,305	-	-	1,185,449
Financial liabilities held for trading	32,131	146,414	1,568,151	908,813	-	2,655,510
Financial liabilities at fair value through profit or loss as an option	12,257	262,136	2,585,281	5,558,027	-	8,417,701
Derivative hedging instruments	-	-	7,797	199	-	7,996
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	44,388	408,550	4,161,229	6,467,039	-	11,081,207
Financial liabilities at amortised cost	316,499	292,500	207,725	-	-	816,724
TOTAL DUE TO CREDIT INSTITUTIONS	316,499	292,500	207,725	-	-	816,724
Subordinated debt	-	3,842	-	300,000	-	303,842
TOTAL SUBORDINATED DEBT	**-**	**3,842**	**-**	**300,000**	**-**	**303,842**

(in € thousands)	31/12/2018 ≤ 3 months	> 3 months up to ≤ 1 year	> 1 year up to ≤ 5 years	> 5 years	Indefinite	Total
Financial assets held for trading	62,242	170,852	1,000,089	1,223,202	-	2,456,385
Financial assets at fair value through profit or loss as an option	3,948	32,661	693,291	5,046,112	2,219,082	7,995,093
Derivative hedging instruments						-
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**66,190**	**203,513**	**1,693,380**	**6,269,314**	**2,219,082**	**10,451,477**
Debt instruments recognised at fair value in recyclable equity through profit or loss	2,824	-	193,358	100,960	-	297,142
Equity instruments recognised at fair value in non-recyclable equity through profit or loss	-	-	-	-	188,809	188,809
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**2,824**	**-**	**193,358**	**100,960**	**188,809**	**485,951**
Financial assets at amortised cost	973,785	-	31,395	-	-	1,005,180
TOTAL LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS	**973,785**	**-**	**31,395**	**-**	**-**	**1,005,180**
Financial liabilities held for trading	63,763	172,396	958,842	1,482,525	-	2,677,526
Financial liabilities at fair value through profit or loss as an option	-	32,661	693,291	4,806,064	-	5,532,017
Derivative hedging instruments	-	-	2,216	1,563	-	3,780
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**63,763**	**205,056**	**1,654,350**	**6,290,153**	**-**	**8,213,323**
Financial liabilities at amortised cost	560,323	477,332	276,000	-	-	1,313,655
TOTAL DUE TO CREDIT INSTITUTIONS	**560,323**	**477,332**	**276,000**	**-**	**-**	**1,313,655**
Subordinated debt	-	3,826	-	300,000	-	303,826
TOTAL SUBORDINATED DEBT	**-**	**3,826**	**-**	**300,000**	**-**	**303,826**

Note 4 NOTES ON NET INCOME AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY

4.1 Net asset management revenues

The break-down of commissions and fees is as follows:

(in € thousands)	2019	2018
Net fees	2,492,580	2,491,190
Performance fees	170,697	114,575
TOTAL NET MANAGEMENT REVENUES	**2,663,276**	**2,605,765**

The analysis of net asset management revenue by client segment is presented in note 9.1.

4.2 Net financial income

(in € thousands)	2019	2018
Interest income	16,680	6,976
Interest expense	(30,052)	(21,740)
NET INTEREST MARGIN	(13,372)	(14,764)
Dividends received	3,520	1,427
Gains or losses, unrealised or realised, on assets/liabilities at fair value by type through profit or loss	51,598	(28,874)
Gains or losses, unrealised or realised, on assets/liabilities at fair value through profit or loss by option	-	13,315
Net gains/(losses) on currency and similar financial instrument transactions	(6,115)	(2,307)
NET GAINS OR LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	49,003	(16,440)
Net gains or losses on debt instruments recognised in recyclable equity	(8)	-
Compensation of equity instruments recognised in non-recyclable equity (dividends)	7,046	6,440
NET GAINS OR LOSSES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	7,038	6,440
TOTAL NET FINANCIAL INCOME	**42,669**	**(24,764)**

Analysis of net gains (losses) from hedge accounting:

	2019			2018		
(in € thousands)	Profits	Losses	Net	Profits	Losses	Net
FAIR VALUE HEDGES						
Change in fair value of hedged items attributable to hedged risks	4,216	(486)	3,730	3,426	247	3,673
Change in fair value of hedging derivatives (including termination of hedges)	486	(4,216)	(3,730)	(247)	(3,426)	(3,673)
TOTAL GAINS (LOSSES) FROM HEDGE ACCOUNTING	**4,702**	**(4,702)**	**-**	**3,179**	**(3,179)**	**-**

4.3 Other net income

(in € thousands)	2019	2018
Other net income (expenses) from banking operations	(86,947)	(84,981)
Other net income (expenses) from non-banking operations	17,167	14,416
TOTAL OTHER NET INCOME (EXPENSES)	**(69,779)**	**(70,565)**

Other net income includes revenue from non-Group entities generated by the Amundi subsidiary that provides IT services primarily to members of the Group, along with the amortisation expense of intangible assets (distribution agreements) acquired as part of business combinations for €71,251,000 at 31 December 2019, the same as of 31 December 2018.

4.4 General operating expenses

(in € thousands)	2019	2018
Employee expenses (including seconded and temporary personnel)	(886,694)	(857,000)
Other general operating expenses	(490,079)	(530,201)
Of which, external services related to personnel and similar expenses	*(8,636)*	*(8,313)*
TOTAL GENERAL OPERATING EXPENSES	**(1,376,773)**	**(1,387,201)**

The details regarding employee expenses are presented in note 6.2.

Other operating costs include allowances for depreciation and amortisation of tangible and intangible assets as follows:

(in € thousands)	2019	2018
DEPRECIATION AND AMORTISATION PROVISIONS	(78,070)	(27,511)
Property, plant and equipment	(64,815)	(14,755)
Intangible assets	(13,255)	(12,756)
PROVISIONS FOR DEPRECIATION AND AMORTISATION	-	-
Property, plant and equipment	-	-
Intangible assets	-	-
TOTAL PROVISIONS FOR DEPRECIATION AND AMORTIZATION OF TANGIBLE AND INTANGIBLE ASSETS	**(78,070)**	**(27,511)**

4.5 Cost of risk

(in € thousands)	2019	2018
CREDIT RISK		
Provisions net of impairment reversals on performing assets (Buckets 1 and 2)	**2,775**	**(677)**
Bucket 1: Losses assessed by expected credit losses for the next 12 months	***2,775***	***(922)***
Debt instruments recognised at fair value in recyclable equity through profit or loss	(52)	(81)
Debt instruments recognised at amortised cost	1,108	(341)
Commitments made	1,719	(500)
Bucket 2: Losses assessed by expected credit losses for the lifetime	**-**	***245***
Debt instruments recognised at fair value in recyclable equity through profit or loss		-
Debt instruments recognised at amortised cost		-
Commitments made	-	245
Provisions net of impairment reversals on impaired assets (Bucket 3)	**1,783**	**(17,021)**
Bucket 3: Impaired assets		
Debt instruments recognised at fair value in recyclable equity through profit or loss		-
Commitments made	1,783	(17,021)
CHANGE IN PROVISIONS FOR CREDIT RISK	4,558	(17,698)
CHANGE IN PROVISIONS FOR OTHER RISKS AND EXPENSES	(5,342)	8,174
OTHER NET GAINS (LOSSES)	(9,912)	(1,724)
TOTAL COST OF RISK	**(10,696)**	**(11,249)**

Value adjustments for losses corresponding to provisions for off-balance sheet commitments and recognised under cost of risk (for credit risk) are shown below:

	Performing commitments								
	Commitments given with a 12-month ECL (Bucket 1)		Commitments given with an ECL to maturity (Bucket 2)		Impaired commitments (Bucket 3)		Total		
(in € thousands)	**Amount of commitment**	**Value adjustment for losses**	**Amount of commitment**	**Value adjustment for losses**	**Amount of commitment**	**Value adjustment for losses**	**Amount of commitment (a)**	**Value adjustment for losses (b)**	**Net amount of commitment (a) + (b)**
AS OF 1 JANUARY 2019	**17,923,431**	**(2,188)**	**-**	**-**	**2,205,428**	**(28,786)**	**20,128,859**	**(30,974)**	**20,097,885**
Transfers of life commitments from one bucket to another	**541,603**	**-**	**-**	**-**	**(541,603)**	**691**	**-**	**691**	
Transfer of 12-month ECLs (Bucket 1) to ECL at maturity (Bucket 2)							-	-	
Return of ECL at maturity (Bucket 2) to 12-month ECLs (Bucket 1)							-	-	
Transfers to impaired ECL at maturity (Bucket 3)							-	-	
Return of impaired ECLs at maturity (Bucket 3) to ECLs at maturity (Bucket 2)/12-month ECLs (Bucket 1)	541,603				(541,603)	691	-	691	
TOTAL AFTER TRANSFER	**18,465,034**	**(2,188)**	**-**	**-**	**1,663,825**	**(28,095)**	**20,128,859**	**(30,283)**	**20,098,576**
Changes in commitment amounts and value adjustments for losses	**(115,655)**	**1,719**	**-**	**-**	**322,598**	**3,503**	**206,943**	**5,222**	
New commitments given	15,129						15,129	-	
Suppression of commitments							-	-	
Transfer to loss					(2,411)	2,411	(2,411)	2,411	
Changes in flows that do not result in derecognition							-	-	
Changes in credit risk parameters over the period		124				1,092	-	1,216	
Change in model/methodology		1,595					-	1,595	
Other	(130,784)				325,009		194,225	-	
AT 31 DECEMBER 2019	**18,349,379**	**(469)**	**-**	**-**	**1,986,423**	**(24,592)**	**20,335,802**	**(25,061)**	**20,310,741**

Provisions for off-balance sheet commitments are provisions granted by Amundi within the context of fund guarantees.

4.6 Net gains or losses on other assets

(in € thousands)	**2019**	**2018**
Gains on disposals of tangible and intangible assets	71	87
Losses on disposals of tangible and intangible assets	(81)	(201)
Income from sales of consolidated participating interests	-	-
Net income from business combination operations	-	-
TOTAL NET GAINS (LOSSES) ON OTHER ASSETS	**(11)**	**(114)**

4.7 Income tax

(in € thousands)	2019	2018
Current tax charge	(378,846)	(324,019)
Deferred tax income (charge)	43,140	17,228
TOTAL TAX EXPENSE FOR THE PERIOD	**(335,706)**	**(306,792)**

The tax expense as of 31 December 2019 incorporates a positive impact following the application of the "Affrancamento" tax system in relation to the merger between the Italian entities Pioneer Investment Management Sgr p.A. and Amundi Sgr.

Reconciliation between the theoretical and effective tax rates:

	2019		2018	
(in € thousands)	Rate	Base	Rate	Base
Pre-tax income, and income from equity-accounted entities		1,248,686		1,111,873
THEORETICAL TAX RATE AND EXPENSE	**34.43%**	**(429,923)**	**34.43%**	**(382,818)**
Effect of permanent differences	0.83 pts	(10,317)	0.07 pts	(725)
Effect of different tax rates on foreign entities	(5.57 pts)	69,492	(5.45 pts)	60,589
Effect of losses for the year, the utilisation of losses carried forward and temporary differences and other items	0.06 pts	(810)	0.03 pts	(329)
Effect of taxation at a lower rate	(1.09 pts)	13,575	(1.69 pts)	18,774
Effect of other items	(1.78 pts)	22,281	0.21 pts	(2,328)
EFFECTIVE TAX RATES AND EXPENSES	**26.88%**	**(335,706)**	**27.60%**	**(306,837)**

4.8 Change in gains and losses recognised directly in equity

Net gains and losses recognised directly in equity for the 2019 financial year are detailed below:

RECYCLABLE GAINS AND LOSSES

(in € thousands)	2019	2018
TRANSLATION GAINS AND LOSSES	23,701	24,298
Revaluation adjustment for the period	23,701	24,298
Reclassified to profit or loss		-
Other reclassifications		-
GAINS AND LOSSES ON DEBT INSTRUMENTS RECOGNISED UNDER RECYCLABLE EQUITY	(4)	(1,845)
Revaluation adjustment for the period	(12)	(1,845)
Reclassified to profit or loss	8	-
Other reclassifications	-	-
GAINS AND LOSSES ON AVAILABLE-FOR-SALE ASSETS		
Revaluation adjustment for the period		
Reclassified to profit or loss		
Other reclassifications		
GAINS AND LOSSES ON HEDGING DERIVATIVES		-
Revaluation adjustment for the period		-
Reclassified to profit or loss		-
Other reclassifications		-
PRE-TAX GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY OF EQUITY-ACCOUNTED ENTITIES	875	(7,642)
TAX ON GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY, EXCLUDING EQUITY-ACCOUNTED ENTITIES	3	612
TAX ON GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY OF EQUITY-ACCOUNTED ENTITIES		-
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND RECYCLABLE TO PROFIT OR LOSS AT A LATER DATE	**24,576**	**15,423**

NON-RECYCLABLE GAINS AND LOSSES

(in € thousands)	2019	2018
ACTUARIAL GAINS AND LOSSES ON POST-EMPLOYMENT BENEFITS	(8,020)	1,024
GAINS AND LOSSES ON EQUITY INSTRUMENTS RECOGNISED IN NON-RECYCLABLE EQUITY THROUGH PROFIT OR LOSS	(11,943)	(38,657)
Revaluation adjustment for the period	(11,943)	(37,229)
Reclassified to reserves		(1,429)
Other reclassifications		-
Pre-tax gains and losses recognised directly in non-recyclable equity of equity-accounted entities		-
Tax on gains and losses recognised directly in non-recyclable equity excluding equity-accounted entities	2,292	(226)
Tax on gains and losses recognised directly in non-recyclable equity on equity-accounted entities		-
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY AND NON-RECYCLABLE SUBSEQUENTLY AS INCOME	**(17,671)**	**(37,860)**
TOTAL NET GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**6,905**	**(22,437)**
Of which, Group share	6,921	(22,435)
Of which, non-controlling interests	(16)	(2)

Details of the tax effect on gains and losses recognised directly in equity are shown below:

	31/12/2018				2019 change				31/12/2019			
(in € thousands)	Gross	Tax	Net tax	Net Group share	Gross	Tax	Net tax	Net Group share	Gross	Tax	Net tax	Net Group share
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY												
Gains and losses on translation	(5,587)	-	(5,587)	(5,587)	23,702	-	23,702	23,702	18,115	-	18,115	18,115
Gains and losses on debt instruments recognised under recyclable equity	(698)	220	(478)	(478)	(4)	3	(1)	(1)	(702)	223	(479)	(479)
Gains and losses on hedging derivatives	-	-	-	-								
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY EXCLUDING EQUITY-ACCOUNTED ENTITIES	(6,285)	220	(6,065)	(6,065)	23,698	3	23,701	23,701	17,413	223	17,636	17,636
Net gains and losses recognised directly in recyclable equity of equity-accounted entities	(9,698)	-	(9,698)	(9,698)	875	-	875	875	(8,822)	-	(8,822)	(8,822)
GAINS AND LOSSES RECOGNISED DIRECTLY IN RECYCLABLE EQUITY	(15,982)	220	(15,762)	(15,762)	24,573	3	24,576	24,576	8,591	223	8,813	8,813

(in € thousands)	31/12/2018 Gross	Tax	Net tax	Net Group share	2019 change Gross	Tax	Net tax	Net Group share	31/12/2019 Gross	Tax	Net tax	Net Group share
NET GAINS AND LOSSES RECOGNISED DIRECTLY IN NON-RECYCLABLE EQUITY												
Actuarial gains and losses on post-employment benefits	(17,457)	4,649	(12,806)	(12,773)	(8,020)	2,292	(5,727)	(5,711)	(25,477)	6,941	(18,534)	(18,483)
Gains and losses on equity instruments recognised in non-recyclable equity through profit or loss	(24,408)	-	(24,408)	(24,408)	(11,943)	-	(11,943)	(11,943)	(36,351)	-	(36,351)	(36,351)
GAINS AND LOSSES RECOGNISED DIRECTLY IN NON-RECYCLABLE EQUITY EXCLUDING EQUITY-ACCOUNTED ENTITIES	(41,865)	4,649	(37,214)	(37,181)	(19,963)	2,292	(17,671)	(17,654)	(61,828)	6,941	(54,885)	(54,835)
Gains and losses recognised directly in non-recyclable equity of equity-accounted entities	-	-	-	-	-	-	-	-	-	-	-	-
GAINS AND LOSSES RECOGNISED DIRECTLY IN NON-RECYCLABLE EQUITY	(41,865)	4,649	(37,214)	(37,181)	(19,963)	2,292	(17,671)	(17,654)	(61,828)	6,941	(54,885)	(54,835)
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY	**(57,848)**	**4,869**	**(52,978)**	**(52,944)**	**4,611**	**2,295**	**6,905**	**6,921**	**(53,237)**	**7,164**	**(46,072)**	**(46,023)**

Note 5 NOTES ON THE BALANCE SHEET

5.1 Cash and central banks

(in € thousands)	31/12/2019	31/12/2018
Cash	38	40
TOTAL CASH AND CENTRAL BANKS	**38**	**40**

5.2 Financial assets at fair value through profit or loss

(in € thousands)	31/12/2019	31/12/2018
Financial assets held for trading	3,095,280	2,456,384
Derivative hedging instruments	486	-
Equity instruments at fair value through profit or loss	577,330	565,912
Debt instruments at fair value through profit or loss	2,677,030	2,120,588
Financial assets at fair value through profit or loss as an option	7,449,570	5,308,592
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**13,799,697**	**10,451,477**

5.2.1 Financial assets held for trading

(in € thousands)	31/12/2019	31/12/2018
Derivative trading instruments	3,095,280	2,456,384
of which interest rate swaps	104,860	72,742
of which, stock and index swaps	2,985,211	2,368,854
TOTAL FINANCIAL ASSETS HELD FOR TRADING	**3,095,280**	**2,456,384**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

5.2.2 Assets – hedging derivatives

	31/12/2019			31/12/2018		
	Market value		Amount of notional value	Market value		Amount of notional value
(in € thousands)	Positive	Negative		Positive	Negative	
FAIR-VALUE HEDGING						
Interest rate risk	486	7,996	386,000	-	3,780	276,000

This heading refers to the hedges on Treasury Bills (OATs) held by Amundi as collateral under the EMIR Regulation.

5.2.3 Other financial assets at fair value through profit or loss

(in € thousands)	31/12/2019	31/12/2018
Equity instruments at fair value through profit or loss	**577,330**	**565,912**
Equities and other variable-income securities	478,507	467,420
Non-consolidated participating interests	98,824	98,492
Debt instruments at fair value through profit or loss	**2,677,030**	**2,120,588**
Funds (that do not meet SPPI criteria)	2,601,320	2,120,588
Treasury bills and similar securities	75,710	-
Financial assets at fair value through profit or loss as an option	**7,449,570**	**5,308,592**
Loans and receivables due from credit institutions	4,102,246	2,613,627
Bonds and other fixed-income securities	3,347,324	2,694,965
Treasury bills and similar securities		
TOTAL OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**10,703,931**	**7,995,093**

Under this heading Amundi recognises the fair value of seed money, short-term cash investments and hedging assets for EMTN issues (see note 5.3.3).

5.3 Financial liabilities at fair value through profit or loss

(in € thousands)	31/12/2019	31/12/2018
Financial liabilities held for trading	2,655,510	2,677,526
Derivative hedging instruments	7,996	3,780
Financial liabilities at fair value through profit or loss as an option	8,417,701	5,532,017
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**11,081,207**	**8,213,323**

5.3.1 Liabilities held for trading

(in € thousands)	31/12/2019	31/12/2018
Derivative trading instruments	2,655,510	2,677,526
of which interest rate swaps	36,787	25,784
of which, stock and index swaps	2,608,773	2,635,554
TOTAL FINANCIAL LIABILITIES HELD FOR TRADING	**2,655,510**	**2,677,526**

This section includes the fair value of derivatives contracted by Amundi as part of its intermediation business: derivatives contracted with funds and executed with market counterparties.

5.3.2 Liabilities – hedging derivatives

See note 5.2.2. *Assets – hedging derivatives*.

5.3.3 Financial liabilities at fair value through profit or loss as an option

(in € thousands)	31/12/2019	31/12/2018
Debt securities	8,417,701	5,532,017
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AS AN OPTION	**8,417,701**	**5,532,017**

This section records the securities issued by EMTN issuance vehicles for clients. The nominal value of these issues was €7,865,792,000 as of 31 December 2019 and €5,737,380,000 as of 31 December 2018.

5.4 Information on the netting of financial assets and liabilities

5.4.1 Netting – Financial assets

EFFECTS OF NETTING ON FINANCIAL ASSETS UNDER THE MASTER NETTING AGREEMENT AND OTHER SIMILAR AGREEMENTS

				Other amounts that can be netted under given conditions		
(in € thousands)	Gross amount of assets recognised before any netting effect	Gross amount of liabilities actually netted	Net amount of financial assets shown in the summary statements	Gross amount of financial liabilities covered by master netting agreement	Amounts of other financial instruments received as collateral, including security deposits	Net amount after all of the netting effects
Type of transaction	**(a)**	**(b)**	**(c) = (a) - (b)**		**(d)**	**(e) = (c) - (d)**
31/12/2019						
Derivatives	3,090,562	-	3,090,562	2,155,853	654,748	279,961
FINANCIAL ASSETS SUBJECT TO NETTING	**3,090,562**	**-**	**3,090,562**	**2,155,853**	**654,748**	**279,961**
31/12/2018						
Derivatives	2,441,596	-	2,441,596	1,849,969	396,112	195,515
FINANCIAL ASSETS SUBJECT TO NETTING	**2,456,384**	**-**	**2,441,596**	**1,849,969**	**396,112**	**195,515**

The gross amounts of the derivatives presented in the statements exclude adjustments for counterparty risks, namely, Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

5.4.2 Netting – Financial liabilities

EFFECTS OF NETTING ON FINANCIAL LIABILITIES UNDER THE MASTER NETTING AGREEMENT AND OTHER SIMILAR AGREEMENTS

(in € thousands)	Gross amount of liabilities recognised before any netting effect	Gross amount of assets actually netted	Net amount of financial liabilities shown in the summary statements	Other amounts that can be netted under given conditions: Gross amount of financial assets covered by master netting agreement	Other amounts that can be netted under given conditions: Amounts of other financial instruments given as collateral, including security deposits	Net amount after all of the netting effects
Type of transaction	**(a)**	**(b)**	**(c) = (a) - (b)**		**(d)**	**(e) = (c) - (d)**
31/12/2019						
Derivatives	2,653,643	-	2,653,643	2,155,853	214,447	283,343
FINANCIAL LIABILITIES SUBJECT TO NETTING	2,653,643	-	2,653,643	2,155,853	214,447	283,343
31/12/2018						
Derivatives	2,665,190	-	2,665,190	1,849,969	638,915	176,306
FINANCIAL LIABILITIES SUBJECT TO NETTING	2 665 190	-	2,665,190	1,849,969	638,915	176,306

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 Financial assets at fair value through equity

(in € thousands)	31/12/2019 Balance sheet value	31/12/2019 Unrealised losses	31/12/2018 Balance sheet value	31/12/2018 Unrealised losses
Debt instruments recognised at fair value in recyclable equity through profit or loss	**416,400**	**(702)**	**297,142**	**(714)**
Treasury bills and similar securities	416,400	(702)	297,142	(714)
Equity instruments recognised at fair value in non-recyclable equity through profit or loss	**194,004**	**(36,351)**	**188,809**	**(24,408)**
Non-consolidated equity securities	194,004	(36,351)	188,809	(24,408)
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**610,404**	**(37,053)**	**485,951**	**(25,122)**

5.6 Financial assets at amortised cost

(in € thousands)	**31/12/2019**	**31/12/2018**
Current accounts and overnight loans	1,136,718	937,594
Accounts and term deposits	47,745	67,364
Accrued interest	986	221
TOTAL FINANCIAL ASSETS AT AMORTISED COST (NET VALUE)	**1,185,449**	**1,005,180**

“Financial assets at amortised cost” are loans and receivables due from credit institutions primarily granted to Crédit Agricole Group.

As of 31 December 2019, the value adjustments for credit risk amounted to €1,361,000 compared with €2,469,000 as of 31 December 2018.

5.7 Financial liabilities at amortised cost

(in € thousands)	31/12/2019	31/12/2018
Accounts and term deposits	811,698	1,303,586
Accrued payables	772	1,109
Current accounts	4,254	8,960
TOTAL FINANCIAL LIABILITIES AT AMORTISED COST	**816,724**	**1,313,655**

The main counterparty in respect of "financial liabilities at amortised cost" is the Crédit Agricole Group.

5.8 Subordinated debt

(in € thousands)	31/12/2019	31/12/2018
Fixed-term subordinated debt	303,842	303,826
TOTAL SUBORDINATED DEBT	**303,842**	**303,826**

The Crédit Agricole Group is the counterparty to "subordinated debt".

5.9 Current and deferred tax assets and liabilities

(in € thousands)	31/12/2019	31/12/2018
Current tax receivables	33,435	39,715
Deferred tax assets	146,872	154,550
TOTAL CURRENT AND DEFERRED TAX ASSETS	**180,306**	**194,264**
Current tax liabilities	114,841	107,683
Deferred tax liabilities	119,256	173,426
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**234,097**	**281,109**

As of 31 December 2019, there were no deferred tax assets relating to the tax loss carryforwards recognised in the financial statements.

5.10 Accruals and sundry assets and liabilities

5.10.1 Accruals, prepayments and sundry assets

(in € thousands)	31/12/2019	31/12/2018
Miscellaneous debtors	1,280,226	1,537,594
Accrued income	290,660	551,240
Prepaid expenses	236,264	165,295
ASSETS – TOTAL ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS	**1,807,150**	**2,254,128**

Accruals, prepayments and sundry assets include management and performance fees due and the collateral paid for derivatives contracts. The collateral was recorded in balance sheet assets in the amount of €293,469,000 as of 31 December 2019 and €1,057,481,000 as of 31 December 2018.

5.10.2 Accruals, deferred income and sundry liabilities

(in € thousands)	31/12/2019	31/12/2018
Miscellaneous creditors	633,196	547,374
Accrued expenses	1,078,853	1,005,870
Prepaid income	8,463	8,192
IFRS 16 Lease liabilities (1)	172,973	
Other accruals	873,002	526,886
LIABILITIES – TOTAL ACCRUAL ACCOUNTS AND SUNDRY LIABILITIES	**2,766,487**	**2,088,322**

(1) The impact of applying IFRS 16 on 1 January 2019 amounted to €213,668,000 (see note 9).

