

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Public							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	n/a							✓
OO End	Module confirmation page	✓	-							

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04		✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Public	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	⚡	n/a							✓
SG 17	Innovative features of approach to RI	✓	Public							✓
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public							✓
LEI 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 11	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 12	Aspects of analysis ESG information is integrated into	✓	Public	✓						
LEI 13	ESG issues in index construction	✓	Public	✓						
LEI 14	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
LEI 15	Measurement of financial and ESG outcomes of ESG incorporation	✓	Public	✓						
LEI 16	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagement methods	✓	Public		✓					
LEA 13	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 15	Examples of ESG engagements	✓	Public		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	✓	Public		✓					
LEA 21	Securities lending programme	✓	Public		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Public		✓					
LEA 26	Examples of (proxy) voting activities	✓	Public		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive,active strategies	✓	Public							✓
FI 02	Option to report on <10% assets	●	n/a							