Accruals, deferred income and sundry liabilities include bonus debts, retrocessions payable to distributors and collateral received for derivatives contracts. The collateral was recorded in balance sheet liabilities in the amount of €809,220,000 as of 31 December 2019 and €465,364,000 as of 31 December 2018.

5.11 Joint ventures and associates

(in € thousands)	31/12/2019	31/12/2018
Joint ventures	12,031	12,679
Associates	263,238	251,134
ASSETS – INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES	**275,269**	**263,812**

(in € thousands)	31/12/2019	31/12/2018
Joint ventures	5,273	6,127
Associates	41,069	43,619
INCOME STATEMENT – SHARE OF NET INCOME OF EQUITY-ACCOUNTED ENTITIES	**46,342**	**49,745**

5.11.1 Joint ventures

Amundi has a stake 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 this joint venture was €12,031,000 as of 31 December 2019 and €12,679,000 as of 31 December 2018.

	31/12/2019			31/12/2018		
(in € thousands)	Equity-accounted value	Dividends paid to Group entities	Share of net income	Equity-accounted value	Dividends paid to Group entities	Share of net income
Fund Channel	12,031	5,920	5,273	12,679	5,722	6,127
NET CARRYING AMOUNT OF SHARES IN EQUITY-ACCOUNTED COMPANIES (JOINT VENTURES)	**12,031**		**5,273**	**12,679**		**6,127**

The summarised financial information on this joint venture is presented below:

	31/12/2019				31/12/2018			
(in € thousands)	NBI	Net income	Total assets	Shareholders' equity	NBI	Net income	Total assets	Shareholders' equity
Fund Channel	23,675	11,309	133,512	26,782	26,812	14,404	131,448	29,217

5.11.2 Associates

As of 31 December 2019, the equity-accounted value of associates was €263,238,000 and €251,134,000 as of 31 December 2018.

Amundi has holdings in four associates. The holdings in equity-accounted companies are presented in the table below:

	31/12/2019			31/12/2018		
(in € thousands)	Equity-accounted value	Dividends paid to Group entities	Share of net income	Equity-accounted value	Dividends paid to Group entities	Share of net income
NH-Amundi Asset Management	24,517	3,344	5,012	23,465	2,954	3,852
State Bank of India Fund Management (SBI FM)	103,279	4,720	24,257	83,566	3,227	15,730
ABC-CA	130,873	-	9,314	120,722	-	19,773
Wafa Gestion	4,568	2,072	2,419	4,540	2,812	2,320
Tobam Holding Company & Tobam[1]	-	1,643	68	18,841	825	1,943
NET CARRYING AMOUNT OF SHARES IN EQUITY-ACCOUNTED COMPANIES (ASSOCIATES)	**263,238**		**41,069**	**251,134**		**43,619**

(1) *Deconsolidation of Tobam and Tobam Holding Company during the 2019 financial year following significant loss of influence.*

The summarised financial information relating to Amundi's significant associates is presented below:

	31/12/2019				31/12/2018			
(in € thousands)	NBI	Net income	Total assets	Shareholders' equity	NBI	Net income	Total assets	Shareholders' equity
NH-Amundi Asset Management	48,127	16,705	90,197	81,723	35,432	12,840	87,719	78,217
State Bank of India Fund Management (SBI FM)	150,412	65,559	254,108	206,251	122,341	42,515	192,426	153,353
ABC-CA	72,746	27,945	461,383	392,620	108,034	59,319	420,247	362,165
Wafa Gestion	15,611	7,113	37,594	13,437	15,081	6,825	36,954	13,352
Tobam Holding Company & Tobam	-	-	-	-	26,400	8,600	35,050	13,400

5.12 Property, plant and equipment and intangible assets

5.12.1 Property, plant and equipment used in operations

(in € thousands)	31/12/2018	01/01/2019[1]	Change in scope	Increase	Decrease	Foreign exchange differences	Other movements	31/12/2019
Gross value	204,953	213,668	(6,443)	26,417	(20,895)	2,448		420,148
Depreciation, amortisation and provisions	(162,329)		6,483	(64,819)	8,312	(587)	(993)	(213,933)
PROPERTY, PLANT AND EQUIPMENT NET	**42,624**	**213,668**	**41**	**(38,402)**	**(12,583)**	**1,861**	**(993)**	**206,215**

(in € thousands)	31/12/2017	01/01/2018	Change in scope	Increase	Decrease	Foreign exchange differences	Other movements	31/12/2018
Gross value	196,320		(156)	12,998	(5,087)	964	(87)	204,953
Depreciation, amortisation and provisions	(151,691)		29	(14,748)	4,851	(725)	(45)	(162,329)
PROPERTY, PLANT AND EQUIPMENT NET	**44,630**		**(127)**	**(1,750)**	**(236)**	**239**	**(132)**	**42,624**

(1) *Impact of recognising the Right of Use as part of the first-time application of IFRS 16 "Leases" (see note 1.1 "Applicable standards and comparability").*

5.12.2 Intangible assets used in operations

(in € thousands)	31/12/2018	Change in scope	Increase	Decrease	Foreign exchange differences	Other movements	31/12/2019
Gross value	1,089,692	(1,000)	26,213	(1,136)	462	556	1,114,788
Depreciation, amortisation and provisions	(545,464)	1,114	(85,693)	1,127	(216)	(558)	(629,690)
NET INTANGIBLE ASSETS	**544,228**	**115**	**(59,479)**	**(9)**	**246**	**(3)**	**485,098**

(in € thousands)	31/12/2017	Change in scope	Increase	Decrease	Foreign exchange differences	Other movements	31/12/2018
Gross value	1,100,094	15	6,066	(16,892)	238	170	1,089,692
Depreciation, amortisation and provisions	(476,932)	(15)	(85,133)	16,692	(46)	(30)	(545,464)
NET INTANGIBLE ASSETS	**623,162**	**-**	**(79,067)**	**(199)**	**192**	**140**	**544,228**

Intangible assets consist primarily of:

- distribution contracts with partner networks acquired through business combinations and amortised over a maximum period of 10 years;
- software acquired or developed in-house.

5.13 Goodwill

Goodwill totalled €5,711.7 million as of 31 December 2019 compared to €5,695.5 million as of 31 December 2018. The change over the financial year was mainly due to exchange rate fluctuations during the period.

The goodwill consists of the following other main items:

- goodwill recognised upon the transfer by Crédit Agricole Indosuez of its asset management business in December 2003 for €377.9 million;
- goodwill recognised in 2004 at the time of Crédit Agricole S.A.'s acquisition of Crédit Lyonnais for €1,732.8 million;
- goodwill related to the transfer of Société Générale's asset management business in December 2009 for €707.8 million;
- goodwill recognised in 2015 at the time of the acquisition of Amundi Austria for €78.4 million;
- the goodwill recognised in 2016 following the acquisitions of KBI Global Investors and Crédit Agricole Immobilier Investors for a total of €159.9 million;
- goodwill recognised in 2017 following the acquisition of Pioneer Investments for a total of €2,537.3 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 2019 was carried out using results forecasts for the 2019-2022 period. The results forecasts were primarily based on the following assumptions about the economic environment:

- A risk aversion that diminishes following the recovery in the markets observed in 2019;
- With a background of interest rates being kept low, equity markets will only increase very slightly in the coming years after recovering significantly in 2019;
- Slightly favourable market conditions during 2020 and then overall neutral after that.

Amundi used a perpetual growth rate of 2% for the tests as of 31 December 2019 and 2018 and a discount rate of 7.80% for the test as of 31 December 2019 (compared to 8.37% for the tests as of 31 December 2018).

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 as of 31 December 2019.

5.14 Provisions

(in € thousands)	01/01/2019	Change in scope	Increases	Decr. and reversals not used	Reversals used	Deviation of differences	Other movements	31/12/2019
Provisions for commitment risks	30,974		8,235	(11,737)	(2,411)			25,061
Provisions for operational risks	1,143		438	(42)	(237)			1,302
Provisions for employee expenses	122,836		8,003	(3,652)	(33,232)	35	8,007	101,998
Provisions for litigation	34,643			(1,048)	(4,047)		(22,465)	7,083
Provisions for other risks	19,127		7,876	(8)	(1,679)	48	(2,086)	23,278
PROVISIONS	**208,723**	**-**	**24,552**	**(16,487)**	**(41,606)**	**83**	**(16,543)**	**158,722**

(in € thousands)	01/01/2018	Change in scope	Increases	Decr. and reversals not used	Reversals used	Deviation of differences	Other movements	31/12/2018
Provisions for commitment risks	15,971	-	18,435	(1,160)	(457)	-	(1,815)	30,974
Provisions for operational risks	1,178				(35)			1,143
Provisions for employee expenses	149,858	-	5,407	(1,551)	(30,094)	88	(873)	122,836
Provisions for litigation	32,911		10,252	(6,130)	(2,410)	-	20	34,643
Provisions for other risks	28,287	26	2,517	(6,882)	(8,314)	68	3,423	19,127
PROVISIONS	**228,205**	**26**	**36,611**	**(15,723)**	**(41,310)**	**156**	**756**	**208,723**

As of 31 December 2019, disputes and other risks have a foreseeable expiry of less than 2 years.

The provisions for employee expenses include provision for severance payments (see note 6.4)

5.15 Shareholders' equity

5.15.1 Composition of the share capital

As of 31 December 2019, the allocation of share capital and voting rights was as follows:

Shareholders	Number of securities	as a % of share capital	as a % of voting rights
Crédit Agricole S.A.	137,606,739	68.07%	68.52%
Other Crédit Agricole Group companies	3,450,660	1.71%	1.72%
Employees	969,190	0.48%	0.48%
Treasury stock	1,333,964	0.66%	-
Float	58,802,752	29.09%	29.28%
TOTAL SECURITIES	**202,163,305**	**100.00%**	**100.00%**

In the 2019 financial year there was an increase in capital reserved for Amundi employees which led to the issue of 458,951 shares (see section "Period highlights").

5.15.2 Dividends paid

In 2019, in accordance with the decision made during the Ordinary General Meeting of 16 May 2019, Amundi paid its shareholders a dividend of €2.90 per share, *i.e.* a total of €579.4 million for the 2018 financial year.

The dividend distribution by shareholder was as follows:

(in € thousands)	For the 2018 financial year	For the 2017 financial year
Crédit Agricole S.A.	399,060	344,017
Other Crédit Agricole Group companies	10,007	8,627
Employees	1,714	1,046
Float	168,584	149,911
TOTAL DIVIDENDS	**579,365**	**503,601**

5.15.3 Calculation of earnings per share

	31/12/2019	31/12/2018
Net income – Group share for the period *(in thousands of euros)*	959,282	855,004
Average weighted number of ordinary shares outstanding during the period	201,765,967	201,591,264
BASIC EARNINGS PER SHARE (IN *euros)*	**4.75**	**4.24**

The basic earnings per share is identical to the diluted earnings per share in the absence of any convertible securities in the capital.

Note 6 EMPLOYEE BENEFITS AND OTHER COMPENSATION

6.1 Workforce

	2019	2018
Workforce for the period Full-time equivalent – FTE	**Average headcount**	**Average headcount**
France	2,120.5	2,088.7
Other European Union countries	1,430.6	1,499.1
Other European jurisdictions	10.0	9.7
North America	486.1	494.8
Central and South America	7.3	8.4
Africa and the Middle East	5.3	6.6
Asia and Oceania (excluding Japan)	154.8	151.9
Japan	164.7	171.9
TOTAL HEADCOUNT	**4,379.3**	**4,431.2**

6.2 Analysis of employee expenses

(in € thousands)	2019	2018
Salaries	(635,103)	(610,478)
Retirement fund contributions	(43,732)	(40,252)
Social charges and taxes	(158,336)	(159,913)
Other	(49,523)	(46,357)
TOTAL EMPLOYEE EXPENSES	**(886,694)**	**(857,000)**

6.3 Post-employment benefits, defined-contribution plans

There are several compulsory retirement plans to which "employer" companies contribute. Funds 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 of the benefits corresponding to services rendered by employees during the year and during prior financial years. Consequently, Amundi Group entities have no liabilities in this respect other than their contributions to be paid. Contributions for defined-contribution plans amounted to €40,646,000 as of 31 December 2019 and €40,865,000 as of 31 December 2018.

6.4 Post-employment benefits, defined-benefit plans

Change in actuarial liabilities

	31/12/2019			31/12/2018
(in € thousands)	**Eurozone**	**Outside eurozone**	**All zones**	**All zones**
Actuarial liability as of 31/12/N-1	114,865	7,036	121,901	125,683
Translation adjustment		243	243	442
Cost of services rendered during the period	4,111	997	5,108	5,440
Financial cost	1,704	19	1,723	1,761
Employee contributions	36		36	39
Benefit plan changes, withdrawals and settlement			-	(5,307)
Change in scope	(2,187)		(2,187)	45
Benefits paid (compulsory)	(3,243)	(618)	(3,861)	(4,187)
Taxes, administrative expenses and bonuses			-	-
Actuarial (gains) losses related to demographic assumptions[1]	312	(15)	297	(1,206)
Actuarial (gains) losses related to financial assumptions	9,040	116	9,156	(808)
ACTUARIAL LIABILITY AS OF 31/12/N	**124,638**	**7,777**	**132,415**	**121,901**

(1) Including actuarial gaps related to experience adjustments.

Expense recognised in profit or loss

	31/12/2019			31/12/2018
(in € thousands)	**Eurozone**	**Outside eurozone**	**All zones**	**All zones**
Cost of services	4,111	997	5,108	133
Net interest expense (income)	1,046	2	1,048	1,095
IMPACT ON INCOME STATEMENT AS OF 31/12/N	**5,157**	**999**	**6,156**	**1,227**

Gains and losses recognised in other non-recyclable comprehensive income items and changes in actuarial differences

	31/12/2019			31/12/2018
(in € thousands)	**Eurozone**	**Outside eurozone**	**All zones**	**All zones**
Revaluation of net liabilities (assets)				
AMOUNT OF ACCUMULATED ACTUARIAL DIFFERENCES IN OTHER NON-RECYCLABLE COMPREHENSIVE INCOME ITEMS AS OF 31/12/N-1	15,998	1,440	17,438	18,462
Translation adjustment	-	51	51	91
Actuarial gains (losses) on assets	(1,391)	(35)	(1,426)	898
Actuarial gains (losses) related to demographic assumptions[1]	312	(15)	297	(1,206)
Actuarial gains (losses) related to financial assumptions	9,040	116	9,156	(808)
Adjustment of asset limitation	-			-
ITEMS RECOGNIZED IMMEDIATELY IN OTHER COMPREHENSIVE INCOME ITEMS DURING THE FINANCIAL YEAR (ACTUARIAL GAINS AND LOSSES ON POST-EMPLOYMENT BENEFITS)	7,961	116	8,077	(1,024)
AMOUNT OF ACCUMULATED ACTUARIAL DIFFERENCES IN OTHER NON-RECYCLABLE COMPREHENSIVE INCOME ITEMS AS OF 31/12/N	**23,959**	**1,556**	**25,515**	**17,438**

(1) Including actuarial gaps related to experience adjustments.

Change in the fair value of assets

	31/12/2019			31/12/2018
(in € thousands)	**Eurozone**	**Outside eurozone**	**All zones**	**All zones**
FAIR VALUE OF ASSETS AS OF 31/12/N-1	43,078	6,196	49,274	49,991
Translation adjustment		214	214	392
Interest on the assets (income)	658	17	675	666
Actuarial gains (losses)	1,391	35	1,426	(898)
Employer contributions	(36)	921	885	863
Employee contributions	36		36	39
Benefit plan changes, withdrawals and settlement			-	
Change in scope			-	
Taxes, administrative expenses and bonuses			-	
Benefits paid by the fund	(650)	(618)	(1,268)	(1,778)
FAIR VALUE OF ASSETS AS OF 31/12/N	**44,477**	**6,764**	**51,241**	**49,274**

Net position

	31/12/2019			31/12/2018
(in € thousands)	**Eurozone**	**Outside eurozone**	**All zones**	**All zones**
ACTUARIAL LIABILITY AT THE END OF THE PERIOD	124,638	7,777	132,415	121,901
Impact of asset limitation			-	-
Fair value of assets at end of period	(44,477)	(6,764)	(51,241)	(49,274)
NET POSITION END OF PERIOD (LIABILITIES)	**80,161**	**1,013**	**81,174**	**72,627**

Defined-benefit plans – main actuarial assumptions

	31/12/2019	**31/12/2018**
Amundi Asset Management Plan & other plans discount rate	0.98%	1.37%
Amundi Deutschland GmbH discount rate	1.23%	1.63%
Expected rate of salary increases	2.00%	2.00%

Asset allocation as of 31 December 2019

	Eurozone			Non-eurozone			All zones		
(in € thousands)	**as a %**	**amount**	**of which, listed**	**as a %**	**amount**	**of which, listed**	**as a %**	**amount**	**of which, listed**
Equity	4.89%	2,173	2,173	-	-	-	4.24%	2,173	2,173
Bonds	36.31%	16,150	16,150	-	-	-	31.52%	16,150	16,150
Real estate	3.33%	1,483	-	-	-	-	2.89%	1,483	-
Other assets	55.47%	24,671	-	100,00%	6,764	-	61.35%	31,435	-
FAIR VALUE OF ASSETS	**100.00%**	**44,477**	**18,323**	**100,00%**	**6,764**	**-**	**100.00%**	**51,241**	**18,323**

As of 31 December 2019, the data for France showed an actuarial liability of €66,298,000, a fair value of assets of €21,179,000 and a net end-of-period position of €45,119,000.

Sensitivity to discount rates as of 31 December 2019

- a change of more than 50 bps in the discount rate could lead to a decrease in commitments of -7.97%;
- a change of less than 50 bps in the discount rate could lead to an increase in commitments of 8.76%.

6.5 Share-based payments

Amundi performance share plans

An expense of €34,122,000 for share-based payments was recognised in employee expenses for the period ended 31 December 2019 in respect of Amundi performance share plans for Group employees.

These award schemes are described below:

Performance share award schemes

Date of general meeting authorising share award scheme	30/09/2015	30/09/2015	18/05/2017	18/05/2017	16/05/2019
Date of Board meeting	11/02/2016	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Date of allocation of shares	11/02/2016	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Number of shares allocated	235,160	139,930	1,551,750	98,310	65,570
Payment methods	Amundi shares	Amundi shares	Amundi shares	Amundi shares	Amundi shares
Vesting period	11/02/2016 11/02/2019	09/02/2017 09/02/2020	01/07/2017 31/12/2021	01/07/2018 31/12/2021	13/12/2019 13/12/2021
Performance conditions(1)	Yes	Yes	Yes	Yes	Yes
Continued employment conditions	Yes	Yes	Yes	Yes	Yes
Equities remaining as of 31 December 2018(2)	224,286	131,762	1,386,200	98,310	65,570
Equities delivered during the period	*224,286*	-	*481,250*	-	-
Cancelled or voided shares during the period		*4,106*	*36,710*	*2,550*	-
Equities remaining as of 31 December 2019(2)	-	127,656	899,629	95,760	65,570
Fair value of an equity – Tranche 1	€26.25	€43.41	€67.12	€52.27	€62.58
Fair value of an equity – Tranche 2	n.a.	n.a.	€63.69	€48.78	n.a.
Fair value of an equity – Tranche 3	n.a.	n.a.	€59.85	n.a.	n.a.

(1) Performance conditions are based on Net Income Group Share (NIGS), the amount of new deposit-taking and the Group's cost-to-income ratio.

(2) Quantity of shares on the basis of achieving performance conditions of 100%.

Amundi measures the shares awarded and recognises an expense determined on the award date based on the market value of the options on that date. The sole assumptions that may be revised during the vesting period giving rise to an adjustment to the expense are those relating to the beneficiaries (options forfeited on dismissal or resignation).

6.6 Executive compensation

The compensation and benefits of the Chief Executive Officer and of the Division Heads for the 2019 and 2018 fiscal years taken into account in Amundi's consolidated financial statements were respectively €X thousand and €9,579,000. They include gross fixed and variable compensation, benefits in kind, retirement benefits and the expense for the supplementary retirement plan implemented for the key executives of the Group. The compensation break-down is as follows:

(in € thousands)	**2019**	**2018**
Gross compensation, employer contributions and benefits in kind	7,531	7,324
Post-employment benefits	376	384
Other long-term benefits	-	-
Severance payments	-	-
Cost of option plans and other plans	2,447	1,871
TOTAL COMPENSATION AND BENEFITS	**10,354**	**9,579**

In addition, the directors' fees paid in respect of the 2018 and 2017 financial years are presented in the table below:

(in € thousands)	**2019**	**2018**
Directors' fees	259	262

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 Valuation Adjustment – CVA) intended to include the credit risk associated with the counterparty in the valuation of derivatives (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 Valuation Adjustment – DVA) intended to integrate the risk associated with our counterparties in the valuation of derivatives. 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 instruments.

7.2 Other financial assets and liabilities

7.2.1 Other financial assets

The non-consolidated listed equity securities (primarily Resona Holding), government securities (listed on an organised market), listed bonds and fund units with a net asset value available at least twice a month are classified as Level 1. All other assets and liabilities valued at fair value are classified as Level 2 with the exception of Private Equity funds which are classified as Level 3.

7.2.2 Other financial liabilities

Liabilities at fair value option 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 outstandings on the balance sheet of financial assets and liabilities valued at fair value and classified by fair value level:

(in € thousands)	Total 31/12/2019	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
FINANCIAL ASSETS HELD FOR TRADING	3,095,280	-	3,095,280	-
Derivatives	3,095,280	-	3,095,280	-
FINANCIAL ASSETS AT FAIR VALUE BY NET INCOME	10,703,931	5,986,195	4,697,642	20,095
Equity instruments	**577,330**	**12,304**	**565,027**	**-**
Equities and other variable-income securities	478,507	-	478,507	-
Non-consolidated equity interests	98,824	12,304	86,520	-
Debt instruments at fair value through profit or loss	**2,677,030**	**2,626,567**	**30,369**	**20,095**
Funds	2,601,320	2,550,857	30,369	20,095
Treasury bills and similar securities	75,710	75,710	-	-
Financial assets at fair value through profit or loss as an option	**7,449,570**	**3,347,324**	**4,102,246**	**-**
Bonds and other fixed-income securities	3,347,324	3,347,324	-	-
Loans and receivables due from credit institutions	4,102,246	-	4,102,246	-
Treasury bills and similar securities	-	-	-	-
FINANCIAL ASSETS RECOGNISED IN EQUITY	610,404	593,266	17,138	-
Equity instruments recognised in non-recyclable equity through profit or loss	**194,004**	**176,866**	**17,138**	**-**
Equities and other variable-income securities	-	-	-	-
Non-consolidated equity interests	194,004	176,866	17,138	-
Debt instruments recognised in recyclable equity through profit or loss	**416,400**	**416,400**	**-**	**-**
Treasury bills and similar securities	416,400	416,400	-	-
DERIVATIVE HEDGING INSTRUMENTS	486	-	486	-
TOTAL FINANCIAL ASSETS VALUED AT FAIR VALUE	**14,410,100**	**6,579,460**	**7,810,546**	**20,095**

(in € thousands)	Total 31/12/2018	Prices listed on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
FINANCIAL ASSETS HELD FOR TRADING	2,456,384	-	2,456,384	-
Derivatives	2,456,384	-	2,456,384	-
FINANCIAL ASSETS AT FAIR VALUE BY NET INCOME	7,995,093	4,797,272	3,184,081	13,740
Equity instruments	**565,912**	**27,566**	**538,346**	**-**
Equities and other variable-income securities	467,420	-	467,420	-
Non-consolidated equity interests	98,492	27,566	70,926	-
Debt instruments that do not meet SPPI criteria	**2,120,588**	**2,074,741**	**32,107**	**13,740**
Funds	2,120,588	2,074,741	32,107	13,740
Assets backing unit-linked contracts	**-**	**-**	**-**	**-**
Financial assets at fair value through profit or loss as an option	**5,308,592**	**2,694,965**	**2,613,627**	**-**
Bonds and other fixed-income securities	2,694,965	2,694,965	-	-
Loans and receivables due from credit institutions	2,613,627	-	2,613,627	-
Treasury bills and similar securities	-	-	-	-
FINANCIAL ASSETS RECOGNISED IN EQUITY	485,951	485,951	-	-
Equity instruments recognised in non-recyclable equity through profit or loss	**188,809**	**188,809**	**-**	**-**
Equities and other variable-income securities	-	-	-	-
Non-consolidated equity interests	188,809	188,809	-	-
Debt instruments recognised in recyclable equity through profit or loss	**297,142**	**297,142**	**-**	**-**
Treasury bills and similar securities	297,142	297,142	-	-
DERIVATIVE HEDGING INSTRUMENTS		-	-	-
TOTAL FINANCIAL ASSETS VALUED AT FAIR VALUE	**10,937,428**	**5,283,223**	**5,640,465**	**13,740**

7.4 Financial liabilities at fair value on the balance sheet

(in € thousands)	Total 31/12/2019	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
FINANCIAL LIABILITIES HELD FOR TRADING	2,655,510	-	2,655,510	-
Due to credit institutions	-	-	-	-
Derivatives	2,655,510	-	2,655,510	-
DERIVATIVE HEDGING INSTRUMENTS	7,996	-	7,996	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AS AN OPTION	8,417,701	-	8,417,701	-
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**11,081,207**	**-**	**11,081,207**	**-**

(in € thousands)	Total 31/12/2018	Prices quoted on active markets for identical instruments Level 1	Valuation based on observable data Level 2	Valuation based on non-observable data Level 3
FINANCIAL LIABILITIES HELD FOR TRADING	2,677,526	-	2,677,526	-
Due to credit institutions	-	-	-	-
Derivatives	2,677,526	-	2,677,526	-
DERIVATIVE HEDGING INSTRUMENTS	3,780	-	3,780	-
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AS AN OPTION	5,532,017	-	5,532,017	-
TOTAL FINANCIAL LIABILITIES MEASURED AT FAIR VALUE	**8,213,323**	**-**	**8,213,323**	**-**

7.5 Fair value of financial assets and liabilities measured at cost

Financial assets and liabilities valued at cost primarily include amounts due and receivables to credit institutions and the collateral paid and received for derivatives contracts.

With respect to daily margin calls, Amundi Group considers that the collateral recorded and received is recognised at its fair value under “Accruals, prepayments and sundry assets” and “Accruals, deferred income and sundry liabilities”.

Amundi Group considers that the amortised cost of debts 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 clients. These funds, excluding management mandates, are considered to be structured entities to the extent that they are 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, where applicable.

Amundi has defined criteria to identify companies which are involved as the sponsor of a structured entity:

- 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;
- the 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 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.

	31/12/2019			
	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	879,485	879,485	-	879,485
Debt instruments that do not meet SPPI criteria: UCITS	1,018,439	1,018,439	-	1,018,439
Financial assets at fair value through equity	-	-	-	-
Financial assets at amortised cost	-	-	-	-
ASSETS RECOGNISED WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	**1,897,924**	**1,897,924**	**-**	**1,897,924**
Equity instruments	-	n.a.	n.a.	-
Financial liabilities held for trading	1,009,582	1,009,582	-	1,009,582
Financial liabilities at fair value through profit or loss	-	-	-	
Debt	-	n.a.	n.a.	-
LIABILITIES WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	**1,009,582**			**1,009,582**
Commitments given				
Financing commitments	n.a.	-	-	
Guarantee commitments	n.a.	20,335,802	309,940	20,025,862
Other	n.a.	-	-	
Provisions for execution risk – Commitments made	n.a.	(25,061)	-	(25,061)
OFF-BALANCE SHEET COMMITMENTS NET OF PROVISIONS WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	**N.A.**	**20,310,741**	**309,940**	**20,000,801**
BALANCE SHEET TOTAL OF NON-CONSOLIDATED STRUCTURED ENTITIES HELD	**76,800,345**	**N.A.**	**N.A.**	**N.A.**

	31/12/2018			
	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	696,032	696,032	-	696,032
Debt instruments that do not meet SPPI criteria: UCITS	1,404,719	1,404,719	-	1,404,719
Financial assets at fair value through equity	-	-	-	-
Financial assets at amortised cost	-	-	-	-
ASSETS RECOGNISED WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	2,100,751	2,100,751	-	2,100,751
Equity instruments	-	n.a.	n.a.	-
Financial liabilities held for trading	832,747	832,747	-	832,747
Financial liabilities at fair value through profit or loss	-	-	-	
Debt	-	n.a.	n.a.	-
LIABILITIES WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	832,747			832,747
Commitments given				
Financing commitments	n.a.	-	-	
Guarantee commitments	n.a.	20,128,859	301,937	19,826,922
Other	n.a.	-	-	
Provisions for execution risk – Commitments made	n.a.	(30,974)	-	(30,974)
OFF-BALANCE SHEET COMMITMENTS NET OF PROVISIONS WITH RESPECT TO NON-CONSOLIDATED STRUCTURED ENTITIES	N.A.	20,097,885	301,937	19,795,948
BALANCE SHEET TOTAL OF NON-CONSOLIDATED STRUCTURED ENTITIES HELD	**94,701,409**	**N.A.**	**N.A.**	**N.A.**

Information relating to parts of the funds held by Amundi and recorded under "Debt instruments that do not meet SPPI criteria: UCITS" does not include consolidated funds or those for which the Group holds only one unit (founder's unit).

The amount on the "Total balance sheet of non-consolidated structured entities" line 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 €25,061,000 as of 31 December 2019 and €30,974,000 as of 31 December 2018.

The amounts stated in financial assets and liabilities held for trading correspond to the positive and negative fair values of swaps made by Amundi with funds as part of its swap intermediation business.

8.2 Net revenues from sponsored structured entities

The net revenues from structured entities and from management mandates are inseparable from Amundi's management revenues and are included in the income presented in note 6.2.1.

Note 9 OTHER INFORMATION

9.1 Segment information

Amundi's business is solely focused on managing assets for third parties. It therefore has only one operating segment within the meaning of IFRS 8.

The Group's operational performance is not tracked more closely than the Group overall. Items that are reviewed at a closer level are limited to monthly reports on Group business volume (inflows, outstanding assets) and periodic reports on income net of commissions by client segment (retail, institutional). The Group believes that this information better corresponds to monitoring commercial activity than to measurement of operational performance for the purposes of decision-making for resource allocation. Operating expenses are not allocated to client segments (retail and institutional).

However, the Group believes that it is helpful to publish the information about commercial activity which is shown below as information complementary to that required by IFRS 8:

(in millions of euros)	2019	2018
Retail	1,813	1,832
Institutional investors	679	659
Institutional investors, Corporate and employee savings	533	518
Insurers[1]	146	141
NET FEES	2,493	2,491
Performance fees	171	115
TOTAL NET MANAGEMENT REVENUES	2,663	2,606
Net financial income	43	(25)
Other net income	(70)	(71)
TOTAL NET REVENUES	**2,636**	**2,510**

(1) *Crédit Agricole Group*

In addition, the allocation of net income is broken down by geographical area as follows:

(in millions of euros)	2019	2018
France	1,412	1,205
Abroad	1,224	1,305
TOTAL NET REVENUES	**2,636**	**2,510**

The net revenue break-down is based on the location where the accounting information is recorded.

9.2 Related parties

9.2.1 Scope of related parties

Related parties are businesses which directly or indirectly control or are controlled by, or which are under joint control with the Company presenting the financial statements.

Amundi's related parties are (i) the consolidated companies, including equity-accounted companies, (ii) the Crédit Agricole Group companies, that is, the Regional Banks, Crédit Agricole S.A., its subsidiaries, associates and joint ventures. No provisions for write-downs were made for these relationships.

In addition, the funds in which the Crédit Agricole Group has invested are not considered to be related parties.

A list of the Amundi Group's consolidated companies is presented in note 9.3.1. "Scope of consolidation". The transactions carried out and the assets under management at the end of the period between the fully consolidated companies of the Group are entirely eliminated on consolidation.

9.2.2 Nature of the transactions with related parties

Amundi has commercial relationships with Crédit Agricole Group companies.

Crédit Agricole Group is a distributor, a lender and borrower, a derivative counterparty and also a depositary and calculation agent of Amundi's financial products. In addition, Crédit Agricole Group makes certain resources available to Amundi and manages Amundi's end-of-career allowance insurance.

Amundi handles asset management of certain mandates for the Crédit Agricole Group and also provides book-keeping services for the Crédit Agricole Group's employee savings plans.

9.2.3 Transactions with related parties

The following tables present the transactions undertaken with the Crédit Agricole Group and with the equity-accounted entities of the Amundi Group.

Amundi's transactions with its key executives consist solely of the compensation paid under employment contracts and directors' fees.

(in € thousands)	Crédit Agricole Group	
NET INCOME	**2019**	**2018**
Net interest and similar income	(13,677)	(11,370)
Net fee and commission income	(279,446)	(306,521)
Other net income (expenditure)	(16,541)	(15,168)
General operating expenses	(7,153)	(9,311)
BALANCE SHEET	**31/12/2019**	**31/12/2018**
Assets		
Loans and receivables due from credit institutions	633,813	368,695
Accruals, prepayments and sundry assets	72,558	95,584
Financial assets at fair value through profit or loss	7,712,442	5,462,564
Equity and liabilities		
Subordinated debt	303,842	303,826
Due to credit institutions	808,497	1,310,865
Accruals, deferred income and sundry liabilities	255,056	208,515
Financial liabilities at fair value through profit or loss	264,040	227,100
Off-balance sheet items		
Guarantees given	4,577,634	3,850,707
Guarantees received	-	-

(in € thousands)	Joint ventures and associates	
NET INCOME	**2019**	**2018**
Net interest and similar income	-	-
Net fee and commission income	(2,831)	(3,102)
General operating expenses	-	-
BALANCE SHEET	**31/12/2019**	**31/12/2018**
Assets		
Loans and receivables due from credit institutions	-	-
Accruals, prepayments and sundry assets	230	310
Financial assets at fair value through profit or loss	-	-
Equity and liabilities		
Due to credit institutions	-	-
Accruals, deferred income and sundry liabilities	1,141	940
Off-balance sheet items		
Guarantees given	-	-
Guarantees received	-	-

9.3 Scope of consolidation

Consolidated companies	Notes	Development of scope	Method	31/12/2019 as a % of cross-check	31/12/2019 as a % of interest	31/12/2018 as a % of cross-check	31/12/2018 as a % of interest	Principal place of business
FRENCH COMPANIES								
AMUNDI			Full	100.0	100.0	100.0	100.0	France
AMUNDI ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI FINANCE ÉMISSIONS			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 INTERMÉDIATION			Full	100.0	100.0	100.0	100.0	France
AMUNDI ISSUANCE			Full	100.0	100.0	100.0	100.0	France
AMUNDI IT SERVICES			Full	95.4	95.4	95.4	95.4	France
AMUNDI PRIVATE EQUITY FUND			Full	100.0	100.0	100.0	100.0	France
AMUNDI ESR			Full	100.0	100.0	100.0	100.0	France
AMUNDI VENTURES			Full	100.0	100.0	100.0	100.0	France
BFT INVESTMENT MANAGERS			Full	100.0	100.0	100.0	100.0	France
CPR AM			Full	100.0	100.0	100.0	100.0	France
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		Exit	Equity-accounted	-	-	25.6	25.6	France
TOBAM		Exit	Equity-accounted	-	-	4.1	20.0	France
FUNDS AND OPCI								
ACACIA		Exit	Full	-	-	100.0	100.0	France
ACAJOU			Full	100.0	100.0	100.0	100.0	France
CEDAR			Full	100.0	100.0	100.0	100.0	France
CHORIAL ALLOCATION			Full	99.9	99.9	99.9	99.9	France
LONDRES CROISSANCE 16			Full	100.0	100.0	100.0	100.0	France
OPCI IMMANENS			Full	100.0	100.0	100.0	100.0	France
OPCI IMMO EMISSIONS			Full	100.0	100.0	100.0	100.0	France
PEG – PORTFOLIO EONIA GARANTI			Full	94.6	94.6	97.2	97.2	France
RED CEDAR			Full	100.0	100.0	100.0	100.0	France
AMUNDI PE SOLUTION ALPHA			Full	100.0	100.0	100.0	100.0	France

Consolidated companies	Notes	Development of scope	Method	31/12/2019 as a % of cross-check	31/12/2019 as a % of interest	31/12/2018 as a % of cross-check	31/12/2018 as a % of interest	Principal place of business
FOREIGN COMPANIES								
AMUNDI DEUTSCHLAND GMBH			Full	100.0	100.0	100.0	100.0	Germany
PIONEER GLOBAL INVESTMENTS LTD BUENOS AIRES BRANCH	(1)	Exit	Full	-	-	100.0	100.0	Argentina
AMUNDI AUSTRIA GMBH			Full	100.0	100.0	100.0	100.0	Austria
AMUNDI ASSET MANAGEMENT BELGIUM BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Belgium
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT SOFIA BRANCH	(4)		Full	100.0	100.0	100.0	100.0	Bulgaria
AMUNDI ASSET MANAGEMENT AGENCIA IN CHILE	(1)	Entry	Full	100.0	100.0	-	-	Chile
PIONEER GLOBAL INVESTMENTS LTD SANTIAGO BRANCH	(2)	Exit	Full	-	-	100.0	100.0	Chile
ABC-CA FUND MANAGEMENT CO. LTD			Equity-accounted	33.3	33.3	33.3	33.3	China
NH-AMUNDI ASSET MANAGEMENT			Equity-accounted	30.0	30.0	30.0	30.0	Korea
PIONEER GLOBAL INVESTMENTS LTD JELLING BRANCH	(2)	Exit	Full	-	-	100.0	100.0	Denmark
AMUNDI ASSET MANAGEMENT DUBAI BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Arab Emirates
AMUNDI IBERIA SGIIC SA			Full	100.0	100.0	100.0	100.0	Spain
PIONEER GLOBAL INVESTMENTS LTD MADRID BRANCH	(2)	Exit	Full	-	-	100.0	100.0	Spain
AMUNDI USA INC			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER ASSET MANAGEMENT USA, INC.			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER ASSET MANAGEMENT, INC.			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER DISTRIBUTOR, INC.			Full	100.0	100.0	100.0	100.0	United States
AMUNDI PIONEER INSTITUTIONAL ASSET MANAGEMENT, INC.			Full	100.0	100.0	100.0	100.0	United States
VANDERBILT CAPITAL ADVISORS LLC			Full	100.0	100.0	100.0	100.0	United States
PIONEER GLOBAL INVESTMENTS LTD PARIS BRANCH	(2)	Exit	Full	-	-	100.0	100.0	France
AMUNDI HELLAS			Full	100.0	100.0	100.0	100.0	Greece
AMUNDI ASSET MANAGEMENT HONG KONG BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI HONG KONG LTD			Full	100.0	100.0	100.0	100.0	Hong Kong
AMUNDI INVESTMENT FUND MGMT PRIVATE LTD CO.			Full	100.0	100.0	100.0	100.0	Hungary
SBI FUNDS MANAGEMENT PRIVATE LIMITED			Equity-accounted	37.0	37.0	37.0	37.0	India
KBI GLOBAL INVESTORS LTD			Full	87.5	100.0	87.5	100.0	Ireland
KBI FUND MANAGERS LTD			Full	87.5	100.0	87.5	100.0	Ireland
KBI GLOBAL INVESTORS (NORTH AMERICA) LTD			Full	87.5	100.0	87.5	100.0	Ireland
PIONEER GLOBAL INVESTMENTS LTD		Merger	Full	-	-	100.0	100.0	Ireland
AMUNDI IRELAND LTD			Full	100.0	100.0	100.0	100.0	Ireland
AMUNDI INTERMEDIATION DUBLIN BRANCH	(6)		Full	100.0	100.0	100.0	100.0	Ireland

(1) AMUNDI ASSET MANAGEMENT branches.
(2) PIONEER GLOBAL INVESTMENTS LTD branches.
(3) AMUNDI IRELAND LTD branches.
(4) AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS branches.
(5) FUND CHANNEL branch.
(6) AMUNDI INTERMEDIATION branch.

				31/12/2019		31/12/2018		
Consolidated companies	**Notes**	**Development of scope**	**Method**	**as a % of cross-check**	**as a % of interest**	**as a % of cross-check**	**as a % of interest**	**Principal place of business**
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 JAPAN			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI JAPAN HOLDING			Full	100.0	100.0	100.0	100.0	Japan
AMUNDI GLOBAL SERVICING			Full	100.0	100.0	100.0	100.0	Luxembourg
FUND CHANNEL			Equity-accounted	50.0	50.0	50.0	50.0	Luxembourg
AMUNDI LUXEMBOURG			Full	100.0	100.0	100.0	100.0	Luxembourg
AMUNDI MALAYSIA SDN BHD			Full	100.0	100.0	100.0	100.0	Malaysia
WAFA GESTION			Equity-accounted	34.0	34.0	34.0	34.0	Morocco
AMUNDI ASSET MANAGEMENT MEXICO BRANCH	(1)	Entry	Full	100.0	100.0	-	-	Mexico
PIONEER GLOBAL INVESTMENTS LTD MEXICO CITY BRANCH	(1)		Full	100.0	100.0	100.0	100.0	Mexico
AMUNDI ASSET MANAGEMENT NEDERLAND	(1)		Full	100.0	100.0	100.0	100.0	Netherlands
AMUNDI POLSKA			Full	100.0	100.0	100.0	100.0	Poland
AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT			Full	100.0	100.0	100.0	100.0	Czech Republic
AMUNDI ASSET MANAGEMENT SAI. SA			Full	100.0	100.0	100.0	100.0	Romania
AMUNDI ASSET MANAGEMENT LONDON BRANCH	(1)		Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI UK Ltd			Full	100.0	100.0	100.0	100.0	United Kingdom
AMUNDI INTERMEDIATION LONDON BRANCH	(6)		Full	100.0	100.0	100.0	100.0	United Kingdom
PIONEER GLOBAL INVESTMENTS LTD LONDON BRANCH	(2)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI IRELAND LTD LONDON BRANCH	(3)	Exit	Full	-	-	100.0	100.0	United Kingdom
AMUNDI SINGAPORE Ltd			Full	100.0	100.0	100.0	100.0	Singapore
AMUNDI IRELAND LTD SINGAPORE BRANCH	(3)	Exit	Full	-	-	100.0	100.0	Singapore
AMUNDI INTERMEDIATION ASIA PTE LTD			Full	100.0	100.0	100.0	100.0	Singapore
FUND CHANNEL SINGAPORE BRANCH	(5)		Equity-accounted	50.0	50.0	50.0	50.0	Singapore
AMUNDI CZECH REPUBLIC ASSET MANAGEMENT BRATISLAVA BRANCH	(4)		Full	100.0	100.0	100.0	100.0	Slovakia
AMUNDI SUISSE			Full	100.0	100.0	100.0	100.0	Switzerland
AMUNDI TAIWAN		Merger	Full	-	-	100.0	100.0	Taiwan
AMUNDI TAIWAN (formerly Mirae)		Entry	Full	100.0	100.0	-	-	Taiwan

(1) AMUNDI ASSET MANAGEMENT branches.
(2) PIONEER GLOBAL INVESTMENTS LTD branches.
(3) AMUNDI IRELAND LTD branches.
(4) AMUNDI CZECH REPUBLIC INVESTICNI SPOLECNOST AS branches.
(5) FUND CHANNEL branch.
(6) AMUNDI INTERMEDIATION branch.

9.4 Non-consolidated participating interests

These securities recorded in the "financial assets at fair value through profit or loss" or "financial assets at fair value through equity" portfolios represent a significant fraction of the equity of the companies that issued them and are intended to be held for the long term.

These line items amounted to €292,828,000 as of 31 December 2019, compared with €287,301,000 as of 31 December 2018.

Entities excluded from the scope of consolidation

Entities under exclusive control, joint control or significant influence which have been excluded from the scope of consolidation are presented in the table below:

Non-consolidated entities	Registered office	As a % of interest	Reason for exclusion from scope of consolidation
AMUNDI-ACBA ASSET MANAGEMENT CJSC	Armenia	51.0%	Materiality thresholds
AMUNDI ASSET MANAGEMENT AUSTRALIA LIMITED	Australia	100.0%	Materiality thresholds
AMUNDI CANADA INC	Canada	100.0%	Materiality thresholds
AMUNDI INV. ADVISORY LIMITED BEJIING	China	100.0%	Materiality thresholds
AMUNDI TRANSITION ÉNERGÉTIQUE	France	60.0%	Materiality thresholds
ANATEC	France	100.0%	Materiality thresholds
IM SQUARE	France	25.4%	Materiality thresholds
LA FINANCIÈRE MAGELLAN	France	33.3%	Materiality thresholds
SCI MASCARIN	France	100.0%	Materiality thresholds
SCI LES PALMIERS BLEUS	France	100.0%	Materiality thresholds
SUPERNOVA INVEST	France	42.1%	Materiality thresholds
AMUNDI ALTERNATIVE INVESTMENT IRELAND LTD	Ireland	100.0%	Materiality thresholds
AMUNDI ENERGY TRANSITION LUXEMBOURG SARL	Luxembourg	60.0%	Materiality thresholds
AREAF MANAGEMENT SARL	Luxembourg	100.0%	Materiality thresholds
AMUNDI REAL ESTATE LUXEMBOURG SA	Luxembourg	100.0%	Materiality thresholds
DNA SA	Luxembourg	100.0%	Materiality thresholds
LRP	Luxembourg	100.0%	Materiality thresholds
GREEN CREDIT CONTINUUM FUND GP	Luxembourg	100.0%	Materiality thresholds
AMUNDI INVESTMENT MAROC	Morocco	100.0%	Materiality thresholds
AMUNDI ISLAMIC MALAYSIA SDN BHD	Malaysia	100.0%	Materiality thresholds
FUND CHANNEL (SUISSE) SA	Switzerland	50.0%	Materiality thresholds
AMUNDI MUTUAL FUND BROKERAGE SECURITIES (THAILAND) COMPANY LIMITED	Thailand	100.0%	Materiality thresholds

Dormant entities as of 31 December 2019 have been excluded.

Significant non-consolidated equity interests

Equity interests (over which the Group has neither control nor significant influence) representing a fraction of equity equal to or greater than 10% and not within the scope of consolidation are shown in the following table:

Non-consolidated entities	Registered office	as a % of interest
NEXTSTAGE SAS	France	11.5%
TOBAM HOLDING COMPANY & TOBAM	France	17.7%

9.5 Off-balance sheet commitments

Off-balance sheet commitments as of 31 December 2019 include:

- the guarantee commitments presented in the table below:

(in € thousands)	31/12/2019	31/12/2018
Guarantee commitments given	20,335,802	20,128,859
Of which, fund guarantee commitments	20,335,802	20,128,859
Of which, other guarantee commitments	-	-

- the financial commitments for the "Credit Revolving Facility" granted to Amundi for €1,750,000,000 as of 31 December 2019 and 31 December 2018;
- 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)	31/12/2019	31/12/2018
Interest-rate instruments	2,707,533	2,522,924
Other instruments	54,481,427	53,389,661
NOTIONAL TOTAL	**57,188,960**	**55,912,585**

9.6 Leases

The Group signed operating leases on the operations buildings used in France and other countries. In connection with these leases, the Group recognises under Property, plant and equipment the value of the rights of use corresponding to these leases for an amount of €161,673,000 as of 31 December 2019.

The Amundi Group also has low-value and/or short-term leases which, in accordance with the exemptions permitted by IFRS 16, do not have to recognise rights of use and rental liability.

Schedule of lease liabilities

(in € thousands)	31/12/2019	≤ 1 year	Between 1 and 5 years	> 5 years
LEASE LIABILITIES	**172,973**	**44,798**	**80,282**	**47,892**

Expenses related to rights of use

(in € thousands)	31/12/2019
Interest expense on lease liabilities	(2,091)
Increases in provisions for depreciation on Rights of Use	(47,366)

Expenses related to rights of use replace the rent costs previously recognised in accordance with IAS 17.

9.7 Statutory auditors' fees

The break-down by firm and type of activity in respect of the fees recognised in the consolidated results for the 2019 and 2018 financial years is set out below:

(in € thousands)	2019 PwC	2019 E&Y	2019 Total	2018 PwC	2018 E&Y	2018 Total
Statutory audit, certification, audit of the separate and consolidated accounts	1,705	1,835	3,540	1,685	1,794	3,479
Services other than the audit of the financial statements(1)	991	403	1,394	778	736	1,514
STATUTORY AUDITORS' FEES	**2,696**	**2,238**	**4,934**	**2,463**	**2,530**	**4,993**

(1) *Services other than the auditing of the consolidated financial statements include providing comfort letters, agreed procedures, statements of compliance with accounting standards, consulting on regulatory issues and due diligence in acquisitions.*

The above-mentioned amounts include the following fees, relating to assignments to audit the financial statements and services other than auditing the financial statements ("SACC") performed at Amundi and its subsidiaries:

- by "Ernst & Young et Autres", for €803 thousand for auditing the financial statements and €65 thousand for services other than auditing the financial statements;
- by "PricewaterhouseCoopers Audit", for €858 thousand for auditing the financial statements and €45 thousand for services other than auditing the financial statements.

Note 10 EVENTS AFTER THE YEAR-END

Agreement signed for the acquisition of Sabadell Asset Management

On 21 January 2020, Amundi and Banco Sabadell announced that they had signed a definitive agreement for Amundi to acquire Sabadell Asset Management.

On that same date, Banco Sabadell and Amundi announced the signing of a 10-year strategic partnership for the distribution of Amundi products in the Banco Sabadell networks in Spain.

As of the date that these financial statements were prepared, the amount of this acquisition was estimated to be €430 million, plus an additional price of up to €30 million (payable in 2024 and based on the future performance of the business).

The acquisition would be financed exclusively by the surplus capital of Amundi.

Given the existence of suspensive clauses, this transaction which is particularly subject to the approval of the regulators is intended to be concluded during the third quarter of 2020.

6.4. STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended December 31, 2019

To the Annual General Meeting of Amundi,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Amundi for the year ended December 31, 2019. These consolidated financial statements were approved by the Board of Directors, on February 11, 2019, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics *(Code de déontologie)* for statutory auditors.

Emphasis of Matter

Without qualifying our conclusion, we draw your attention to the change in accounting method related to the application from January 1, 2019 of the new IFRS 16 standard «Leases» described in Note 1.1 "Applicable standards and comparability" and Paragraph 1.3.13 «Leases» of Note 1.3 "Accounting principles and methods" and other notes to the appendices of the consolidated financial statements describing the impact related to the first time application of IFRS 16.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill measurement

Risk identified	Our response
The goodwill results mainly from external growth operations and amounts to € 5.7 billion as at December 31, 2019. As mentioned in Note 1.4.6 to the consolidated financial statements, goodwill is tested for impairment whenever there is objective evidence of a loss of value, and at least once a year. These tests are based on the comparison between the carrying amount of the cash generating unit (CGU) and its value in use. The recoverable value is defined as the higher of its market value and its value in use. The value in use is calculated on the basis of the present value of the future cash flows of the CGU. As mentioned in note 5.13 to the consolidated financial statements, these estimated future cash flows are determined on the basis of the medium-term business plans prepared by the Group for its management purposes. They are based on assumptions concerning the growth of Amundi Group's business in its various markets, the present value of the future cash flows also takes into account assumptions concerning discount rates and perpetual growth rate which necessitate the exercise of Management's judgment. In view of the materiality of the goodwill and the degree of management's judgment to determine an impairment loss, we considered goodwill measurement to be a key audit matter.	We analysed the methods used by Amundi to identify any indications of loss in value. We performed the verification of the calculations made, and we involved our valuation specialists to assess the assumptions used by Management to determine the discount rates and the perpetual growth rate included in the calculations of the discounted cash flows, comparing them with external sources if necessary. We also analysed the financial trajectories prepared by the Group's Management and used in the impairment tests, in order to: ■ compare them with the documents reviewed by the Amundi Group's board of directors; ■ assess the main underlying assumptions. The reliability of these assumptions was notably assessed based on the comparison of the financial trajectories carried out in past years with the corresponding actual performance. We also performed analyses of sensitivity to some assumptions (perpetual growth rate, discount rate) and analysed the information provided in the notes to the consolidated financial statements on the results of these impairment tests and the level of sensitivity to the various assumptions.

Recording and measurement of performance fees

Risk identified	Our response
Amundi Group manages a diversified fund portfolio covering different asset classes. For some funds, performance fees are paid to the asset management company in the event of the outperformance of the fund as provided by contract. As mentioned in note 1.3.5 of the consolidated financial statements, the performance fees pay the management company when the contractual provisions of the fund stipulate so. 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. As at December 31, 2019, the performance fees recorded in the income statement amounted to M€ 170.7 (note 4.1 of the consolidated financial statements). The diverse maturity dates, index and performance target lead to complexity in determining the amount of the performance fees and in determining the different dates of recognition of the corresponding income. We considered the recording and measurement of the performance fees to be a key audit matter.	We analysed the process for the calculation of the performance fees implemented by Amundi Group. In particular, we tested the periodic reconciliations performed between the performance fees calculated by Management and the amounts recognised in P&L, and, for funds, with the fees provided by the funds administrator. In addition, on the basis of a sample of selected funds, we: ■ reconciled the reference index used with the one provided by contract; ■ reconciled the fee amounts determined by management with the amounts recognized; ■ reconciled the performance fees recognised in P&L with the fees calculated by the funds administrator; ■ controlled that the fees were recognised by the asset management company at the end of the calculation period specified in the contract.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report, as approved on February 11, 2019.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements. Regarding the events that occurred and the elements known after the date of approval of the consolidated financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the Annual General Meeting called to decide on these financial statements.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Amundi by the Annual General Meeting held on November 16, 1989 for PricewaterhouseCoopers Audit and on May 31, 1991 for ERNST & YOUNG et Autres.

As at December 31, 2019, PricewaterhouseCoopers Audit was in the thirty-first year of total uninterrupted engagement and ERNST & YOUNG et Autres in the twenty-ninth year,, respectively, which is the twenty-third year since the Company became a public interest entity.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- Assesses the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-Sur-Seine and Paris-La-Défense, April 10, 2020

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		**ERNST & YOUNG ET Autres**	
Laurent Tavernier	Anik Chaumartin	Olivier Durand	Claire Rochas

7 PARENT COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

7.1 ANNUAL FINANCIAL STATEMENTS

Balance sheet as of 31 December 2019

Assets

(in € thousands)	Notes	31/12/2019	31/12/2018
INTERBANK TRANSACTIONS AND SIMILAR ITEMS		1,355,579	1,060,476
Cash, central banks			
Treasury bills and similar securities	5		
Loans and receivables due from credit institutions	3	1,355,579	1,060,476
Receivables due from customers	4	219,600	195,150
SECURITIES TRANSACTIONS		2,373,506	1,785,069
BONDS AND OTHER FIXED-INCOME SECURITIES	5	70,900	62,710
Equities and other variable-income securities	5	2,302,606	1,722,359
FIXED ASSETS		6,073,593	6,085,542
Equity investments and other long-term investments	6-7	176,884	188,809
Shares in affiliated undertakings	6-7	5,896,699	5,896,718
Intangible assets	7		
Property, plant and equipment	7	9	15
UNPAID SHARE CAPITAL			
TREASURY SHARES	8	78,832	39,893
ACCRUALS AND SUNDRY ASSETS		487,092	431,786
Other assets	9	412,597	389,064
Accruals	9	74,494	42,721
TOTAL ASSETS		**10,588,202**	**9,597,915**

Liabilities

(in € thousands)	Notes	31/12/2019	31/12/2018
INTERBANK TRANSACTIONS AND SIMILAR ITEMS		1,339,532	1,255,573
Central banks			
Due to credit institutions	11	1,339,532	1,255,573
AMOUNTS DUE TO CUSTOMERS	12	3,523,917	2,786,004
DEBT SECURITIES	13	152,622	78,420
ACCRUALS AND SUNDRY LIABILITIES		459,090	375,139
Other liabilities	14	417,392	366,196
Accruals	14	41,699	8,943
PROVISIONS AND SUBORDINATED DEBT		346,369	343,479
Provisions	15-16-17	42,527	39,653
Subordinated debt	19	303,842	303,826
FUND FOR GENERAL BANKING RISKS (FGBR)	18	37,149	37,149
EQUITY EXCLUDING FGBR:	20	4,729,522	4,722,152
Share capital		505,408	504,261
Share premiums		2,501,654	2,483,626
Reserves		62,471	62,356
Revaluation adjustment			
Regulated provisions and investment subsidies			
Carried forward		1,092,544	1,184,164
Net income awaiting approval/interim dividend			
Net income for the financial year		567,445	487,745
TOTAL LIABILITIES		**10,588,202**	**9,597,915**

Off balance sheet

(in € thousands)	Notes	31/12/2019	31/12/2018
Commitments given			
Financing commitments	26		
Guarantee commitments	26	2,177,007	1,731,957
Commitments on securities	26		

(in € thousands)		31/12/2019	31/12/2018
Commitments received			
Financing commitments	26	1,750,000	1,750,000
Guarantee commitments	26		
Commitments on securities	26		

Profit and loss account as of 31 December 2019

(in € thousands)	Notes	31/12/2019	31/12/2018
Interest and similar income	28-29	49,721	29,275
Interest and similar expenses	28	(58,654)	(35,811)
Income from variable-income securities	29	609,037	550,508
Commissions and fees (proceeds)	30	6,009	4,269
Commissions and fees (expenses)	30	(1,597)	(554)
Net gains (losses) on trading book transactions	31	10,044	(1,955)
Net gains (losses) on short-term investment portfolio and similar	32	7,132	(63,503)
Other income from banking operations	33	14,476)	11,592
Other expenses from banking operations	33	(14,385)	(12,032)
NET BANKING INCOME		621,783	481,789
General operating expenses	34	(51,019)	(21,749)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(5)	(11)
GROSS OPERATING INCOME		570,759	460,029
Cost of risk	35	67	(67)
OPERATING INCOME		570,826	459,962
Net income on fixed assets	36		
PRE-TAX INCOME ON ORDINARY ACTIVITIES		570,826	459,963
Net extraordinary income		(1)	
Income tax charge	37	(3,380)	27,783
Net increases/reversals to FGBR and regulated provisions			
NET INCOME		**567,445**	**487,745**

7.2 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Detailed summary of the notes

Detailed summary of the notes – suite

Note 1 LEGAL AND FINANCIAL BACKGROUND – SIGNIFICANT EVENTS IN 2019

1.1 Legal and financial background

Amundi is a French public limited company (*société anonyme*) with share capital of €505,408,262.50 (*i.e.* 202,163,305 shares with a nominal 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 amends Article 18 of banking law 84-46 of 24 January 1984 and abrogates Article 99.

Pursuant to 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 accreditation on 19 February 2002. Amundi, as a financial company, is authorised to issue capital and/or performance guarantees in the field of asset management, particularly for customers of the Crédit Agricole Group or of UCITS it manages.

Ownership percentages in the Company are:

- 69.77% by Crédit Agricole S.A. Group;
- 29.57% by the public (including employees);
- 0.66% held in treasury.

1.2 Significant events in 2019

- Capital increase

  The capital increase reserved for employees was finalised during the second half of 2019. It was completed under the existing legal authorisations approved by the General Meeting of May 2017.

  At the end of the subscription period, this capital increase resulted in the issuance of 458,951 shares at a price of €42.43 per share (nominal value of €2.50 and share premium of €39.93). The final amount of the transaction amounts to €19.47 million.

1.3 Events after the 2019 financial year

No significant events took place after the financial year end, whether recognised 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, brings together all accounting standards applicable to credit institutions under a single set of regulations on the basis of established law.

There are no changes in accounting methods and in the presentation of the financial statements compared with the previous financial year.

2.1 Loans and receivables due from credit institutions and customers – financing commitments

Loans and receivables due from credit institutions, Amundi Group entities and customers are governed by Articles 2211-1 to 2251-13 (Title 2 *Accounting treatment of credit risk* of Book II *Special transactions*) of ANC regulation no. 2014-07 of 26 November 2014.

They are broken down according to their remaining maturity or type:

- cash and term deposits for credit institutions;
- current accounts, accounts and straight loans for Amundi Group internal transactions;
- trade receivables, other loans and current accounts for customers.

In accordance with regulatory provisions, the customer section also includes transactions completed with financial customers.

Subordinated loans, as well as repurchase agreements (taking the form of securities or assets), are incorporated under the various loans and receivables sections, depending on the type of counterparty (interbank, Crédit Agricole, customer).

Loans and receivables are recorded on the balance sheet at their nominal value.

In accordance with Article 2131-1 of ANC regulation no. 2014-07 of 26 November 2014, commissions and fees received and the marginal cost of transactions completed are spread out over the actual life of the loan and are therefore incorporated into the outstanding balance of the relevant loan.

Accrued interest not yet due on loans and receivables is recognised under accrued interest on the income statement.

Financing commitments recognised off-balance sheet represent irrevocable backstop liquidity commitments and guarantee commitments that have not generated any fund movements.

The enforcement of ANC regulation no. 2014-07 of 26 November 2014 has led the entity to recognise loans and receivables presenting a risk of non-payment according to the rules outlined in the following paragraphs.

The use of external and/or internal rating systems helps to assess the level of credit risk.

Loans and receivables and financing commitments are divided between those deemed to be unimpaired and those deemed doubtful.

Unimpaired loans and receivables

As long as receivables are not deemed doubtful, they are considered unimpaired and remain under their original heading.

Provisions for credit risk on unimpaired outstanding loans

In addition, without waiting for the loans to become doubtful, when the financial instruments are initially recognised, Amundi notes that credit losses are expected over the coming twelve months (loans and receivables deemed to be unimpaired) and/or over the life of the financial instrument as soon as there is significant deterioration in the credit quality of the outstanding (loans and receivables deemed to have deteriorated) under liabilities on its balance sheet.

Allowances and reversals of provisions for credit risk on unimpaired loans are recognised under cost of risk.

These provisions are determined as part of a special monitoring process and are based on estimates showing the change in the credit risk level on the initial recognition date and the reporting date.

Doubtful loans and receivables

These are loans and receivables of all types, even those incorporating guarantees, that present a demonstrated credit risk corresponding to one of the following situations:

- there is one or several unpaid receivables that are older than one year;
- a counterparty situation presents characteristics that, regardless of any unpaid receivables, it can be concluded that a demonstrated risk exists;
- there is litigation between the institution and its counterparty.

Among doubtful loans, Amundi makes a distinction between non-performing doubtful loans and performing doubtful loans.

Performing doubtful loans and receivables

Performing doubtful loans and receivables are those that do not meet the definition of non-performing doubtful receivables.

Non-performing doubtful loans and receivables

Doubtful loans and receivables with a very poor collection outlook and for which a future write-off is being considered.

Interest continues to accrue on doubtful loans and receivables as long as they are considered doubtful but performing. Interest stops accruing as soon as the receivable becomes non-performing.

Classification as a doubtful loan can be disregarded as soon as the demonstrated credit risk is permanently eliminated and when regular payments have resumed for the amounts stipulated for the original contractual due dates. In this case, the loan is once again considered unimpaired.

Write-downs for credit risk on doubtful loans

As soon as a loan becomes doubtful, Amundi accounts for the probable write-off through a write-down deducted from the asset on the balance sheet. These write-downs represent the difference between the book value of the loan or receivable and the future estimated flows discounted at the contract rate, while taking into consideration the financial position and economic outlook of the counterparty, as well as any potential guarantees minus their cost of enforcement.

Potential write-offs relating to off-balance sheet commitments are taken into account through provisions included in balance sheet liabilities.

Accounting treatment of write-downs

Allowances and reversals for the write-down of the risk of non-collection on doubtful loans and receivables are recognised under cost of risk.

In accordance with Article 2231-3 of ANC regulation no. 2014-07, the Group has opted to record the increase in the book value associated with the reversal of the write-down due to the passage of time under cost of risk.

Writing off of losses

The assessment of the time period for a write-off is based on the judgement of experts. Amundi determines this with its Risk Management Department, based on its knowledge of its business.

Loans and receivables that have become irrecoverable are recognised as losses and the corresponding write-downs are reversed.

2.2 Securities portfolio

Rules regarding accounting for securities transactions are defined by Articles 2311-1 to 2391-1 (Title 3 *Accounting of securities transactions* for Book II *Special transactions*) as well as by Articles 2211-1 to 2251-13 (Title 2 Accounting treatment of credit risk of Book II Special transactions) of ANC regulation no. 2014-07 of 26 November 2014 for determining the credit risk and write-down of fixed-income securities.

The securities are presented by type in the financial statements: treasury bills (Treasury Notes and similar securities), bonds and other fixed-income securities (negotiable debt securities and interbank securities), equities and other variable-income securities.

They are classified in the portfolios stipulated by regulations (trading, short-term investment, long-term investment and medium-term portfolio securities, and other long-term equity investments) depending on the initial purpose for holding the securities identified in the accounting information system at the time of their acquisition.

Trading securities

Trading securities are securities originally acquired with the purpose of being resold or that are sold with the purpose of being repurchased in the short term.

They 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 transactions".

Short-term investment securities

This category is for securities that are not recognised within the other categories.

The securities are recognised at their acquisition price, including costs.

Bonds and other fixed-income securities

These securities are recognised at their acquisition price, accrued income on purchase included.

Revenue is recognised in the income statement under "Interest and similar income on bonds and other fixed-income securities".

Equities and other variable-income securities

Equities are recognised on the balance sheet at their purchase value, including acquisition costs. Revenue from dividends associated with the equities are recorded in the income statement under "Income from variable-income securities".

Revenue from SICAVs (variable-capital investment companies) and mutual funds are recorded at the time the funds are received in the same section.

Short-term investment securities 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 losses is recognised without any offset for any capital gains recorded under other types of securities. Gains generated by hedges, as defined in Article 2514-1 of ANC regulation no. 2014-7 of 26 November 2014, taking the form of purchases or sales of forward financial instruments, are taken into account in calculating write-downs. Potential capital gains are not recognised.

Disposals of securities are deemed to involve the securities of the same type that were subscribed at the earliest date.

Write-down allowances and reversals, as well as any capital gains or losses from the disposal of short-term investment securities, are recognised under the heading "Balance of transactions on marketable security investment portfolios and similar" in the income statement.

Investments in subsidiaries and affiliates, equity investments and other long-term investments

- Investments in subsidiaries and affiliates are investments in companies that are under exclusive control and which are, or are likely to be, fully consolidated into a single group.
- Equity investments are investments (other than investments in subsidiaries and affiliates), whose long-term ownership is deemed beneficial to the reporting entity, particularly 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 involve no influence on the issuer's management due to the small percentage of voting rights held.

The securities are recognised at their acquisition price, including costs.

At the reporting date, these securities are measured individually based on their value in use and are recorded on the balance sheet at the lower end of their 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 its average share price in the preceding months or the economic value of the security.

When value in use is lower than the historical cost, impairments are booked for these unrealised losses, without offset against any unrealised gains.

Write-down allowances and reversals, as well as any capital gains or losses from the disposal of these securities, are recognised under the heading "Balance of transactions on marketable security investment portfolios and similar" in the income statement.

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 their most recent price;
- 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 value of the security by using valuation techniques. First, these techniques make reference to recent transactions completed under normal competitive conditions. When appropriate, Amundi uses valuation techniques commonly used by market participants to value these securities when it has been demonstrated that these techniques produce reliable estimates of the prices obtained in actual market trades.

Reclassification of securities

In accordance with Articles 2381-1 to 2381-5 (Title 3 *Recognition of securities transactions* of Book II *Special Transactions*) of ANC regulation no. 2014-07 of 26 November 2014, the following reclassifications of securities are permitted:

- from trading book to long-term investment or marketable security investment portfolio, in the event of an exceptional market situation, or for fixed-income securities, when they can no longer be traded on an active market or if the institution has the intent and ability to hold them for the foreseeable future or until maturity;
- from the marketable security investment portfolio to long-term investment portfolio, in the event of an exceptional market situation or for fixed-income securities, when they can no longer be traded on an active market.

In 2018, Amundi did not carry out any reclassifications under ANC regulation no. 2014-07 of 26 November 2014.

Buyback of treasury shares

Treasury shares bought back by Amundi under a liquidity contract are recorded under the assets of the balance sheet in a transaction portfolio for their inventory value.

The treasury shares repurchased by Amundi as part of the hedging of free share award plans are recognised in a marketable investment portfolio. They are subjected, where applicable, to a write-down if the book value is lower than the purchase price, with the exception of transactions related to the stock option plans or subscription of shares and the free share award plans for employees pursuant to ANC regulation no. 2014-03 of 5 June 2014.

2.3 Non-current assets

Amundi applies ANC regulation no. 2014-03 of 5 June 2014 for the depreciation, amortisation and write-down of assets.

As a result, Amundi applies component accounting to all its property, plant and equipment. In accordance with the provisions of this regulation, the depreciable base takes account of the potential residual value of property, plant and equipment.

ANC regulation no. 2015-06 amends the accounting of the technical merger loss on the balance sheet as well as its monitoring in the financial statements. The loss is no longer always and systematically recognised under "Goodwill"; it must be recognised on the balance sheet according to the asset section to which it has been allocated under "other property, plant and equipment, intangible assets, financial assets, etc." The loss is amortised, written down and written off using the same process as for the underlying asset.

The acquisition costs of non-current assets include, in addition to the purchase price, incidental expenses, meaning the expenses directly or indirectly linked to the acquisition for putting the property in proper operating condition or for its entry into inventory.

Buildings and equipment are recognised at acquisition price less accumulated depreciation, amortisation and write-downs since they were commissioned.

Acquired software is measured at cost less accumulated depreciation, amortisation and write-downs since the acquisition date.

Proprietary software is measured at production cost less accumulated depreciation, amortisation and write-downs since completion.

Intangible assets other than software, patents and licences are not amortised.

If applicable, they may be subject to a write-down.

Non-current 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 non-current 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 Amounts due to credit institutions and customers

Amounts due to credit institutions and customers are presented in the financial statements according to their remaining maturity or the nature of the liability:

- demand or term debts with institutions;
- other liabilities for customers (including financial customers).

Accrued interest on these debts is registered under related payables with counterparty in the income statement.

2.5 Debt securities

Debt securities are presented according to their type: short-term securities, interbank securities, negotiable debt obligations, and bonds, with the exclusion of subordinated securities, which are classified under "Subordinated debt" in liabilities.

Accrued interest not yet due on these debts is recognised under related payables with counterparty in the income statement.

Share premiums or those from the redemption of bonds are depreciated over the life of the relevant borrowings, the corresponding charge is recognised in the section "Interest and similar expenses on bonds and other fixed-income securities".

2.6 Provisions

Amundi applies ANC regulation no. 2014-03 of 5 June 2014 to recognise and assess provisions.

These provisions include provisions relating to financing commitments, retirement and end-of-career liabilities, litigation and various risks.

All these risks are reviewed quarterly.

2.7 Fund for General Banking Risks (FGBR)

In accordance with the 4th European Directive and CRBF regulation 90-02 of 23 February 1990 relating to capital, funds for general banking risks are created by Amundi, at the discretion of its management, to meet any expenses or risks, that may or may not materialise, but which relate to banking operations.

Provisions are released to cover any incidence of these risks during a financial year.

As of 31 December 2019, the balance of this account was €37,148,962.00.

2.8 Foreign currency transactions

Assets and liabilities in foreign currencies are converted using the exchange rate on the reporting date. The gains or losses resulting from these conversions, as well as the translation adjustments on the financial year's transactions, are recognised in the income statement.

The monetary receivables 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.

Within the context of the application of Title 7 *Accounting of transactions in foreign currencies* of Book II *Special transactions* of ANC regulation 2014-07 of 26 November 2014, Amundi implemented multi-currency accounting enabling it to monitor its foreign exchange position and to assess its exposure to this risk.

2.9 Forward and options financial instrument transactions

Hedging and market transactions on forward financial instruments involving interest rates, foreign exchange or equities are recognised according to the provisions of Title 5 *Forward financial instruments* of Book II *Special transactions* of ANC regulation 2014-07 of 26 November 2014.

Off-balance sheet commitments relating to these transactions record the notional capital amount of the contracts that have not yet been unwound at the reporting date. In the case of options transactions, the commitments reflect the amount of the nominal capital of the underlying instrument.

As of 31 December 2019, forward financial commitments stood at €178,314 thousand.

The results of these transactions are recognised according to the type of instrument and the strategy implemented:

Market transactions

Market transactions include:

- isolated open positions (category "a" Article 2522-1 of ANC regulation 2014-07);
- the specialised management of a trading book (category "d" Article 2522 of ANC regulation 2014-07);
- instruments traded on an organised, similar or over-the-counter market, or included in a trading book – as defined by ANC regulation 2014-07.

They are valued by reference to their market value on the reporting date.

When the instruments are valued at their market value, this value is determined:

- based on available prices, if there is an active market;
- based on internal valuation methods and models, in the absence of an active market.

For instruments:

- in an open isolated position traded on organised or similar markets, all gains and losses (realised or unrealised) are recognised;
- in an open isolated position traded on OTC markets, only potential unrealised losses are recorded *via* a provision. The realised capital gains and losses are recognised in profit or loss at the time of settlement;
- being part of a trading book, all gains and losses (realised or unrealised) are recognised.

Hedging transactions

Gains or losses on allocated hedges (category "b" Article 2522-1 of ANC regulation 2014-07) are recorded in the income statement symmetrically to the recognition of the income and expenses of the hedged item and in the same accounting section.

Counterparty risk on derivative instruments

In accordance with ANC regulation 2014-07 of 26 November 2014, Amundi incorporates the assessment of the counterparty risk on derivative assets (Credit Valuation Adjustment – CVA) in the market value of derivatives. Only derivatives recognised in an isolated open position and in the trading book (respectively the derivatives classified according to categories a and d of Article 2522-1 of the aforementioned regulation) are subject to a CVA calculation.

CVA makes it possible to determine expected counterparty losses from Amundi's perspective.

The CVA calculation relies on an assessment of the expected losses based on the probability of default and the loss in the event of default.

The methodology used maximises the use of observable market data.

It is based:

- primarily on market data such as registered and listed Credit Default Swaps (or Single Name CDS) or CDS proxies;
- in the absence of a registered counterparty CDS, of an approximation based on a basket of single-name counterparty CDS of the same rating, operating in the same sector and located in the same region.

Complex transactions

A complex transaction is defined as a synthetic combination of instruments (types, natures and methods of valuation that are identical or different) recognised as a single lot or as a transaction whose recognition does not pertain to an explicit regulation and that involves a choice of principle by the institution.

Income and expenses relating to the instruments traded as part of complex transactions, particularly the issuance of structured notes, are recognised in the income statement symmetrically to the method for recognising income and expenses on the hedged item. Accordingly, changes in the values of hedging instruments are not recognised in the balance sheet.

2.10 Off-balance sheet commitments

Off-balance sheet commitments mainly reflect the unused portion of financing commitments and guarantee commitments given and received.

Where applicable, provision has been made for the commitments given where there is a likelihood of a claim from them involving a loss for Amundi.

Reportable off-balance sheet items do not include commitments on forward financial instruments or foreign exchange transactions.

These items are nevertheless described in detail in notes 24, 25 and 26.

2.11 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.

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, Étoile Gestion, BFT IM, Société Générale Gestion, CPR AM and Amundi Transition Énergétique). Agreements regarding employee profit-sharing and incentive plans have been signed in this context.

Profit-sharing and incentives are shown under employee expenses.

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 in the financial statements.

2.12 Post-employment benefits

Retirement plans – defined-contribution plans

There are several compulsory retirement 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 the employees during the financial 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 standard 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 2014-03 of 5 June 2014.

In accordance with this regulation, Amundi funds its retirement plans and similar benefits falling under the category of defined benefit plans.

The sensitivity index shows that:

- a change of more than 50 bps in discount rates would result in a 5.26% decrease in the commitment;
- a change of less than 50 bps in discount rates would result in a 5.68% increase in the commitment.

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 subsidiaries. This outsourcing of the "end-of-career allowance" resulted in the transfer of a portion of the liability provision from the financial statements to the PREDICA contract.

The non-outsourced balance is still recorded under the provision for liabilities.

2.13 Share and share subscription schemes offered to employees as part of the Company Savings Scheme

Share award scheme

Some performance share plans granted to certain categories of employees have been created.

These shares, delivered at the end of a three-year vesting period, are first subject to buyback.

They will be rebilled to the Group's "employer" companies when the shares are delivered.

These award schemes are described below:

Performance share award schemes

Date of General Meeting authorising Share Award Scheme	30/09/2015	30/09/2015	18/05/2017	18/05/2017	16/05/2019
Date of Board meeting	11/02/2016	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Date of allocation of shares	11/02/2016	09/02/2017	13/12/2017	01/08/2018	13/12/2019
Number of shares allocated	235,160	139,930	1,551,750	98,310	65,570
Payment methods	Amundi shares	Amundi shares	Amundi shares	Amundi shares	Amundi shares
Vesting period	11/02/2016 11/02/2019	09/02/2017 09/02/2020	01/07/2017 31/12/2021	01/07/2018 31/12/2021	13/12/2019 13/12/2021
Performance conditions(1)	Yes	Yes	Yes	Yes	Yes
Continued employment conditions	Yes	Yes	Yes	Yes	Yes
Equities remaining as of 31 December 2018(2)	224,286	131,762	1,386,200	98,310	65,570
Equities delivered during the period	224,286	-	481,250	-	-
Cancelled or voided shares during the period		4,106	36,710	2,550	-
Equities remaining as of 31 December 2019(2)	-	127,656	899,629	95,760	65,570
Fair value of an equity – Tranche 1	€26.25	€43.41	€67.12	€52.27	€62.58
Fair value of an equity – Tranche 2	n.a.	n.a.	€63.69	€48.78	n.a.
Fair value of an equity – Tranche 3	n.a.	n.a.	€59.85	n.a.	n.a.

(1) *Performance conditions are based on Net Income Group Share (NIGS), the amount of new deposit-taking and the Group's cost-to-income ratio.*

(2) *The number of shares is based on achieving 100% of the performance conditions.*

Share subscriptions under the Company Savings Scheme

The subscriptions of shares proposed to employees under the Company Savings Scheme, with a maximum discount of 20%, do not have a vesting period for rights but they are subject to a five year lock-up period. These share subscriptions are recognised in accordance with the provisions relating to capital increases.

2.14 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.

2.15 Income tax charge

Generally, only the current tax liability is recorded in the financial statements.

The tax charge shown in the income statement is the corporate tax due for the financial year. It includes the effects of the employer social security contributions on earnings of 3.3%.

When tax credits on income from securities portfolios and receivables are effectively used to pay the corporate income tax due for the year, they are recognised under the same section as the income with which they are associated. The corresponding tax charge continues to be recognised in the "Income tax charge" section in the income statement.

Amundi has a tax consolidation scheme in place since 2010. As of 31 December 2019, 16 entities had signed tax consolidation agreements with Amundi. Under these agreements, each company that is part of the tax consolidation scheme recognises the tax that it would have paid in the absence of the scheme in its financial statements.

Following the signature of a tax consolidation agreement on 15 April 2010, Amundi heads 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 Émissions;
- LCL Émissions;
- Amundi Issuance;
- Étoile Gestion;
- Amundi India Holding;
- Amundi Ventures;
- Valinter 19;
- Valinter 20.

Given that the legislative intent when introducing the tax credit for competitiveness and employment (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 DUE FROM CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY

	31/12/2019							31/12/2018
(in € thousands)	**< 3 months**	**> 3 months < 1 year**	**> 1 year < 5 years**	**> 5 years**	**Total principal**	**Accrued interest**	**Total**	**Total**
Credit institutions								
Accounts and loans:								
■ demand	869,324				869,324		869,324	649,219
■ term	100,000	286,000			386,000	242	386,242	311,217
Securities received under repurchase								
Securities received under repurchase agreements								
Subordinated loans				100,000	100,000	13	100,013	100,040
TOTAL	969,324	286,000		100,000	1,355,324	256	1,355,579	1,060,476
Impairments								
NET BALANCE SHEET VALUE	969,324	286,000		100,000	1,355,324	256	1,355,579	1,060,476
Current accounts								
Accounts and straight loans								
TOTAL								
Impairments								
NET CARRYING AMOUNT								
TOTAL	**969,324**	**286,000**		**100,000**	**1,355,324**	**256**	**1,355,579**	**1,060,476**

Note 4 TRANSACTIONS WITH CUSTOMERS

4.1 Transactions with customers – analysis by remaining maturity

	31/12/2019							31/12/2018
(in € thousands)	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Trade receivables								
Other customer loans	219,600				219,600		219,600	195,150
Securities received under repurchase agreements								
Current accounts in debit								
Impairments								
NET CARRYING AMOUNT	**219,600**				**219,600**		**219,600**	**195,150**

4.2 Transactions with customers – analysis by geographic area

(in € thousands)	31/12/2019	31/12/2018
France (including overseas departments and territories)	219,600	195,150
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	219,600	195,150
Accrued interest		
Impairments		
NET BALANCE SHEET VALUE	**219,600**	**195,150**

4.3 Transactions with customers – doubtful loans and write-downs by geographic area

	31/12/2019				
(in € thousands)	Gross outstandings	Of which doubtful loans	Of which non-performing doubtful loans	Write-downs of doubtful loans	Write-downs of non-performing doubtful loans
France (including overseas departments and territories)	219,600				
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					
BALANCE SHEET VALUE	**219,600**				

	31/12/2018				
(in € thousands)	Gross outstandings	Of which doubtful loans	Of which non-performing doubtful loans	Write-downs of doubtful loans	Write-downs of non-performing doubtful loans
France (including overseas departments and territories)	195,150				
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					
BALANCE SHEET VALUE	**195,150**				

4.4 Transactions with customers – analysis by customer type

	31/12/2019				
(in € thousands)	Gross outstandings	Of which doubtful loans	Of which non-performing doubtful loans	Write-downs of doubtful loans	Write-downs of non-performing doubtful loans
Individual customers					
Farmers					
Other professionals					
Financial companies	141,700				
Corporates	77,900				
Public authorities					
Other customers					
Accrued interest					
BALANCE SHEET VALUE	**219,600**				

	31/12/2018				
(in € thousands)	Gross outstandings	Of which doubtful loans	Of which non-performing doubtful loans	Write-downs of doubtful loans	Write-downs of non-performing doubtful loans
Individual customers					
Farmers					
Other professionals					
Financial companies	118,950				
Corporates	76,200				
Public authorities					
Other customers					
Accrued interest					
BALANCE SHEET VALUE	**195,150**				

Note 5 TRADING, SHORT-TERM INVESTMENT, LONG-TERM INVESTMENT AND MEDIUM-TERM PORTFOLIO SECURITIES

	31/12/2019					31/12/2018
(in € thousands)	**Trading account securities**	**o/w Investment portfolio**	**Medium-term portfolio securities**	**Investment**	**Total**	**Total**
Treasury bills and similar securities:						
■ o/w residual net premium						
■ o/w residual net discount						
Accrued interest						
Impairments						
NET CARRYING AMOUNT						
Bonds and other fixed-income securities:		70,926			70,926	63,314
Issued by public entities						
Other issuers		70,926			70,926	63,314
■ o/w residual net premium						
■ o/w residual net discount						
Accrued interest		6			6	7
Impairments		(32)			(32)	(610)
NET CARRYING AMOUNT		70,900			70,900	62,710
Equities and other variable-income securities	10,498	2,327,467			2,337,965	1,777,793
Accrued interest						
Impairments		(35,359)			(35,359)	(55,434)
NET CARRYING AMOUNT	10,498	2,292,108			2,302,606	1,722,359
TOTAL	**10,498**	**2,363,008**			**2,373,506**	**1,785,069**
Estimated values	10,498	2,304,639			2,315,137	1,791,173

The estimated value of the unrealised capital gains on the investment portfolio is €12,457 thousand as of 31 December 2019.

The estimated value of the short-term investment securities corresponds to the last trading price.

5.1 Trading, short-term investment, long-term investment and medium-term portfolio securities (excluding treasury bills) – breakdown by major counterparty category

(in € thousands)	**Net assets 31/12/2019**	**Net assets 31/12/2018**
Government and central bank (including States)		
Credit institutions	70,926	63,314
Financial companies	2,337,866	1,777,688
Local authorities		
Corporates, insurance companies and other customers	99	105
Other and non-allocated		
TOTAL PRINCIPAL	2,408,891	1,841,106
Accrued interest	6	7
Impairments	(35,391)	(56,045)
NET BALANCE SHEET VALUE	**2,373,506**	**1,785,069**

5.2 Breakdown of listed and unlisted fixed and variable-income securities

(in € thousands)	31/12/2019 Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total	31/12/2018 Bonds and other fixed-income securities	Treasury bills and similar securities	Equities and other variable-income securities	Total
Listed securities								
Unlisted securities	70,926		2,337,965	2,408,891	63,314		1,777,793	1,841,106
Accrued interest	6			6	7			7
Impairments	(32)		(35,359)	(35,391)	(610)		(55,434)	(56,045)
NET BALANCE SHEET VALUE	**70,900**		**2,302,606**	**2,373,506**	**62,710**		**1,722,359**	**1,785,069**

5.3 Treasury bills, bonds and other fixed-income securities – analysis by remaining maturity

(in € thousands)	31/12/2019 < 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	31/12/2018 Total
Bonds and other fixed-income securities								
Gross value				70,926	70,926	6	70,932	63,321
Impairments				(32)	(32)		(32)	(610)
NET CARRYING AMOUNT				**70,893**	**70,893**	**6**	**70,900**	**62,710**
Treasury bills and similar securities								
Gross value								
Impairments								
NET CARRYING AMOUNT								

5.4 Treasury bills, bonds and other fixed-income securities – analysis by geographic area

(in € thousands)	Net assets 31/12/2019	Net assets 31/12/2018
France (including overseas departments and territories)	70,926	63,314
Other EU countries		
Other European countries		
North America		
Central and South America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
TOTAL PRINCIPAL	70,926	63,314
Accrued interest	6	7
Impairments	(32)	(610)
NET CARRYING AMOUNT	**70,900**	**62,710**

Note 6 EQUITY INVESTMENTS AND SUBSIDIARIES

	Financial information				Carrying amount of shares held						
(in € thousands) Company	Currency	Share capital	Equity other than capital	Percentage of capital owned	Gross value	Net value	Unpaid loans and advances from the Company	Amount of deposits and sureties given by the Company	Rev. (excl. tax) in the last financial year	Net income (profit or loss for the last financial year ended)	Dividends received by the Company during the period
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	548,063	23.87%	227,357	227,357	100,000		189,626	139,480	19,609
3) Other investments in affiliates (over 50% of share capital)											
AMUNDI AM	EUR	1,086,263	3,869,649	100.00%	4,673,774	4,673,774			1,213,040	583,925	422,918
SOCIÉTÉ GÉNÉRALE GESTION	EUR	567,034	46,668	100.00%	582,437	582,437			228,273	47,267	45,878
ÉTOILE GESTION	EUR	29,000	3,361	100.00%	155,000	155,000			81,429	16,299	16,849
CPR ASSET MANAGEMENT	EUR	53,446	38,772	86.36%	99,563	99,563			195,468	56,163	43,386
BFT GESTION	EUR	1,600	63,105	99.99%	60,374	60,374			49,060	11,134	
AMUNDI IMMOBILIER	EUR	16,685	38,303	100.00%	63,989	63,989			198,009	61,877	52,399
AMUNDI PRIVATE EQUITY FUNDS	EUR	12,394	39,579	59.93%	33,998	33,998			31,078	9,200	
4) Other investments (10% to 50% of share capital)											
INVESTMENTS WITH A BOOK VALUE LOWER THAN 1% OF AMUNDI'S SHARE CAPITAL	EUR				483	225					
TOTAL SUBSIDIARIES AND INVESTMENTS					**5,896,976**	**5,896,718**					

"Net income for the year ended" concerns income for the current financial year.

6.1 Estimated value of equity investments

In € thousands	31/12/2019 Balance sheet value	31/12/2019 Estimated value	31/12/2018 Balance sheet value	31/12/2018 Estimated value
SHARES IN AFFILIATED UNDERTAKINGS				
■ Unlisted securities	5,896,976	5,896,699	5,896,976	5,896,718
■ Listed securities				
■ Advances available for consolidation				
■ Accrued interest				
■ Impairment	(276)		(258)	
NET CARRYING AMOUNT	5,896,699	5,896,699	5,896,718	5,896,718
EQUITY INVESTMENTS AND OTHER LONG-TERM INVESTMENTS				
Equity investments				
■ Unlisted securities				
■ Listed securities				
■ Advances available for consolidation				
■ Accrued interest				
■ Impairment				
Sub-total of equity interests				
Other long-term investments				
■ Unlisted securities				
■ Listed securities	286,926	176,884	286,926	188,809
■ Advances available for consolidation				
■ Accrued interest				
■ Impairment	(110,042)		(98,117)	
Sub-total of other long-term investments	**176,884**	**176,884**	**188,809**	**188,809**
NET CARRYING AMOUNT	176,884	176,884	188,809	188,809
TOTAL EQUITY INTERESTS	**6,073,584**	**6,073,584**	**6,085,527**	**6,085,527**

In € thousands	31/12/2019 Balance sheet value	31/12/2019 Estimated value	31/12/2018 Balance sheet value	31/12/2018 Estimated value
TOTAL GROSS VALUE				
Unlisted securities	5,896,976	5,896,699	5,896,976	5,896,718
Listed securities	286,926	176,884	286,926	188,809
TOTAL	**6,183,902**	**6,073,584**	**6,183,902**	**6,085,527**

Note 7 CHANGE IN FIXED ASSETS

7.1 Financial assets

In € thousands	01/01/2019	Increases (Acquisitions)	Decreases (disposal, maturity)	Other movements	31/12/2019
Investments in subsidiaries and affiliates					
Gross value	5,896,976				5,896,976
Advances available for consolidation					
Accrued interest					
Write-down	(258)	(19)			(276)
NET CARRYING AMOUNT	5,896,718	(19)			5,896,699
Equity investments					
Gross value					
Advances available for consolidation					
Accrued interest					
Write-down					
Other long-term securities					
Gross value	286,926				286,926
Advances available for consolidation					
Accrued interest					
Write-down	(98,117)		11,925		(110,042)
NET CARRYING AMOUNT	188,809		11,925		176,884
TOTAL	**6,085,527**	**(19)**	**11,925**		**6,073,584**

The heading "Other movements" shows the effect of changes in foreign exchange rates on the value of fixed assets in foreign currencies.

7.2 Property, plant and equipment and intangible assets

(in € thousands)	01/01/2019	Increases (Acquisitions)	Decreases (disposal, maturity)	Other movements	31/12/2019
Property, plant and equipment					
Gross value	53				53
Amortisation and depreciation	(38)			(5)	(43)
NET CARRYING AMOUNT	15			(5)	9
Intangible assets					
Gross value	420				420
Amortisation and depreciation	(420)				(420)
NET CARRYING AMOUNT					
TOTAL	**15**			**(5)**	**9**

Note 8 TREASURY SHARES

(in € thousands)	31/12/2019 Trading securities	Short-term investment securities	Fixed assets	Total	31/12/2018 Total
Number	39,500	1,294,464		1,333,964	814,081
Carrying amount	2,761	76,071		78,832	39,893
Market value	2,761	76,071		78,832	39,893

Treasury shares held under a liquidity agreement are recognised in the trading book.

Treasury shares held for hedging a share award scheme are recognised in the marketable securities investment portfolio.

Note 9 ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS

(in € thousands)	31/12/2019	31/12/2018
Other assets[(1)]		
Financial options bought		
Inventory accounts and miscellaneous		
Miscellaneous debtors[(2)]	412,597	389,064
Collective management of the Sustainable development passbook account (LDD) securities		
Settlement accounts		
NET CARRYING AMOUNT	412,597	389,064
Accruals		
Cash and transfer accounts		
Adjustment accounts		
Unrealised losses and deferred losses on financial instruments		
Accrued income on commitments on forward financial instruments		
Other accrued income	68,507	40,964
Prepaid expenses	277	194
Deferred expenses	2,293	1,287
Other accruals	3,419	277
NET CARRYING AMOUNT	74,494	42,721
TOTAL	**487,092**	**431,786**

(1) Amounts include accrued interest.

(2) Including €746 thousand as contribution to the Resolution Fund paid in the form of a security deposit. This security deposit is usable by the Resolution Fund at any time and without condition to finance an intervention.

Note 10 WRITE-DOWNS DEDUCTED FROM ASSETS

(in € thousands)	Balance at 31/12/2018	Increases	Reversals and utilisations	Accretion	Other movements	Balance at 31/12/2019
On interbank transactions and similar items						
On loans and receivables from customers						
On securities transactions	154,419	15,378	(24,273)		185	145,709
On fixed assets						
On other assets						
TOTAL	**154,419**	**15,378**	**(24,273)**		**185**	**145,709**

Note 11 AMOUNTS DUE TO CREDIT INSTITUTIONS – ANALYSIS BY REMAINING MATURITY

	31/12/2019							31/12/2018
(in € thousands)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Credit institutions								
Accounts and borrowings:								
■ demand	596,774				596,774		596,774	18,700
■ term	163,630	370,300	208,000		741,930	829	742,759	1,236,873
Securities sold under repurchase								
Securities sold under repurchase agreements								
BALANCE SHEET VALUE	**760,404**	**370,300**	**208,000**		**1,338,704**	**829**	**1,339,533**	**1,255,573**

Note 12 AMOUNTS DUE TO CUSTOMERS

12.1 Amounts due to customers – analysis by remaining maturity

	31/12/2019							31/12/2018
(in € thousands)	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Current accounts in credit								
Special savings accounts:								
■ demand								
■ term								
Other amounts due to customers	787,600	2,736,300			3,523,900	17	3,523,917	2,786,004
■ demand	37,600				37,600		37,600	37,400
■ term	750,000	2,736,300			3,486,300	17	3,486,317	2,748,604
Securities sold under repurchase agreements								
BALANCE SHEET VALUE	**787,600**	**2,736,300**			**3,523,900**	**17**	**3,523,917**	**2,786,004**

12.2 Amounts due to customers – analysis by geographic area

In € thousand	**31/12/2019**	**31/12/2018**
France (including overseas departments and territories)	3,323,900	2,546,000
Other EU countries	200,000	240,000
Other European countries		
North America		
Central and Latin America		
Africa and Middle East		
Asia and Oceania (excluding Japan)		
Japan		
Non-allocated and international organisations		
TOTAL PRINCIPAL	3,523,900	2,786,000
Accrued interest	17	4
BALANCE SHEET VALUE	**3,523,917**	**2,786,004**

12.3 Amounts due to customers – analysis by customer type

(in € thousands)	31/12/2019	31/12/2018
Individual customers		
Farmers		
Other professionals		
Financial companies	3,523,900	2,786,000
Corporates		
Public authorities		
Other customers		
TOTAL PRINCIPAL	3,523,900	2,786,000
Accrued interest	17	4
BALANCE SHEET VALUE	**3,523,917**	**2,786,004**

Note 13 DEBT SECURITIES

13.1 Debt securities – analysis by remaining maturity

	31/12/2019							31/12/2018
(in € thousands)	≤ 3 months	> 3 months ≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total principal	Accrued interest	Total	total
Short-term securities								
Interbank market securities								
Negotiable debt obligations	12,009	41,685	25,000	70,926	149,620	3,002	152,622	78,420
Bonds								
Other debt securities								
BALANCE SHEET VALUE	**12,009**	**41,685**	**25,000**	**70,926**	**149,620**	**3,002**	**152,622**	**78,420**

13.2 Bonds (by currency of issuance)

None.

Note 14 ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES

(in € thousands)	**31/12/2019**	**31/12/2018**
Other liabilities[1]		
Counterparty transactions (trading securities)		
Debt representing borrowed securities		
Financial options sold	2,293	1,287
Settlement and trading accounts		
Miscellaneous creditors	415,099	364,909
Outstanding payments on securities		
BALANCE SHEET VALUE	417,392	366,196
Accruals		
Cash and transfer accounts		
Adjustment accounts		
Unrealised gains and deferred gains on financial instruments		
Prepaid income		
Accrued expenses on commitments on forward financial instruments		
Other accrued expenses	41,699	8,943
Other accruals		
BALANCE SHEET VALUE	41,699	8,943
TOTAL	**459,090**	**375,139**

(1) Amounts include accrued interest.

Note 15 PROVISIONS

(in € thousands)	**Balance as at 01/01/2019**	**Increases**	**Reversals used**	**Reversals not used**	**Other movements**	**Balance as at 31/12/2019**
Provisions						
For retirement obligations and similar						
For other employee commitments						
For financing commitment execution risks	67			(67)		
For tax disputes						
For other litigation						
For jurisdiction risk						
For credit risk						
For restructuring						
For taxes						
For participating interests						
For operational risk						
Other provisions[1]	39,586	27,526	(24,585)			42,527
BALANCE SHEET VALUE	**39,653**	**27,526**	**(24,585)**	**(67)**		**42,527**

(1) Mainly composed of amounts attributed to employees of Group companies for performance shares granting plans.

Note 16 HOME PURCHASE SAVINGS CONTRACTS

None.

Note 17 LIABILITIES TO EMPLOYEES – POST-EMPLOYMENT BENEFITS, DEFINED-BENEFIT PLANS

Change in actuarial liability

(in € thousands)	**31/12/2019**	**31/12/2018**
ACTUARIAL LIABILITY AS AT 31/12/N-1	434	332
Cost of services rendered during the period	36	31
Effect of discounting		
Employee contributions		
Benefit plan changes, withdrawals and settlement		
Change in scope		
Termination benefits		
Benefits paid		
Actuarial gains (losses)	(44)	71
Actuarial liability as of 31/12/N	426	434
BREAKDOWN OF THE EXPENSE RECOGNISED IN THE INCOME STATEMENT		

(in € thousands)	**31/12/2019**	**31/12/2018**
Cost of services rendered during the period	36	31
Financial cost	6	5
Expected return on assets over the period		
Amortisation of cost of past services	(12)	(12)
Other gains (losses)		
NET EXPENSE RECOGNISED IN THE INCOME STATEMENT	**30**	**24**

Change in fair value of plan assets

(in € thousands)	**31/12/2019**	**31/12/2018**
FAIR VALUE OF ASSETS/RIGHT TO REIMBURSEMENT AS AT 31/12/N-1	866	853
Expected return on assets	12	12
Actuarial gains (losses)	6	1
Employer contribution		
Employee contribution		
Benefit plan changes, withdrawals and settlement		
Change in scope		
Termination benefits		
Benefits paid by the fund	(40)	
Fair value of assets/right to reimbursement as at 31/12/N	844	866
NET POSITION		

(in € thousands)	**31/12/2019**	**31/12/2018**
ACTUARIAL LIABILITY AS OF 31/12/N	426	434
Impact of asset limitation		
Fair value of assets at reporting date	(844)	(866)
NET POSITION (LIABILITIES)/ASSETS AS AT 31/12/N	**418**	**432**

Note 18 FUND FOR GENERAL BANKING RISKS

(in € thousands)	31/12/2019	31/12/2018
Fund for general banking risks	37,149	37,149
BALANCE SHEET VALUE	**37,149**	**37,149**

Note 19 SUBORDINATED DEBT – ANALYSIS BY REMAINING MATURITY

	31/12/2019							31/12/2018
(in € thousands)	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total principal	Accrued interest	Total	Total
Subordinated term debt								
Euro								
Dollar								
Securities and equity loans								
Other term subordinated loans								
Perpetual subordinated debt [(1)]				300,000	300,000	3,842	303,842	303,826
Blocked C/C from Local Banks								
Mutual security deposits								
BALANCE SHEET VALUE				**300,000**	**300,000**	**3,842**	**303,842**	**303,826**

(1) *Residual term of perpetual subordinated debt set by default at > 5 years.*

Note 20 CHANGE IN EQUITY (BEFORE DISTRIBUTION)

(in € thousands)	Share capital	Premiums, reserves and retained earnings	Interim dividend	Regulated provisions & investment subsidies	Net income	Total equity
Balance as at 31 December 2018	**504,261**	**3,730,146**			**487,745**	**4,722,152**
Dividends paid for 2018		(579,365)				(579,365)
Change in share capital	1,147					1,147
Change in share premiums and reserves		18,143				18,143
Allocation of Parent company net income		487,745			(487,745)	
Carried forward						
Net income for 2019					567,445	567,445
Other changes						
BALANCE AT 31 DECEMBER 2019	**505,408**	**3,656,668**			**567,445**	**4,729,522**

The share capital is composed of 202,163,305 shares with a nominal value of €2.50 each.

Note 21 COMPOSITION OF CAPITAL

(in € thousands)	31/12/2019	31/12/2018
Equity	4,729,522	4,722,152
Fund for general banking risks	37,149	37,149
Subordinated debt and participating securities	303,842	303,826
Mutual security deposits		
TOTAL EQUITY	**5,070,513**	**5,063,127**

Note 22 TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES AND EQUITY INVESTMENTS

(in € thousands)	Balance at 31 December 2019 **Transactions with subsidiaries and affiliates and equity investments**	Balance as at 31 December 2018 **Transactions with subsidiaries and affiliates and equity investments**
RECEIVABLES	1,646,079	1,318,337
due from credit institutions and financial institutions	1,355,579	1,060,476
due from customers	219,600	195,150
Bonds and other fixed-income securities	70,900	62,710
DEBT	5,167,291	4,345,402
Credit institutions and financial institutions	1,339,532	1,255,572
Due from customers	3,523,917	2,786,004
Debt securities and subordinated debt	303,842	303,826
COMMITMENTS GIVEN	22,830	24,895
Financing commitments to credit institutions		
Financing commitments to customers		
Guarantees given to credit institutions		
Guarantees given to customers	22,830	24,895
Securities acquired with repurchase options		
Other commitments given		

Note 23 TRANSACTIONS IN FOREIGN CURRENCIES

	31/12/2019		31/12/2018	
(in € thousands)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Euro	10,129,525	10,409,645	9,223,678	9,491,422
Other European Union currencies	70	1	283	
Swiss franc				
Dollar	2,126	21,002	2,776	23,309
Yen	301,553		291,462	
Other currencies	14	2,640	10	3,477
TOTAL	**10,433,288**	**10,433,288**	**9,518,208**	**9,518,208**

Note 24 FOREIGN EXCHANGE TRANSACTIONS, LOANS AND BORROWINGS

None.

Note 25 FORWARD FINANCIAL INSTRUMENTS TRANSACTIONS

	31/12/2019			31/12/2018
(in € thousands)	**Hedging transactions**	**Transactions other than hedging transactions**	**Total**	**Total**
Outright transactions		**124,620**	**124,620**	**78,316**
Transactions on organised markets [(1)]				
Forward rate agreements				
Forward exchange contracts				
Share and stock market index futures				
Other forward contracts				
OTC transactions [(1)]		**124,620**	**124,620**	**78,316**
Interest rate swaps		53,694	53,694	15,002
Other forward rate contracts				
Forward exchange contracts				
FRA				
Share and stock market index futures		70,926	70,926	63,314
Other forward contracts				
Options		**53,694**	**53,694**	**15,002**
Transactions on organised markets				
Forward interest rate instruments:				
■ Purchased				
■ Sold				
Share and stock market index forward contracts:				
■ Purchased				
■ Sold				
Forward exchange contracts:				
■ Purchased				
■ Sold				
OTC transactions		**53,694**	**53,694**	**15,002**
Rate swap options:				
■ Purchased				
■ Sold				
Other forward interest rate instruments:				
■ Purchased				
■ Sold				
Forward exchange contracts:				
■ Purchased				
■ Sold				
Share and stock market index futures:				
■ Purchased		53,694	53,694	15,002
■ Sold				
Other forward contracts:				
■ Purchased				
■ Sold				
Credit derivatives				
Credit derivative contracts:				
■ Purchased				
■ Sold				
TOTAL		**178,314**	**178,314**	**93,318**

(1) The amounts indicated under outright transactions must correspond to the aggregate of lending and borrowing positions (rate swaps and rate swap options), or to the aggregate of contract purchases and sales (other contracts).

25.1 Forward financial instrument transactions: notional amounts by remaining maturity

	Total 31/12/2019			Of which transactions completed OTC			Of which transactions on organised markets and similar		
(in € thousands)	**< 1 year**	**> 1 year < 5 years**	**> 5 years**	**< 1 year**	**> 1 year < 5 years**	**> 5 years**	**< 1 year**	**> 1 year < 5 years**	**> 5 years**
Futures									
Foreign exchange options									
Rate options									
Outright currency transactions on organised markets									
FRA									
Interest rate swaps	53,694			53,694					
Currency swaps									
Caps, Floors, Collars									
Forward rate									
Outright transactions on shares and indices	53,694			53,694					
Share and index options			70,926			70,926			
Share and stock index derivatives									
SUB-TOTAL	107,388		70,926	107,388		70,926			
Forward exchange transactions									
OVERALL TOTAL	**107,388**		**70,926**	**107,388**		**70,926**			

25.2 Forward financial instruments: fair value

	31/12/2019		31/12/2018	
(in € thousands)	**Fair value**	**Notional assets**	**Fair value**	**Notional assets**
Futures				
Foreign exchange options				
Outright currency transactions on organised markets				
FRA				
Interest rate swaps	3,250	53,694	133	15,002
Currency swaps				
Caps, Floors, Collars				
Derivatives on shares, stock exchange indices and precious metals	(2,124)	124,620	(1,143)	78,316
SUB-TOTAL	1,126	178,314	(1,010)	93,318
Forward exchange transactions				
TOTAL	**1,126**	**178,314**	**(1,010)**	**93,318**

Note 26 COMMITMENTS GIVEN OR RECEIVED

(in € thousands)	31/12/2019	31/12/2018
COMMITMENTS GIVEN	**2,177,007**	**1,731,957**
Financing commitments		
Commitments to credit institutions		
Commitments to customers		
■ Confirmed credit lines		
■ Documentary credit lines		
■ Other confirmed credit lines		
■ Other commitments to customers		
Guarantee commitments	**2,177,007**	**1,731,957**
Commitments from credit institutions		
■ Confirmed documentary credit lines		
■ Other guarantees		
Commitments from customers	2,177,007	1,731,957
■ Real estate guarantees		
■ Financial guarantees		
■ Other guarantees from customers	2,177,007	1,731,957
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 received from credit institutions	1,750,000	1,750,000
Commitments received from customers		
Guarantee commitments		
Commitments received from credit institutions		
Commitments received from customers		
Commitments on securities		
Securities sold with repurchase options		
Other commitments received		

Note 27 INFORMATION REGARDING COUNTERPARTY RISK ON DERIVATIVES

	31/12/2019			31/12/2018		
(in € thousands)	**Market value**	**Potential credit risk**	**Total counterparty risk**	**Market value**	**Potential credit risk**	**Total counterparty risk**
Risks on OECD governments and central banks and similar organisations						
Risks on OECD financial institutions and similar organisations	1,126		1,126	(1,010)		(1,010)
Risks on other counterparties						
TOTAL BEFORE EFFECT OF CLEARING AGREEMENTS	1,126		1,126	(1,010)		(1,010)
Of which risk on contracts for:						
■ Interest rates, foreign exchange and raw materials	3,250		3,250	133		133
■ Equity and index derivatives	(2,124)		(2,124)	(1,143)		(1,143)
TOTAL BEFORE EFFECT OF CLEARING AGREEMENTS	1,126		1,126	(1,010)		(1,010)
Impacts of clearing agreements						
TOTAL AFTER EFFECT OF CLEARING AGREEMENTS	**1,126**		**1,126**	**(1,010)**		**(1,010)**

Note 28 NET INTEREST AND SIMILAR INCOME

(in € thousands)	**31/12/2019**	**31/12/2018**
On transactions with credit institutions	6,114	4,286
On transactions with customers		2,615
On bonds and other fixed-income securities	71	134
Net income on macro-hedging transactions		
Other interest and similar income	43,535	
INTEREST AND SIMILAR INCOME	49,721	7,036
On transactions with credit institutions	(8,539)	(7,691)
On transactions with customers	(83)	(26)
Net expense on macro-hedging transactions	(1,566)	(1,900)
On bonds and other fixed-income securities	(4,178)	(105)
Other interest and similar expenses	(44,287)	(3,850)
INTEREST AND SIMILAR EXPENSES	(58,654)	(13,572)
TOTAL NET INTEREST AND SIMILAR INCOME	**(8,933)**	**(6,536)**

(1) Of which €1,545 thousand for the cost of financing the "Revolving Credit Facility" granted to Amundi for €1,750,000 thousand.
(2) Of which €5,886 thousand for expenses related to subordinated debt.

Note 29 INCOME FROM SECURITIES

(in € thousands)	31/12/2019	31/12/2018
Short-term investment securities		
Sustainable development passbook account (LDD)		
Long-term investment securities		
Miscellaneous securities transactions		
INCOME FROM FIXED-INCOME SECURITIES		
Investments in subsidiaries and affiliates, equity investments and other long-term investments	607,988	549,786
Short-term investment securities and medium-term portfolio securities	1,048	723
Miscellaneous securities transactions		
INCOME FROM VARIABLE-INCOME SECURITIES	609,037	550,508
TOTAL INCOME FROM SECURITIES	**609,037**	**550,508**

Note 30 NET COMMISSION AND FEE INCOME

	31/12/2019			31/12/2018		
(in € thousands)	Proceeds	Expenses	Net	Proceeds	Expenses	Net
On transactions with credit institutions						
On transactions with customers						
On securities transactions		(1,597)	(1,597)		(554)	(554)
On forward financial instruments and other off-balance sheet transactions	6,009		6,009	4,269		4,269
On financial services						
Provisions for commission and fee risks						
TOTAL NET COMMISSION AND FEE INCOME	**6,009**	**(1,597)**	**4,412**	**4,269**	**(554)**	**3,714**

Note 31 NET GAINS (LOSSES) ON TRADING BOOK TRANSACTIONS

	31/12/2019	31/12/2018
Net gains (losses) on trading account securities	4,053	(2,473)
Net gains (losses) on currency and similar financial instrument transactions		
Net gains (losses) on other forward financial instruments	5,990	518
NET GAINS (LOSSES) ON TRADING BOOKS	**10,044**	**(1,955)**

Note 32 NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT PORTFOLIOS AND SIMILAR

(in € thousands)	31/12/2019	31/12/2018
Short-term investment securities		
Provisions for depreciation and amortisation	(15,378)	(61,831)
Reversals of write-downs	24,273	1,301
Net write-downs	8,896	(60,530)
Gains on disposals	6,050	2,236
Losses on disposals	(7,813)	(5,208)
Net gains (losses) on disposals	(1,763)	(2,972)
NET GAINS (LOSSES) ON SHORT-TERM INVESTMENT SECURITIES	7,132	(63,503)
Medium-term portfolio securities		
Provisions for write-downs		
Reversals of write-downs		
Net write-downs		
Gains on disposals		
Losses on disposals		
Net gains (losses) on disposals		
NET GAINS (LOSSES) ON MEDIUM-TERM PORTFOLIO SECURITIES		
NET GAINS (LOSSES) ON INVESTMENT PORTFOLIOS AND SIMILAR	**7,132**	**(63,503)**

Note 33 OTHER BANKING INCOME AND EXPENSES

(in € thousands)	31/12/2019	31/12/2018
Sundry income		
Share of joint ventures		
Charge-backs and expense reclassification	14,476	11,592
Provision reversals		
OTHER INCOME FROM BANKING OPERATIONS	14,476	11,592
Miscellaneous expenses	91	(92)
Share of joint ventures		
Charge-backs and expense reclassification	(14,476)	(11,940)
Provisions		
OTHER EXPENSES FROM BANKING OPERATIONS	(14,385)	(12,032)
OTHER BANKING INCOME AND EXPENSES	**91**	**(439)**

Note 34 GENERAL OPERATING EXPENSES

(in € thousands)	31/12/2019	31/12/2018
Employee expenses		
Salaries and wages	(4,300)	(41,920)
Social security expenses	(451)	(1,445)
Profit-sharing and incentive plans	(55)	(126)
Payroll-related taxes	863	(297)
Total employee expenses	**(3,943)**	**(43,788)**
Charge-backs and personnel expense reclassification	37,247	38,469
NET EMPLOYEE EXPENSES	33,304	(5,318)
Administrative costs		
Taxes[(1)]	(3,530)	(3,615)
External services and other administrative expenses	(82,054)	(13,595)
Total administrative expenses	**(85,584)**	**(17,210)**
Charge-backs and administrative expense reclassification	1,261	779
NET ADMINISTRATIVE COSTS	(84,323)	(16,431)
GENERAL OPERATING EXPENSES	**(51,019)**	**(21,749)**

(1) *Of which €1,912,000 in respect of the resolution fund.*

34.1 Headcount by category

In average headcount	31/12/2019	31/12/2018
Executives	8	12
Non-executives		
TOTAL	**8**	**12**
Of which:		
■ France	8	12
■ Abroad		
Of which seconded employees		

Note 35 COST OF RISK

(in € thousands)	31/12/2019	31/12/2018
Provisions and write-downs		**(67)**
Write-downs of doubtful receivables		
Other provisions and write-downs		(67)
Reversal of provisions and write-downs	**67**	
Reversals of write-downs of doubtful receivables		
Other reversals of provisions and write-downs	67	
Change in provisions and write-downs	**67**	**(67)**
Losses on irrecoverable receivables without write-downs		
Losses on irrecoverable receivables with write-downs		
Discount on restructured loans		
Recovered amounts on depreciated receivables		
Other losses		
Other income		
COST OF RISK	**67**	**(67)**

Note 36 NET INCOME ON FIXED ASSETS

None.

Note 37 INCOME TAX CHARGE

Amundi heads the tax consolidation group established since the financial year ended 31 December 2010.

The Group had taxable income of €627,871,467 for the financial year ended 31 December 2019.

No tax loss carryforwards were identified at Group level for the year ended 31 December 2019.

The total income tax charge generated by the companies within the scope and recognised as income for the Parent company stands at €210,988,009.

The corporate tax owed to the Public Treasury by the company heading the Group for the year ended 31 December 2019 is €214,492,728.

Individually and in the absence of tax integration Amundi would have incurred €4,773,692 in tax expenses as of 31 December 2019.

By agreement, the subsidiaries pay the income tax charge they would have incurred in the absence of a tax consolidation group.

Note 38 ALLOCATION OF INCOME

	In €
Profit for the year	567,445,217.41
allocation to the Legal Reserve	0.00
Previous retained earnings	1,092,543,866.61
TOTAL (DISTRIBUTABLE PROFIT)	1,659,989,084.02
ALLOCATION	
dividend distribution	0,00
Retained earnings after allocation	1, 659,989,084.02
TOTAL	**1,659,989,084.02**

These items are presented based on the allocation that will be proposed to the General Meeting on 12 May 2020. On April 1st, 2020, Amundi has decided not to submit to its General Assembly, convened on May 12th 2020, the dividend payout of €3.10 per share for the 2019 fiscal year.

Note 39 PRESENCE IN NON-COOPERATIVE STATES OR TERRITORIES

None.

Note 40 COMPENSATION OF MEMBERS OF THE MANAGEMENT BODIES

Amundi paid €3.188 million in compensation to members of the management bodies.

During the year, no advances or loans were granted 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 presented in chapter 2.5.6 of this Universal Registration Document, "*Directors' compensation*".

Note 41 STATUTORY AUDITORS' FEES

The company is fully consolidated in the Amundi Group. Consequently, information on the statutory auditors' fees is provided in the notes to the consolidated financial statements of the Amundi Group.

7.3 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and is provided solely for the convenience of English speaking readers. This report includes information required by European regulations and French law, such as information about the appointment of Statutory Auditors or verification of the management report and other documents provided to the 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 December 31, 2019

To the Annual General Meeting of Amundi,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Amundi for the year ended December 31, 2019. These accounts were approved by the Board of Directors on February 11, 2020 on the basis of the information available at that date in the context of an evolving health crisis linked to Covid-19.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of unlisted equity investments and subsidiaries

Description of risk	How our audit addressed this risk
Unlisted investments in subsidiaries and affiliates are recorded in the balance sheet for the net amount of € 5.9 billion as at December 31, 2019 and is detailed in the Note 6 of the consolidated financial statements. As stated in Note 2.2 to the financial statements, investments in subsidiaries and affiliates are recorded at their acquisition cost and are valued at the reporting date according to their value in use. An impairment loss is recognised when the value in use of the investments is lower than their historical cost. The value in use may be estimated on the basis of various factors, such as the issuer's profitability and profitability outlooks, its equity or the economic environment. Considering the judgement involved in the choice of methods used to determine the value in use, and in the assumptions underlying these methods, we considered that the estimate of the value in use of unlisted investments in subsidiaries and affiliates constituted a key audit matter.	Our work consisted in: ■ Updating, through discussion, our understanding of the procedures set up by Amundi Group in order to value unlisted investments in subsidiaries and affiliates; ■ Performing the verification of the permanence of methods used to determine the values in use of the equity holdings; ■ Performing the verification, through sampling, of the financial aggregates used to estimate the value in use of the investments in subsidiaries and affiliate by reconciling them with the closing balance sheets and profit and loss accounts of the entities assessed; ■ Comparing, where appropriate, the levels of multiples used to calculate the value in use with external benchmarks Finally, for the investments in subsidiaries and affiliates whose estimated value in use is lower than their acquisition price, we evaluated the consistency of the impairment losses recognized with the calculation of the values in use.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report approved on February 11, 2020 and in the other documents with respect to the financial position and the financial statements provided to the shareholders except for the point described below. With regard to the events which occurred and the elements known after the date of the closing of the accounts relating to the effects of the crisis linked to Covid-19, the management has informed us that these events will be subject of a communication to the general meeting called to approve the accounts.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-4 of the French Commercial Code: As stated in the management's report, this information does not include bank and other related transactions, as your Company considers that such operations fall outside the scope of disclosable information.

Report on corporate governance

We attest that the Board of Directors report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code relating to remunerations and benefits received by or allocated to 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 controlled companies which are included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Amundi by the Annual General Meetings held on November 16, 1989 for PricewaterhouseCoopers Audit and on May 31, 1991 for ERNST & YOUNG et Autres.

As at December 31, 2019, PricewaterhouseCoopers Audit was in the thirty first year of total uninterrupted engagement and ERNST & YOUNG et Autres in the twenty-ninth year, respectively, of which twenty-three years since the Company became a public interest entity, due to its status as a credit institution.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee any risks to our independence and the related safeguard measures.

Neuilly-sur-Seine and Paris-La Défense, April 10, 2020

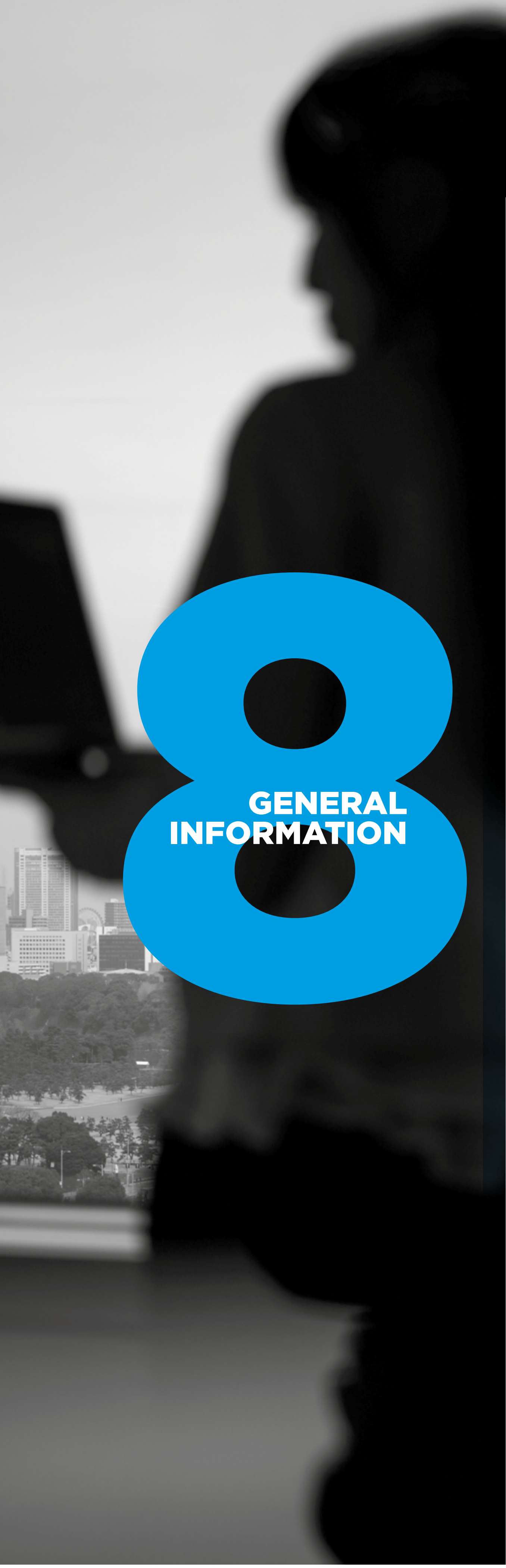
The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit

Laurent Tavernier   Anik Chaumartin

ERNST & YOUNG ET Autres

Olivier Durand   Claire Rochas



8 GENERAL INFORMATION

8.1 ARTICLES OF ASSOCIATION

Section I – Form – company name – purpose – 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 name is: "Amundi".

Article 3 – Corporate purpose

The Company carries 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 (French Prudential Supervision and Resolution Authority) (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 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 €505,408,262.50, represented by 202,163,305 shares of €2.50 each, all of the same class and fully paid up.

Pursuant to the terms of the contribution agreement dated 14 September 2016, as approved by the Board of Directors of the Company on 27 October 2016, Crédit Agricole Immobilier contributed 165,195 Crédit Agricole Immobilier Investors shares, representing 100% of the capital and voting rights of Crédit Agricole Immobilier Investors, and free of any pledge, privilege or any third-party rights, in exchange for the allocation of 680,232 ordinary Amundi shares to Crédit Agricole Immobilier.

Article 7 – Form of shares

Shares are registered or bearer shares, at the shareholder's choice, subject to the provisions of applicable law and regulations.

Shares are subscribed for in accordance with applicable law.

The Board of Directors determines the amount and timing of payments of outstanding sums due in respect of shares to be paid up in cash.

Any and all calls for payment will be published at least fifteen days in advance in a journal publishing legal notices in the administrative region (département) in which the registered office is located.

Any payment not made by the due date will automatically bear interest for the benefit of the Company, at the legal rate plus one percentage point calculated from this due date, with no formal notice.

Article 8 – Identification of shareholders – Disclosure of holdings in excess of thresholds

In accordance with applicable law and regulations, the Company has the right to request the Central Securities Depository, at any time and at its expense, to provide the name or corporate name, nationality, date of birth or date of incorporation, postal address and, if need be, the electronic address of holders of bearer shares which give a present or future right to vote in its General Meetings, together with the number of shares held by each one of them and, if need be, any restrictions that may apply to the shares. On the basis of the list provided by the Central Securities Depository, the Company has the right to ask those on the list whom the Company considers might be acting on behalf of third parties, to provide the information set out above concerning the owners of the shares.

If a person who has been asked for information fails to provide it within the time limits set down by the law and regulations, or provides incomplete or inaccurate information concerning either its status or the name of the owner of the shares, the shares or securities which confer present or future entitlement to share capital, for which this person was registered, will lose their right to vote in any and all shareholder meetings until this identification information has been provided; the payment of any dividend is deferred until this date.

In addition to the legal obligation to inform the Company of the holding of certain percentages of share capital, any natural or legal person, acting alone or in concert, who comes to hold directly or indirectly a percentage of share capital, voting rights or a class of securities conferring future entitlement to the Company's share capital, equal to or in excess of 1.5% and thereafter any multiple of 0.5%, together with holdings in excess of the thresholds set down by the law and regulations, must inform the Company, by registered letter with acknowledgement of receipt, of the number of securities held within five trading days of the crossing of each of these thresholds.

Subject to the above, this obligation set down by these Articles of Association is governed by the same provisions as those governing the legal obligation, including those instances where the law and regulations treat certain securities and rights as forming part of a shareholding.

If the above-mentioned declaration is not made, the shares in excess of the percentage that should have been disclosed will lose their voting rights in shareholder meetings if, at the time of a meeting, the failure to disclose has been recorded and if one or more shareholders together holding at least 3% of the Company's share capital or voting rights so request at this meeting.

Any natural or legal person must also inform the Company, in the manner and within the time limits described in paragraph 3 above, in the event that their direct or indirect holdings drop below any of the thresholds set out above.

Article 9 – Rights and obligations attached to shares

In addition to the right to vote, each share entitles its holder to a share in Company assets, profits and the liquidation surplus in proportion to the number of shares issued.

Under the conditions set down by law and these Articles of Association, each share carries a right to attend and to vote in General Meetings. Each share gives the right to one vote in these 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 French 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 Ordinary 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 at the close of 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 four 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 four years will end at the close of 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 employees

The Board of Directors includes one director representing employees and elected by the employees of the Company or by the employees 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 employees are set forth in Articles L. 225-27 et seq. of the French Commercial Code.

The term of office of the director representing employees is three years. However, the 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 said director's term of office expires.

He/she may not be elected to more than four consecutive terms.

In the event that the seat of the director representing employees falls vacant as a result of his or her death, resignation, removal, termination of the employment contract or any other reason, 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 employees 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 15 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 his/her successor must be of different gender.

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.

The voting office(s) shall consist of a minimum of three members designated by the representative labour organisations, 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, 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 organised 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 employees must take place at the latest two weeks prior to the end of the director's term of office.

In the event that elections are also organised in the Company's direct or indirect subsidiaries, whose registered offices are located in France, the Chief Executive Officer shall contact such subsidiaries' legal representatives for this purpose.

The directors representing employees 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 for shareholder meetings, and within the limits of the corporate purpose, 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 two 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 at the close of 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 directors that are 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 videoconference 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 of 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 chooses 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 at the close of the General Meeting deliberating on the accounts for the financial year in which he/she reaches 70 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 corporate purpose and subject to those powers expressly reserved by law for General Meetings of shareholders and 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 at the close of 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 compensation, or fixed and variable compensation, 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 compensation 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 videoconference 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 at the close of 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 accounts held by the Company;
- for holders of bearer shares, in the bearer share accounts 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, 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 on the day falling two business days before 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 videoconference 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 online by the meeting convenor, for this purpose and within the required time limits, are treated as present or represented shareholders. The online 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 of General Meetings are prepared 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, constitutes 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 for which it shall determine allocation and use;
3) sums that the General Meeting decides to carry forward.

The remainder is paid to shareholders as dividends.

The Board of Directors may decide to pay interim dividends.

For all or part of dividends to be distributed or interim dividends, the General Meeting may grant shareholders a choice between payment in cash or payment in shares in accordance with the conditions set down by applicable regulations. For all or part of the dividends or interim dividends, reserves or premiums to be distributed, or in the case of a share capital decrease, the General Meeting may also decide that the distribution of such dividends, reserves, premiums or share capital decrease will be made in kind by delivery of Company assets.

Section VII – Winding up – Liquidation

Article 22

For the purpose of winding up the Company, one or more liquidators are appointed by a General Meeting, subject to the quorum and majority conditions set down for Ordinary General Meetings.

The liquidator represents the Company. The liquidator has the broadest powers to dispose of Company assets, even by amicable arrangement. The liquidator is authorised to pay creditors and distribute the remaining balance.

The General Meeting may authorise the liquidator to continue ongoing 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 RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

The totality of these Rules of Procedure of the Board of Directors, including Appendix I Company Directors' Charter and Appendix II Code of Conduct for Trading, are available on the website of the Company http://le-groupe.amundi.com/Shareholders/Our-group.

In its meeting on 11 February 2020, the Board of Directors of Amundi (the "Company")(1) adopted these Rules of Procedure.

Article 1	Powers of the Chairman of the Board of Directors
Article 2	Powers of the Board of Directors and the Chief Executive Officer
Article 3	Functioning of the Board of Directors
Article 4	Committees of the Board of Directors

Preamble

These Rules of Procedure, comprising the Rules of Procedure together with the two Appendices, the Directors' Charter and the Market Ethics Charter, apply to all the members of the Board of Directors.

Their purpose is to set out or supplement certain regulatory and statutory provisions regarding the organisation and functioning of the Board of Directors and its committees.

These Rules of Procedure are solely for internal use and third parties may not enforce them against the Company.

The Company is a company with a Board of Directors where the functions of the Chairman and the Chief Executive Officer are separate. Under the provisions of the French Commercial Code (Code de commerce) the Chairman and the Chief Executive Officer are Company Officers.

Article 1: Powers of the Chairman of the Board of Directors

The Chairman of the Board of Directors shall direct and organise the work of the Board. He shall ensure that the Board and the committees set up within the Board function properly. He shall convene the Board of Directors and set the agenda for its meetings.

Article 2: Powers of the Board of Directors and the Chief Executive Officer

2.1 Powers of the Board of Directors

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 Amundi Group's (the "Group") consolidated financial statements and shall review the interim financial statements;
- the Board ensures the quality of the information provided to the shareholders and markets;
- the Board is informed of the financial position, cash flow position and commitments of the Company;
- the Board is informed of market developments, the competitive environment and the key issues facing the Company including in the area of social and environmental responsibility;
- it regularly reviews, in connection with the strategy it has defined, the opportunities and risks such as financial, legal, operational, social and environmental risks as well as the measures taken as a result. To this end, the Board of Directors receives all the information necessary to fulfil its remit, in particular from the executive corporate officers;
- it also ensures that the executive corporate officers implement a policy of non-discrimination and diversity, particularly in terms of balanced representation of women and men in management bodies;
- 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 the remuneration package for the members of the Board of Directors;
- 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 the transactions referred to in Article 2.2 herein;
- 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 Supervision 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;

(1) *In these Rules of Procedure Amundi is referred to as the "Company" and Amundi together with all its direct and indirect subsidiaries are collectively referred to as the "Group".*

- be informed by the Chief Executive Officer, in advance if possible, of changes to the Group's management and organisation structures;
- hear the reports by the Head of Permanent Controls and Head of Compliance;
- authorise, where applicable, the mobility of the Head of risk management;
- carry out any controls and checks that it deems expedient;
- assess its ability to meet shareholders' expectations by periodically reviewing its composition, organisation and operations.

2.2 Powers of the Chief Executive Officer

The Chief Executive Officer shall be invested with the most extensive powers to act in all circumstances on behalf of the Company, which he shall represent vis-à-vis third parties.

He must, however, obtain the prior agreement of the Board of Directors for the following transactions:

- the establishment, acquisition or disposal of any subsidiaries and investments in France or abroad where the overall investment is over €100 million;
- any other investment or divestiture of any kind whatsoever of over €100 million.

If the urgency of the matter makes it impossible for the Board to meet to deliberate on any transaction meeting the aforementioned conditions, the Chief Executive Officer shall make every effort to gather the opinions of all the Directors and, at the very least, the members of the Strategic Committee provided for in Article 4 herein, before making a decision. Where this is not possible the Chief Executive Officer may, in agreement with the Chairman, make any decision that is in the interests of the Company in the areas listed above. He shall report thereon at the next Board meeting.

Any significant transaction outside the announced strategy of the Company is subject to prior approval by the Board of Directors.

Article 3: Functioning of the Board of Directors

3.1 Meetings

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.

3.2 Convening meetings

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

The Board of Directors shall meet upon being convened by its Chairman, its Deputy Chairman or by one third of its members. 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 videoconference 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.

3.3 Video conferences and telephone conferences

Any Director who is unable to be physically present at a Board of Directors' meeting may inform the Chairman of his intention to participate in it by means of a videoconference or other telecommunications link. The videoconferences or other telecommunications resources used must meet technical specifications that guarantee the effective participation of all the parties in the Board of Directors' meeting. They must enable the identification by the other members of the Director participating in the meeting via a videoconference or other telecommunications link, transmit at least his voice, and ensure the continuous and simultaneous broadcasting of the deliberations.

A Director who is participating in a meeting via a videoconference or other telecommunications link may represent another Director on condition that the Chairman of the Board of Directors is, on the day of the meeting, in possession of the authorisation (procuration) of the Director thus represented.

Directors who are participating in a Board of Directors' meeting via a videoconference or other telecommunications link shall be deemed to be present for the purposes of counting the quorum and the majority.

In the event of the malfunctioning of the videoconferencing or telecommunications system, which shall be recorded by the Chairman of the Board of Directors, the Board of Directors may validly deliberate and/or continue with just those members who are physically present, provided the conditions for a quorum are met.

The attendance register and the minutes must mention the name of the Directors who are present and deemed to be present within the meaning of Article L. 225-37 of the French Commercial Code.

In accordance with the law, participation via videoconferencing or other telecommunications links cannot be accepted for decisions on:

- preparing the annual financial statements and the management report;
- preparing the consolidated financial statements and the Group management report, if this is not included in the annual report.

The aforementioned exclusions only relate to including remote participants in the quorum and the majority, not to the possibility of the Directors concerned participating in the meeting and giving their opinion, in an advisory capacity, on the respective decisions.

The Chairman may also reject participation via videoconferencing or other telecommunications links for technical reasons, where these technical reasons would prevent the holding of the Board of Directors' meeting via a videoconference or other telecommunications link from complying with the applicable statutory and regulatory conditions.

3.4 Information for the Directors

For each Board of Directors' meeting the text of the talks and presentations on the agenda for a session shall be sent to the Directors prior to that session.

3.5 Minutes of Board of Directors' meetings

The deliberations by the Board of Directors shall be recorded in minutes, prepared in one typed copy, numbered according to the date of the proceedings to which they relate and paginated consecutively. These minutes shall be recorded in a special register, signed by the Chairman of the session and at least one Director (they shall be signed by two Directors if the Chairman of the session is unable to sign them) and kept in accordance with regulatory provisions.

The minutes of each session shall contain:

- the name of the directors that were present – whether physically or via a videoconference or other telecommunications link – represented, excused or absent, as well as the name of any other person who attended either the entire meeting or part of it;
- an account of the Board of Directors' discussions and deliberations, and the questions raised and reservations expressed by the participating members; and
- if applicable, the occurrence of any technical incident relating to a videoconference or conference call, where this disrupted the smooth running of the session.

Copies or extracts of those minutes that are to be produced in court, or formal deliberations, shall be validly certified as being true to the original by the Chairman, the Chief Executive Officer or a Deputy Chief Executive Officer, any Director to whom the functions of the Chairman have been temporarily delegated, the Secretary of the Board or a proxyholder who has been duly authorised for this purpose.

Article 4: Board Committees

The Company's Board of Directors has set up an Audit Committee, a Risk Management Committee, a Strategic and Corporate Social Responsibility (CSR) Committee, a Compensation Committee and an Appointments Committee.

4.1 Composition, chairmanship and meetings

Two thirds of the Audit Committee shall be composed of Independent Directors and shall not include any Company Officers. The Compensation Committee and the Appointments Committee shall be predominantly composed of Independent Directors and shall be chaired by an Independent Director.

The Chairman of each of these committees shall convene the committee and determine the agenda or the main purpose of the meetings, taking particular account of its members' requests, whilst respecting the responsibilities of the said committee as set out below. The committee members must receive the information they need to give an informed opinion sufficiently in advance of the meeting.

Each committee member may ask the Chairman of the relevant committee to add one or more items to the agenda, whilst respecting the responsibilities of the said committee.

The Chairman of the committee shall lead the discussions and shall report the recommendations made by the committee to the Board of Directors.

The Board of Directors may refer to each committee any specific request falling within its area of responsibilities, and may ask the Chairman of each committee to convene a meeting with a specific agenda.

In order for deliberations to be valid, at least half of the members of a committee must be present. The opinions and recommendations that a committee gives to the Board of Directors shall be adopted upon a majority vote by those of its members that are present or represented.

Minutes must be taken for each Committee meeting and sent to the members of the said committee. The minutes must record the opinion of every member of the committee, if the latter so requests.

Each committee may, on an ad hoc basis, seek the opinion of any person, including third parties, that is likely to inform its discussions.

4.2 Responsibilities of the Audit Committee

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;
- monitoring the Statutory Audit of the Company and Consolidated Financial Statements by the statutory auditors. It shall ensure the independence of the latter and may express an opinion on proposals for the appointment or re-appointment of the Company's statutory auditors;
- authorising the provision by the statutory auditors of services other than the certification of the Financial Statements.

4.3 Responsibilities of the Risk Management Committee

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

- monitoring the quality of the procedures that ensure the compliance of the group's activities with French and foreign laws and regulations;
- reviewing the principles of the risk policy and the conditions for implementing it, and advising the Board of Directors on risk strategies and risk appetite;
- assisting it in its role of supervising the general management and the head of risk management;
- reviewing the compatibility of the compensation policy and practices with the economic and prudential situation;
- defining the limits of the Group's equity capital funding (seed money and backing) and monitoring these limits;
- reviewing the internal audit programme 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;
- as part of monitoring the effectiveness of the internal control and risk management systems and, where applicable, the internal audit concerning the procedures relating to the preparation and processing of financial and other accounting and extra-financial information, the committee hears those responsible for the internal audit and risk management and gives its opinion on the organisation of their services. It is informed of the internal audit programme and is the recipient of internal audit reports or a periodic summary of these reports;
- more broadly, analysing any subject that may represent a risk factor for the Company, such as to call into question the durability and/or profitability of certain activities or likely to

generate situations prejudicial to the Company by exposing it to too great a financial or reputational risk.

4.4 Responsibilities of the Compensation Committee

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

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

In addition, it shall be responsible for:

- monitoring the implementation of the compensation policy in order to ensure compliance with policies and regulatory provisions, and reviewing, to this end, the opinions and recommendations of the Risk Division and Permanent Control Division in relation to this policy; and
- directly controlling the compensation of the head of risk management and, where necessary, the head of Compliance.

4.5 Responsibilities of the Appointments Committee

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, on a yearly basis, 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 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.

4.6 Responsibilities of the Strategic and CSR Committee

The remit of the Strategic and CSR Committee is to deepen the strategic thinking of the Group across its various business lines, both in France and abroad. To this end, the Strategic and CSR Committee will first examine the draft transactions referred to in Article 2.2 and formulate an opinion on the said drafts.

The work and opinions of the Strategic and CSR Committee will be reported to the Board of Directors by the Chairman of the Committee or by a member of the Committee appointed by the latter.

8.3 REGULATORY ENVIRONMENT

Amundi's activities are governed by regulations specific to each country in which the Group operates, directly or through subsidiaries or partnerships. With regard to its main activity, asset management, Amundi is subject to numerous regulations, prudential supervision and authorisation requirements. In addition, several Group entities, including the Company, are authorised as credit institutions and therefore subject to monitoring by banking supervisors.

Amundi is subject to laws and regulations which frame asset management activities, including requirements in terms of internal organisation and good conduct, prudential requirements, investment and asset allocation rules, rules relating to the prevention of money laundering, rules relating to the identification and knowledge of clients (Know Your Customer, or "KYC") and the rules relating to international sanctions, including those issued by the Office of Foreign Assets Control of the United States Department of the Treasury, which are applicable to Amundi at international level.

The regulations applicable to Amundi are constantly evolving, particularly within the European Union ("EU"). These regulations could also change as a result of the United Kingdom's decision to leave the European Union ("Brexit"). It should be noted that, in the context of the planned 2020 publication by ESMA (European Securities and Markets Authority) of recommendations on performance fees, it is possible that the current method for calculating performance fees may be subject to adjustments to comply with ESMA's recommendations.

Any new regulations or changes in the implementation or application of the laws and regulations in force could, where applicable, have a significant impact on Amundi's activities and operating income.

8.3.1 Regulations relating to asset management activities

8.3.1.1 European Union

8.3.1.1.1 General presentation

Amundi's asset management activities can be divided into two main categories:

- portfolio management and investment advice, governed by the MiFID II(1) regulations;
- the management of funds and other undertakings for collective investment, including UCITS-type funds and AIFs, governed by the UCITS V(2) Directive and the AIFM(3) Directive, respectively.

In addition to these main legislative texts, asset management activities are impacted by other regulations and reform projects at European level, such as the regulations applicable to derivative financial products (European Market Infrastructure Regulation, "EMIR"), regulations aimed at providing a framework for the "parallel banking system" or the regulations applicable to sustainable finance.

Although laws and regulations vary from one country to another, the texts transposing the EU legislation in each Member State are substantially similar in all the countries in which Amundi operates, in particular in France, Italy, Germany and Austria. However, the legislative transposition of the Directives in each European country or their interpretation by the supervisory authorities may give rise to different approaches and in some cases delays.

European passport system

One of the objectives of the European regulatory framework is to facilitate the cross-border marketing of investment products in Europe. The European passport allows a management company that has been authorised by the regulator of its country of origin to conduct its activities in the EU or signatory states of the agreement on the European Economic Area ("EEA") within the scope of the free provision of services and freedom of establishment. A management company that wishes to conduct activities, for which it has been approved, in another State must inform the competent authorities of its origin Member State. In the host Member State, the management company may only conduct the activities covered by the approval granted in its origin Member State.

In terms of asset management, a passport may be granted for three types of activity: (i) UCITS management, (ii) AIF management and (iii) portfolio management for a third party. The passport may also cover other investment services such as receiving/transmitting orders and executing orders on behalf of third parties. The passport system allows Amundi entities to benefit from conducting cross-border activities in the EU.

Capital requirements

In accordance with the various regulatory regimes applicable to asset management activities, several Group entities are subject to minimum capital requirements, generally equal to the highest of the following amounts: 25% of the overheads of the previous year, or 0.02% of the assets under management (plus an additional 0.01%, as a minimum, of the value of the AIF portfolios managed for the regulated entities subject to the AIFM Directive). These capital requirements are significantly more restrictive than those applicable to Amundi under the current banking regulations. See paragraph 8.3.2 "Banking regulations applicable to Amundi".

Regulations applicable to compensation policies

The AIFM and UCITS V Directives, as well as the CRD IV banking regulations, govern the remuneration policies of credit institutions, investment service providers and AIF managers in order to ensure that these policies are compatible with the principles of good risk management (see section 2.4. «Identified employees» compensation).

8.3.1.1.2 Regulations applicable to the provision of investment services

Applicable legal framework

The Group's investment service providers are obliged to comply with the MiFID II regulatory framework governing the provision of these services, including portfolio management activities, also known as discretionary management, and investment advice.

This regulation sets out, in particular, (i) requirements in terms of internal organisation, (ii) obligations of good conduct to ensure the protection of investors through enhanced information requirements, assessments of adequacy and suitability for clients, the execution of orders under the most favourable conditions for clients and rules for handling client orders, (iii) enhanced management of the commissions paid in connection with the provision of investment advice, (iv) an increase in pre- and post-trading transparency requirements and their extension to additional financial instruments, and (v) an increase in the powers of the competent authorities. The applicable rules then depend on the type of client, with a high degree of protection for non-professional clients and, conversely, greater flexibility allowed in relations with professional investors.

Enhanced information requirements

MiFID II imposes increased obligations on investment service providers in terms of client information when providing investment services, particularly investment advice. Regulated entities must provide clear and appropriate guidelines

(1) *Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU "MiFID Directive II" and all related texts and implementation texts by means of delegated acts and technical regulatory standards to be prepared by the European Securities and Markets Authority ("ESMA") and adopted by the European Commission.*

(2) *Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to certain UCITS, as regards depositary functions, remuneration policies and sanctions.*

(3) *Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on AIF managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010.*

and warnings regarding the risks associated with financial instruments and, in particular, indicate to clients whether the range of instruments offered to them is established or provided by entities with links and relations with the entity offering the advice services. Furthermore, MiFID II introduces additional information obligations regarding the breakdown of the price of financial instruments and services. The client must be informed of the cumulative amount of costs and charges relating to investment services and ancillary services.

Regulation of commissions

MiFID II reinforces the protection of investors with regard to payments that a company may receive or pay to third parties during the provision of investment services. Companies providing investment advice in an independent manner or conducting portfolio management activities are prohibited from collecting fees, commissions or monetary or non-monetary benefits from third parties. Certain minor benefits of a non-monetary nature are allowed, but the client must be clearly informed of these.

In the case of entities providing investment services other than portfolio management or independent investment advice, commissions may be received provided that these payments are intended to improve the quality of service provided to the client and do not impair the service provider's compliance with its obligation to act in an honest, equitable and professional manner in the interests of its clients. The client must be clearly informed of the existence, nature and amount of such commissions, in a comprehensive, precise and understandable manner, before the provision of any service.

The prohibition of commissions in respect of independent investment advice does not apply to the commissions paid to entities in the Crédit Agricole, Société Générale and UniCredit networks, in accordance with the distribution agreements with these networks.

8.3.1.1.3 Regulations applicable to funds

Regulations applicable to UCITS-type funds

Amundi entities that manage and market UCITS-type funds in the EU must comply with the organisational requirements and the rules of good conduct of the UCITS V Directive.

In terms of internal organisation, strict rules must be respected, including requirements relating to the management of risk and conflicts of interest, as well as the rules of good conduct, particularly in relation to information to be provided to clients and the amount of commissions. UCITS or AIF assets must be held by a depositary that is a separate entity. The activities of depositaries are governed by rules relating to entities eligible for this function, covering their tasks, responsibilities and delegation agreements.

In addition, UCITS-type funds are subject to rules relating to the allocation and diversification of assets and should not, in particular, invest more than (i) 5% of the assets in securities or money market instruments issued by the same entity or (ii) 20% of its assets in deposits with the same entity.

For each UCITS-type fund that it oversees, the management company must draw up a short document containing key information for investors (Key Investor Information Document or "KIID"). This document must contain information on the essential elements of the UCITS-type fund concerned, in particular the identification of the UCITS-type fund, a brief description of its investment objectives and its investment policy, a presentation of past performance, associated costs and charges and the investment's risk/benefit profile. The management company must also publish a prospectus containing the information necessary for investors to be able to make an informed judgement about the investment offered to them and, in particular, the associated risks.

Regulations applicable to AIF managers

Amundi's activities are impacted by the AIFM Directive which imposes strict regulatory requirements on AIF managers. AIFs are defined as entities (other than UCITS-type funds) that raise capital from a number of investors, with a view to investing this capital for the benefit of the investors in accordance with a defined investment policy. The AIFM Directive imposes additional requirements in terms of organisation, governance, information and asset allocation, and requires AIF assets to be held by depositaries that are independent of the manager and the AIF.

AIF managers must draft regular reports for the competent authorities of their origin Member State on behalf of the AIFs that they manage. In particular, they must provide information on (i) the main instruments in which each AIF invests, (ii) the markets where each AIF is established or active, and the most important exposures and concentrations for each AIF. In addition, AIF managers are subject to enhanced obligations to provide investors with information. They must, for each EU AIF that they manage and for each AIF that they market in the EU, prepare an annual report no later than 6 months after the end of the financial year. Before any investment, managers must also make a list of information available to investors, including a description of the AIF investment strategy and objectives, a description of the procedures by which the AIF may change its investment strategy or policy, a description of the AIF valuation procedure and the method for fixing the price of the assets, a description of the management of the liquidity risk of the AIF and a description of all commissions, charges and expenses (including the maximum amounts of these) that are directly or indirectly borne by the investors.

European managers may, under certain conditions, market European or non-European AIF units or shares within the EU through the passport scheme.

Regulations applicable to money market funds

Money market funds are AIFs or UCITS-type funds investing in short-term liquid assets with the aim of offering yields comparable to those of the money market and/or preserving the value of the investment. The MMF(1) regulations establish uniform operating rules at European level in order to make these funds more resilient, limit the risks of financial instability and guarantee the equitable treatment of investors. This regulation applies to UCITS-type funds or AIFs for which the management and marketing are subject to approval. These new rules apply cumulatively with existing rules laid down by the UCITS and AIFM regulations, unless otherwise stipulated in the regulations.

(1) Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

Money market funds must obtain specific approval before being managed or marketed. The investment policy is framed by the requirements for eligible assets, concentration and diversification of asset portfolios. The fund manager must also establish a crisis simulation system as well as internal appraisal procedures to determine the credit quality of the money market instruments. Furthermore, procedures must be documented, validated, permanently applied and periodically reviewed.

The MMF regulations submit money market funds to increased transparency requirements. The assets of a money market fund must be valued at least every day, with publication of the daily valuation on the monetary fund website.

Money market funds are also subject to weekly reporting obligations relating to the composition of the portfolio, including breakdowns by maturity, credit profile, total asset value and net return.

8.3.1.1.4 EMIR regulations

Amundi activities relating to derivatives are subject to EMIR regulations on OTC derivatives, central counterparties and trade repositories. This regulatory framework requires (i) the centralised clearing of certain categories of standardised OTC derivatives, (ii) obligatory reporting of any derivatives transactions and (iii) the implementation of risk mitigation techniques (such as the provision of guarantees) for OTC derivatives that are not subject to centralised clearing.

8.3.1.1.5 Supervision of the so-called parallel banking sector

(i) Securities financing transactions

The European regulations on the transparency of securities financing transactions and reuse(1) aim to encourage the transparency of these transactions and limit associated risks. Three types of obligation have been introduced for fund managers: (i) an obligation to report securities financing transactions to trade repositories of data, (ii) an obligation to publish information on the use of securities financing transactions and swaps and (iii) a framework for the reuse of collateralised financial instruments.

(ii) Packaged investment products

The European regulations on investment products, known as PRIIPS (“Packaged Retail and Insurance-Based Investment Products”)(2) aim to standardise the pre-contractual information provided to non-professional investors (within the meaning of the MiFID II Directive) for investment products, the performance of which is based on underlying assets (such as UCITS-type funds and AIFs, structured deposits, structured bonds, unit-linked life insurance policies, etc.). The PRIIPS regulations also apply to securities or units of securitisation vehicles.

The initiator of these products must prepare a Key Information Document (“KID”), with accurate, fair and clear content, presenting the terms and conditions of the product to offer the retail investor basic information and allow understanding and comparisons of the product.

8.3.1.1.6 Sustainable finance

Following its action plan of 8 March 2018, the European Commission made sustainable finance one of its priorities in the implementation of the Capital Markets Union with several level 1 and 2 regulatory initiatives under discussion. The Disclosure(3) regulation defines harmonised rules applicable to all financial market professionals, including management companies, on the subject of publishing information on sustainable investment and sustainability risks. Stakeholders are required to take ESG risks into account in their investments, and must provide information on the main negative impacts of their investment policy on these ESG factors. The regulations also provide for enhanced transparency requirements for products, highlighting ESG characteristics and so-called sustainable investments.

In terms of indices, the Benchmark(4) regulation creates two new European low-carbon indices, the EU Climate Transition Benchmark and the EU Paris-aligned Benchmark, with enhanced transparency requirements, to provide investors with improved information on the carbon footprint of companies and investment portfolios.

8.3.1.2 France

The French regulatory framework applicable to Amundi’s asset management activities mainly reflects the European framework described above.

8.3.1.2.1 French regulatory and supervisory bodies

Autorité de contrôle prudentiel et de résolution (ACPR) French Prudential Supervision and Resolution Authority

The ACPR has a dual mission: to oversee credit institutions, investment companies (other than management companies) and insurance companies, and to ensure the protection of consumers and the stability of the financial system. In its role as a supervisory body, the ACPR grants approvals to credit institutions and investment companies and ensures compliance by these entities with the applicable laws and regulations and the conditions of their approval as well as monitoring their financial positions. The ACPR has the powers of administrative policing and sanction over the supervised entities. Certain powers of supervision and sanction with regard to credit institutions, previously entrusted to the ACPR, were transferred to the European Central Bank in November 2014. See section 8.3.2.1 “The regulatory and supervisory bodies for banking”.

(1) Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012.

(2) Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on Key Information Documents for packaged retail and insurance-based investment products.

(3) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector.

(4) Proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2016/1011 on low carbon benchmarks and positive carbon impact benchmarks.

French Financial Markets Authority ("AMF")

The AMF is responsible for regulating and supervising the financial markets and for supervising management companies. The latter must obtain AMF approval in order to conduct their activities. The nature of this approval depends on the management activities envisaged and on the financial and organisational capacity of the applicant companies. The management companies may thus request approval for three different activities, namely: (i) UCITS management, (ii) AIF management or (iii) portfolio management for a third party. Depending on the approval granted, the management companies may also propose investment services, defined by MiFID II, such as portfolio management, investment advice or receiving and transmitting orders.

When authorised to manage both UCITS-type funds and AIFs, management companies must comply with the regulations applicable to these two activities cumulatively, unless otherwise stipulated. The AMF monitors the compliance of management companies with the laws and regulations applicable to them and the conditions of their approval and has the power to sanction any party breaching these regulations.

8.3.1.2.2 Provisions on the prevention of money laundering, terrorist financing, and corruption

Management companies, investment service providers and credit institutions are required to report to an anti-money laundering unit under the authority of the French Minister of the Economy, known as Tracfin (Treatment of Information and Action Against Illicit Financial Circuits), any transaction involving sums which they know, suspect or have good reason to suspect, originate from an offence punishable by a custodial sentence of more than one year or which are linked to the financing of terrorism.

Regulated institutions are subject to an obligation of vigilance, including in particular the obligation to establish KYC procedures to allow the identification of the client (as well as the actual beneficiary) for any transaction. They must also establish systems for assessing and managing the risks of money laundering and the financing of terrorism that are customised to the transactions and clients concerned. They are also required to implement a corruption prevention program.

8.3.2 Banking regulations applicable to Amundi

8.3.2.1 Regulatory and supervisory bodies for banking

The banking supervisory authorities

On 15 October 2013, the EU adopted a regulation establishing a single supervisory mechanism for credit institutions in the euro zone and countries where there is an explicit prior consent system (opt-in) (the "ECB Single Supervisory Mechanism"), that entrusted specific tasks to the European Central Bank (ECB) concerning the prudential supervision of credit institutions. This regulation granted the ECB, in coordination with the competent national regulators, a direct supervisory power over certain European credit institutions and banking groups, including the Crédit Agricole group. As Amundi is part of the Crédit Agricole group, several Group entities are supervised directly by the ECB, including the Company, Amundi Finance and Amundi Tenue de Comptes.

The ECB fully assumed its supervisory role on 4 November 2014 as well as its responsibilities within the ECB Single Supervisory Mechanism, in close coordination, in France, with the ACPR (the ACPR and the ECB thereafter, each being a "banking supervisory authority").

Supervisory framework

The competent banking supervisory authority shall take individual decisions, instruct and issue approvals to credit institutions and investment firms and grant specific exemptions in accordance with the prevailing banking regulations. The Authority ensures observance by banks, other credit institutions and investment firms of the applicable laws and regulations and the conditions for their approval, and monitors their financial situations.

The competent banking supervisory authority may require financial institutions to comply with the applicable regulations and cease activities that may adversely affect clients' interests. The competent banking supervisory authority may also require a financial institution to take necessary measures to reinforce or restore its financial position, improve its management methods and/or adjust its organisational structure and activities to achieve its objectives. If the solvency or liquidity of a financial institution or the clients' interests are, or could be, threatened, the competent banking supervisory authority may take certain provisional measures such as: submitting the establishment to specific monitoring, restricting or prohibiting the conduct of certain activities (including the collection of deposits), the settlement of certain payments, the sale of certain assets, the distribution of dividends to shareholders, and/or the payment of variable compensation. The competent banking supervisory authority may also require credit institutions to maintain their regulatory capital level and/or their liquidity ratios at a higher level than that required by the applicable regulations and submit them to specific liquidity requirements, including in terms of maturity mismatches between assets and liabilities.

In the event of non-compliance with the applicable regulations, the competent banking supervisory authority may impose administrative sanctions, such as warnings, fines, suspension or dismissal of directors and withdrawal of banking approval, which would lead to a winding-up procedure. The competent banking supervisory authority also has the power to appoint a provisional administrator to temporarily manage a bank that it considers to be poorly managed. Insolvency proceedings may only be opened against banks, other credit institutions or investment companies after the prior approval of the competent banking supervisory authority has been obtained.

Resolution authority

In France, the ACPR is responsible for implementing measures for the prevention and resolution of banking crises.

Since 1 January 2016, a Single Resolution Board (SRB)(1) has been in charge of planning the preparation and resolution of decisions in such matters for cross-border credit institutions and banking groups, as well as for credit institutions and banking groups that are directly supervised by the ECB, such as the Crédit Agricole group. The ACPR remains responsible for implementing the resolution plans in accordance with the SRB's instructions.

The "resolution authority" refers to the ACPR, SRB and/or any other national authority authorised to exercise or participate in the exercise of internal bailout powers (including the Council of the European Union and the European Commission acting in accordance with the provisions of Article 18 of the SRM).

8.3.2.2 Banking regulations

In France, credit institutions must comply with the financial management standards defined by the Ministry of the Economy, the purpose of which is to ensure the solvency and liquidity of French credit institutions.

These banking regulations are mainly derived from the CRD IV regulations(2).

New banking rules amending the CRD IV regulations were adopted on 20 May 2019: Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 ("Revision of the CRD IV Directive" and, together with the CRD IV Directive, the "CRD V Directive") and regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (the "Revision of the CRR regulation" and, together with the CRD IV regulation, the "CRR 2 regulation"; the CRR 2 Regulation and the CRD V Directive hereafter jointly referred to as the "CRD V regulations"), both of which entered into force on 27 June 2019. The Revision of the CRD IV Directive will be transposed into French law within 18 months of 27 June 2019 (i.e. no later than 28 December 2020).(3)

According to these regulations, credit institutions must comply with minimum capital requirements. The requirements arising from these regulations that apply to Amundi in terms of solvency and capital adequacy are described in section 5.4 "Solvency and capital adequacy" of this Universal Registration Document. In addition to these requirements, the main regulations applicable to credit institutions concern the need to diversify the risks and liquid assets held, monetary policy, restrictions on equity investments and reporting requirements.

Finally, banking regulations impose information obligations on credit institutions. They must provide information on their objectives and policies in terms of risk management, governance procedures, compliance with capital adequacy requirements and compensation that have a significant impact on the leverage and risk profile. In addition, the French Monetary and Financial Code imposes additional information requirements on credit institutions, which must, in particular, provide information on certain financial indicators, their activities in non-cooperative States or territories, and more generally, information about their locations and activities in each State or territory.

8.3.2.3 Resolution measures

On 15 May 2014, the European Parliament and the Council of the European Union adopted Directive 2014/59/EU of the Parliament and of the Council, providing for the establishment of a European framework for the recovery and resolution of credit institutions and investment firms (known as "BRRD"), transposed into French law by Order No. 2015-1024 of 20 August 2015, introducing various provisions for adapting legislation to European Union law in financial matters.

The BRRD was amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD with regard to the loss-absorbing and recapitalisation capacity of credit institutions and investment firms as well as Directive 98/26/EC, (known as "BRRD II"), which will be transposed into French law within 18 months from 27 June 2019 (i.e. no later than 28 December 2020).

This scheme aims to equip the competent resolution authorities with common instruments and powers aimed at preventing banking crises in order to preserve financial stability, and to minimise the exposure of taxpayers to losses generated by the failure of credit institutions.

Resolution – General

In accordance with the provisions of Order No. 2015-1024 of 20 August 2015, the resolution authority may open a resolution procedure against an institution when it considers that the following conditions have been met:

- the failure of the institution is confirmed or likely;
- there is no reasonable prospect that other measures would avert the institution's failure within a reasonable timeframe; and
- a resolution measure is needed to fulfil the aims of the resolution, which a winding-up procedure would not accomplish: (i) to ensure the continuity of critical functions, (ii) to avoid major negative impacts on financial stability, (iii) to protect the resources of the State by minimising recourse to exceptional publicly-funded bailouts, and (iv) to protect the funds and assets of clients, and of depositors in particular.

The failure of an establishment is confirmed or likely if it no longer complies with the conditions of its approval, if it is no longer able to cover its debts or other commitments at maturity, if exceptional financial support is required from the public authorities (subject to a limited number of exceptions), and if the value of its assets is lower than its liabilities.

Following the opening of a resolution procedure, the resolution authority has several tools that it may deploy with the aim of recapitalising the relevant institution or restoring its viability,

(1) Established by Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 (the "regulations for a Single Resolution Mechanism" or "SRM") as amended by Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019.

(2) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 (the "CRD IV Directive") and Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the "CRR regulation" and, together with the CRD IV Directive, the "CRD IV regulations").

(3) Certain parts of the Revision of the CRR regulation have applied since 27 June 2019 (including, in particular, the provisions relating to capital instruments and instruments to be considered for TLAC), while other parts will only apply from 28 June 2021 or 1 January 2022.

under the conditions described below. The resolution tools must be implemented in such a way that the shareholders bear the losses first, then the holders of additional category 1 and 2 capital instruments, and then the other creditors in accordance with the order of priority of their receivables in the context of standard insolvency procedures, subject to certain exceptions.

The internal bailout tool and other resolution measures

In particular, the resolution authority may implement the "internal bailout" tool to reduce the nominal value of capital instruments or convert capital instruments and some of the institution's commitments into category 1 securities. The internal bailout tool is first implemented by reducing category 1 capital securities and then by reducing or converting other capital instruments followed by some of the institution's commitments.

Even if not all the conditions for opening a resolution procedure are met, the resolution authority shall proceed, if certain conditions are fulfilled (in particular if the viability of the institution depends on it), to reduce capital instruments in the amount of the losses. A valuation is also conducted by an independent expert. The reduction may be carried out by: (i) the cancellation of these instruments or their transfer to the institution's creditors, or (ii) if the institution's net value is positive, the sharp dilution of these instruments by converting other capital instruments and/or commitments.

As a result of the foregoing, in the event of financial difficulties that may justify the initiation of a resolution procedure, or if the viability of the Company or Group depends on it, the Company shares in circulation may be diluted by the conversion of other capital or debt instruments, whether cancelled or transferred, thus depriving shareholders of their rights.

In addition to the internal bailout tool, broader powers are conferred on the resolution authority in order to implement other resolution measures concerning defaulting institutions (or the group to which they belong), comprising in particular: the total or partial transfer of the activities of the institution to a third-party or relay institution, the separation of assets, the replacement or substitution of the institution as a debtor in respect of debt instruments, changes to the conditions of debt instruments (the maturity date and/or the amount of interest and/or temporary suspension of payments), the removal of officers from their duties, the appointment of a special administrator and the issue of new capital securities or other capital instruments. When it uses its powers, the resolution authority must take into account the situation of the Group or institution concerned and the potential consequences of its decisions in the Member State in question.

If the Crédit Agricole group or Crédit Agricole S.A. Group (including Crédit Agricole and its consolidated subsidiaries) were facing financial difficulties that could justify the initiation of a resolution procedure, the resolution authority could require Crédit Agricole S.A. to sell all the Company shares that it holds.

Crédit Agricole S.A., in its capacity as the central body and parent company of its subsidiaries, was appointed by the SRB as the single point of entry in the event of a resolution of the Crédit Agricole group.

As a result of the application of this strategy of a single point of entry, an entity belonging to the Crédit Agricole group could not be subject to resolution on an individual basis.

MREL Ratio

In order to guarantee the effectiveness of the internal bailout tool in the event that it is implemented, from 1 January 2016 institutions have been required to comply with a minimum requirement of own funds and eligible commitments, expressed as a percentage of the total of own funds and the remainder of the liabilities of the institution concerned. The resolution authority determines this percentage for each institution. This minimum level is called the Minimum Ratio of Eligible Liabilities ("MREL") and must be set in accordance with BRRD II. The resolution authorities may also define an appropriate transition period to achieve the final MREL requirement.

Preventative recovery and resolution plans

Each credit institution or banking group is required to establish a preventative recovery plan that will be reviewed by the banking supervisory authority. This obligation does not in principle apply to entities in a group already supervised on a consolidated basis. The resolution authority must in return establish a preventative resolution plan for the institution or group concerned.

- Preventative recovery plans must define a number of measures applicable in the event of a significant deterioration of the financial position of the institution concerned. Updated annually (or immediately following the occurrence of a significant change in the credit institution's organisation or activities), each preventative recovery plan must be evaluated by the banking supervisory authority to determine the capacity of the measures it proposes in order to maintain or restore the viability and financial position of the institution concerned. When necessary, the banking supervisory authority may require the institution to change its organisation and must also ensure that the proposed measures do not impede the exercise of the resolution measures in the event that a resolution procedure is initiated.
- The preventative plans for resolution prepared by the resolution authority must determine, prior to any failure, the conditions for implementing the various resolution measures described above for each institution. These plans must be updated annually (or immediately following the occurrence of a significant change in the credit institution's organisation or activities).

The Single Resolution Fund

The Single Resolution Mechanism provides for the establishment of a single resolution fund from 1 January 2016, which may be used by the Single Resolution Board in support of resolution plans (the "Single Resolution Fund"). This Single Resolution Fund, financed by all banking institutions, will replace the national resolution funds implemented for major banking institutions in accordance with the BRRD. On 19 December 2014, the Council adopted Implementing Regulation (EU) 2015/81 specifying uniform conditions of application of the regulation on the Single Resolution Mechanism with regard to ex ante contributions to the Single Resolution Fund. This regulation defines the method for calculating the contributions of banks to the Single Resolution Fund, and sets out the annual contributions to be paid by banks to the latter, in proportion to the amount of their liabilities, excluding capital and deposits covered and adjusted according to risks. The Single Resolution Fund will gradually be established over an eight-year period (2016-2023) and must reach at least 1% of the amount of deposits covered by 31 December 2023. As of 30 June 2019, the Single Resolution Fund stood at approximately €33 billion.

8.4 INFORMATION REGARDING THE PARENT COMPANY

Investments made by Amundi during the past three years

MAIN INVESTMENTS

Date	Investment	Financing
10/02/2015	Acquisition of Bawag PSK invest (later renamed Amundi Austria).	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).	The acquisition was financed by its own funds generated and retained during the year.
03/07/2017	Acquisition of Pioneer Investments Group from UniCredit for a total cash amount of €3,545 billion.	The acquisition was financed in the amount: of €1.5 billion with excess capital, in the amount of €1.4 billion by a capital increase, and in the amount of €0.6 billion from the issuance of senior and subordinated debt with Crédit Agricole S.A.

New products and services

New products and services are regularly offered to customers by the Group's entities. Information is available on the Group's websites, particularly in the form of the press releases available on the website www.amundi.com.

Material contracts

No contracts containing an obligation or significant commitment for Amundi had been signed by any of its entities as of the date of filing of this Universal Registration Document.

Significant changes

The 2019 financial statements were approved by the Board of Directors of 11 February 2020. No significant change has occurred in the financial or business condition of the Company or the Amundi Group since this date, with the exception of the Covid-19 crisis, of which consequences were still difficult to estimate at the date of filing this Universal Registration Document.

Publicly available documents

This document is available on the Group website le-groupe.amundi.com/actionnaires/informations-financières and on the website of the French Financial Markets Authority (AMF) www.amf-france.org.

All regulatory information as defined by the AMF (under Title II of Book II of the AMF General Regulation) is available on the Company's website. Amundi's Articles of Association are included in full in this document.

AGM of 12 May 2020

The agenda as well as the draft resolutions presented to the ordinary AGM of 12 May 2020 will be made available online at: shareholders.amundi.com

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".

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.

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.

Information on aging of accounts payable

Past due invoices received or issued and due but unpaid as of the reporting date (Table pursuant to I in Article D. 441-4).

In € thousand	Article D. 441 I.-1: Invoices received and due but unpaid as of the reporting date						Article D. 441 I.-2: Invoices issued and due but unpaid as of the reporting date					
	0 days	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and over)**	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and over)**
(A) LATE PAYMENT TRANCHES												
Number of invoices				1	6	7		3	7			10
Total amount of the invoices concerned excluding or including taxes or VAT				4	47	51		157	172			329
Percentage of total purchases for the financial year		0.00%	0.00%	0.01%	0.19%	0.20%						
Percentage of revenue for the financial year								0.52%	0.57%			1.08%
(B) INVOICES EXCLUDED FROM A RELATING TO DISPUTED OR UNRECOGNISED AMOUNTS DUE AND RECEIVABLES												
Number of excluded invoices	0						0					
Amount of excluded invoices												
(C) BENCHMARK PAYMENT PERIODS USED												
Payment periods used to calculate late payment	> 30 days						> 30 days					

This information does not include the banking operations nor the related transactions which are not included in the scope of information to release.

8.5 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS

(General Meeting held to approve the financial statements for the year ended December 31, 2019)

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

To the Annual General Meeting of Amundi,

In our capacity as Statutory Auditors of Amundi, we hereby report to you on related-party agreements.

It is our responsibility to inform you, based on the information provided to us, of the essential characteristics and terms, and the reasons justifying the interest for the Company of agreements and commitments of which we have been notified or that we may have identified as part of our engagement, without commenting on their usefulness or merit or ascertaining the existence of any other such agreements or commitments. It is your responsibility, pursuant to the provisions or Article R.225-31 of the French Commercial Code, to assess the benefits resulting from these agreements and commitments prior to their approval.

Furthermore, it is also our responsibility to provide you with the information required by Article R.225-31 of the French Commercial Code relating to the performance during the year of agreements already approved by the Annual General Meeting.

We performed the work that we deemed necessary in accordance with the professional standards applicable in France to such engagements. Our work consisted in verifying that the information provided to us is consistent with the underlying documents.

Agreements and commitments authorised during the year

Pursuant to Article 225-38 of the French Commercial Code, we were informed that no agreements or commitments authorized and concluded during the preceding year was to be submit for approval to the Annual General Meeting.

Agreements and commitments previously approved by the annual general meeting

Agreements and commitments approved in previous years

Pursuant to Article 225-30 of the French Commercial Code, we were informed that the following agreements and commitments, approved by the Annual General Meeting in previous years, remained in force during the year ended December 31, 2019.

1. With Crédit Agricole S.A.

Person concerned

Mr. Xavier Musca, a director of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.

Nature and purpose

As its meeting of 17 June 2015, the Board of Directors authorised the partnership agreement entered into between Amundi, Société Générale and Crédit Agricole S.A. which renewed all of the industrial agreements entered into with the Société Générale and Crédit Agricole S.A. groups and the amendments to the subsequent agreements. This agreement was entered into for a period of five years.

Terms and conditions

These transactions generated an overall net amount of €279 million paid by Amundi Group to Crédit Agricole Group.

2. With Crédit Agricole S.A.

Persons concerned

- Mr. Xavier Musca, a director of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A.
- Mr. Yves Perrier, Director and Chief Executive Officer of Amundi and Deputy Chief Executive Officer of Crédit Agricole S.A

Nature and purpose

As its meeting of 15 September 2015, the Board of Directors authorised a charge-back agreement signed by Amundi and Crédit Agricole S.A., setting at 80% the charge-backs made to Amundi Group for the fixed and variable compensation and related expenses of Mr. 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 Mr. Yves Perrier's employment contract.

Terms and conditions

As such, during the year ended December 31, 2019, the expenses relating to this charge-back amounted to €3,09 million.

Neuilly-sur-Seine and Paris-La Défense, April 10, 2020

The Statutory Auditors

PricewaterhouseCoopers Audit		ERNST & YOUNG et Autres	
Laurent Tavernier	Anik Chaumartin	Olivier Durand	Claire Rochas

8.6 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Mr. Yves Perrier.

8.6.1 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 Universal 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 management report (included in chapter 4 of the present Universal Registration Document) 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, and describes 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.

14 April 2020

Yves Perrier

Chief Executive Officer of the Company

8.6.2 Statutory auditors

Statutory Auditors

ERNST & YOUNG et Autres

Represented by Claire Rochas and Olivier Durand

1/2 place des Saisons, 92400 Courbevoie – Paris La Défense 1

ERNST & YOUNG et Autres is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Regional Association of Auditors of Versailles).

ERNST & YOUNG et Autres was renewed as Statutory Auditor by decision of the General Meeting of Shareholders of the Company of 28 April 2015 for a term of six years to end at the close of the General Meeting to be convened to approve the financial statements for the year ending 31 December 2020.

PricewaterhouseCoopers Audit

Represented by Laurent Tavernier and Anik Chaumartin

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 Meeting of Shareholders of the Company of 16 May 2019 for a term of six years to end at the close of the General Meeting to be convened to approve the financial statements for the year ending 31 December 2024.

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 Meeting of Shareholders of the Company of 28 April 2015 for a term of six years to end at the close of the General Meeting to be convened to approve the financial statements for the year ending 31 December 2020.

8.7 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 indices. 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 fund (AIF)

Alternative investment funds or AIFs are investment funds that are distinct from UCITS-type 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 class

An asset class consists of financial assets that share similar characteristics. Amundi has identified the following asset classes for the monitoring of its activities: Treasury, fixed income, multi-asset, equity, real, specialised and structured.

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).

Assets under management

Operational business indicator not reflected in the Group's unaudited 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 point (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.

Constant proportion portfolio insurance ("CPPI") fund

Type of investment fund managed using the constant proportion portfolio insurance method, which gives the fund exposure to upside in the financial markets while also providing capital protection or a capital guarantee. It is based on differentiation between two types of assets in a single portfolio: dynamic assets intended to produce the returns sought, and assets providing the guarantee or protection. The breakdown of assets between these two types is reviewed regularly in order to achieve the management objective.

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 (UCITS-type funds, AIFs, "other AIFs" and "other collective investments").

Depositary

Service provider ensuring the safekeeping of securities and checking the lawfulness of management decisions taken on behalf of the UCITS-type 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 UCITS-type funds.

Derivative

Financial instrument whose value varies as a function of the price of an underlying, which may be of a different nature (equity, index, currency, interest rate, etc.). The derivative gives its holder exposure to fluctuations in the underlying without the holder having to buy or sell it itself. Derivative contracts may take various forms (swaps, forwards, futures, options, CFDs, warrants, etc.).

Discretionary management

Investment service consisting of managing, on a discretionary and customised basis, portfolios that include one or more financial instruments as part of a mandate given by a third party.

ETF (exchange traded fund)

ETFs (exchange traded funds) or "trackers" are stock market-listed index funds that aim to replicate as closely as possible the performance in their benchmark index, on both the upside and downside. An ETF security trades like a normal share and can therefore be purchased or sold during market trading hours.

Formula funds

Type of mutual funds whose aim is to achieve, after a defined period, a value determined by the strict application of a predefined calculation formula, based on financial market indicators or financial instruments, and as the case may be to distribute income, which is determined in the same manner.

FCP mutual fund

Type of UCITS 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. An FCP mutual fund is represented and managed in administrative, financial and accounting terms by a single management company, which may outsource those tasks.

Fund of funds

A fund of funds is an undertaking for collective investment in transferable securities (UCITS-type 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 the 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 investors

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 CA and SG Insurers.

Management mandates

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.

Managed account

Managed accounts are covered by the AIFM Directive, and are investment funds that give investors access to alternative management in a regulated environment, while limiting the main operational risks. These alternative funds are under the control and oversight of the operator of the managed account platform, who delegates the financial management of a portfolio to a third-party manager. 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.

Multi-asset fund

Multi-asset funds invest in a wide variety of securities and in various asset classes (equities, bonds, money market, etc.). Risks and returns associated with a multi-asset fund may vary greatly depending on its management objectives and the composition of its assets.

Net fee margin

The 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)

Operating activities indicator not reflected in the consolidated financial statements and that corresponds to the difference between the subscription and buyback amounts of the period. 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.

OPCI (real-estate mutual fund)

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 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 on an ancillary basis to manage financial instruments and deposits.

Open-ended fund

Collective investment undertakings that may take the form of a UCITS-type fund, AIF or other, that are open to both non-professional and professional investors.

Passive or index-based management

Investment strategy intended to replicate as accurately as possible the performance of a benchmark index.

Performance fees

Performance fees are paid to the asset management company as provided by contract. They are computed on the basis of a percentage on the positive difference between the actual performance and the benchmark index as provided by the contract.

Portfolio management company

Investment service provider whose main activity is managing assets for third parties (individually through a management mandate or collectively through a UCITS-type 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.

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 indices other than those that weight stocks by market capitalisation, e.g. "anti-benchmark®" management by TOBAM.

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.

Sovereign fund

International investment fund owned by a State or a State's central bank.

Structured fund

Type of investment fund that generally features guarantees or protection on some or all of the amounts invested, mainly comprising two large families: formula funds and constant proportion portfolio insurance (CPPI) funds.

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, indices, funds, funds of funds, etc.).

Third-party distributors

A distributor is a service provider in charge of marketing investment services and financial instruments to its client base (retail customers or institutional investors). Amundi has contracts with more than 1,000 distributors worldwide for the marketing of its products and services. Amundi's third-party distributors include all distributors except for partner distribution networks in France (Crédit Agricole, LCL, Société Générale, Crédit du Nord), partner distribution networks outside France (UniCredit, HypoVerreinsbank, Bank Austria, 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 indices or are compared with a benchmark index. It is the annualised standard deviation of the differences between portfolio returns and benchmark index returns.

UCITS-type funds (undertakings for collective investments in transferable securities)

Portfolio of securities (shares, bonds, etc.) managed by professionals (management companies) and owned collectively by individual or institutional investors. There are two types of UCITS-type funds: SICAVs (variable-capital investment companies) and FCPs (mutual funds).

Upfront fees

Fees paid by the client that correspond to commissions paid to distributors, in accordance with contractual provisions. They are generally defined as a percentage of management fees. Upfront fees paid to distributors are capitalised and amortised over the life of the contracts.

Value at risk (VaR)

Value at Risk represents an investor's maximum potential loss on a financial asset or portfolio of financial assets, which should only be reached with a given probability over a given timeframe. In other words, it is the worst loss expected over a given timeframe for a certain confidence level. VaR can be regarded as a quantile of the distribution of profits and losses associated with holding an asset or portfolio of assets over a given period.

Voluntary investment

Proprietary investments carried out by Amundi, as opposed to investments for third parties.

8.8 CROSS-REFERENCE TABLE

8.8.1 Cross-reference table with annex 1 to the delegated european regulation n° 2019/980

The table below identifies in this document the information mentioned by the different headings of the universal registration document.

N°	Informations	Pages
1	**Persons responsible, third party information, experts' reports and competent authority approval**	
1.1	Persons responsible for the information	298
1.2	A declaration by those responsible for the universal registration document	298
1.3	A statement or report attributed to a person as an expert	NA
1.4	Information sourced from a third party	NA
1.5	A statement that the universal registration document has been approved by the competent authority	1
2	**Statutory auditors**	
2.1	Names and addresses of the issuer's auditors (together with their membership in a professional body)	298
2.2	If auditors have resigned, been removed or have not been re-appointed, indicate details if material.	NA
3	**Risk factors**	62-63 ;107-108 ; 146 ; 150-171 ; 203-204 ; 215 ; 249
4	**Information about the issuer**	
4.1	The legal and commercial name of the issuer	174 ; 295
4.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI')	174 ;295
4.3	The date of incorporation and the length of life of the issuer	295
4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates	174 ; 295
5	**Business review**	
5.1	Principal activities	6-7 ; 14-19 ;
5.2	Principal markets	14-19 ; 31 ; 130-133
5.3	The important events in the development of the issuer's business	146
5.4	Strategy and objectives	6-7 ; 14-19
5.5	Summary information regarding the extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes	16 ; 295 ; 156 ;
5.6	The basis for any statements made by the issuer regarding its competitive position	14-19
5.7	Investments	
5.7.1	A description, (including the amount) of the issuer's material investments	180 ; 295
5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad)	146 : 180 ; 295
5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	16 ; 212-213 ; 231
5.7.4	A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets	97-128
6	**Organisational structure**	
6.1	A brief description of the group	31
6.2	A list of the issuer's significant subsidiaries	31 ; 228-231 ; 257

N°	Informations	Pages
7	**Operating and financial review**	
7.1	Financial condition	13 ; 129-147 ; 175-180 ; 240-242
7.1.1	A fair review of the development and performance of the issuer's business and of its position for each year	12 ; 133-135
7.1.2	The review shall also give an indication of the issuer's likely future development and its activities in the field of research and development	146
7.2	Operating results	13 ; 136-137 ; 139 ; 175
7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations	136 ; 139
7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes	133-136
8	**Capital resources**	
8.1	Information concerning the issuer's capital resources	13 ; 24-30 ; 141-145 ; 169-171 ; 178-179 ; 205
8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows	180
8.3	Information on the borrowing requirements and funding structure of the issuer	144-145
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	NA
8.5	Information regarding the anticipated sources of funds needed to fulfil commitments	NA
9	**Regulatory environment**	
9.1	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	288-295
10	**Trend information**	
10.1	A description of: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the universal registration document; (b) any significant change in the financial performance of the group	146
10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	146
11	**Profit forecasts or estimates**	7
12	**Administrative, management and supervisory bodies and senior management**	
12.1	Information on administrative, management and supervisory bodies and senior management	34 ; 37-68
12.2	Administrative, management and supervisory bodies and senior management conflicts of interests	58-59
13	**Remuneration and benefits**	
13.1	The amount of remuneration paid and benefits in kind granted	69-93 ; 219-220
13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	84-86 ; 220
14	**Board practices**	
14.1	Date of expiration of the current term of office	37-55
14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer	56-59
14.3	Information about the issuer's audit committee and remuneration committee	61-62 ; 64-65
14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer	36 ; 57-58
14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition	55
15	**Employees**	
15.1	Number of employees	123-128 ; 216 ; 273
15.2	Shareholdings and stock-options	23-24 ; 64-65 ; 219 ; 251
15.3	Description of any arrangements for involving the employees in the capital of the issuer	28-30 ; 251

N°	Informations	Pages
16	**Major shareholders**	
16.1	Shareholders holding more than 5 % of the capital	23-24 ; 245
16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist	NA
16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom	24-24 ; 174 ; 245
16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	NA
17	**Related party transactions**	
17.1	Details of related party transactions	146 ; 266 ; 297
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	
18.1	Historical financial information	12-15 ; 21; 24-25 ; 175-233 ; 240 -274
18.2	Interim and other financial information	NA
18.3	Auditing of historical annual financial information	234-237 ; 275-277
18.4	Pro forma financial information	NA
18.5	Dividend policy	21 ; 25 ; 140 ; 216 ; 274
18.6	Legal and arbitration proceedings	153-154 ; 215 ; 263
18.7	Significant change in the issuer's financial position	295
19	**Additional information**	
19.1	Share Capital	24-25 ; 215 ; 266
19.1.1	The amount of issued capital, and for each class of share capital	24-25 ; 215 ; 266
19.1.2	If there are shares not representing the capital, state the number and main characteristics of such shares	NA
19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer	24 ; 260
19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants	NA
19.1.5	Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital	NA
19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options	NA
19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information	24-25
19.2	Memorandum and Articles of Association	280-284
19.2.1	The register and the entry number therein, and a brief description of the issuer's objects and purposes	6-7 ; 174 ; 295
19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class	281
19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer	NA
20	**Material contracts**	**16-17 ; 295**
21	**Documents available**	**295**

8.8.2 Thematic table identifying relevant data from the regulated information as defined by the AMF General Regulation contained in this Universal Registration Document

This Universal Registration Document includes all the items from the annual financial report as listed in Articles L. 451-1-2 of the French Monetary and Financial Code and required by Article 222-3 of the AMF General Regulation.

The table below shows the items included in the annual financial report:

Required items	Pages
1- Management report	
Analysis of the results and the financial position	130-147
Risk analysis	150-171
List of authorisations relating to capital increases	26-27
Items that may have an impact in the event of a takeover	NA
Sustainable development and corresponding report by one of the statutory auditors appointed as an independent third party	6-7 ; 20 ; 96-128
Share buyback	26-30
Compensation Policy (say on pay)	69-93
Corporate Governance Report	36-93
2- Financial statements	
Annual financial statements	240-275
Report of the statutory auditors on the annual financial statements	275-277
Consolidated financial statements	175-233
Report of the statutory auditors on the consolidated financial statements	234-237
3- Certification of the person responsible for the document	
Pursuant to Articles 212-13 and 221-1 of the AMF General Regulation, the Universal Registration Document also contains the following information as part of its regulated disclosures:	
■ Annual information document	298
■ Statutory auditors’ fees	233

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Photos credit:
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Editorial: Augustin Detienne / CAPA Pictures, Magali Delporte
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of its clients and society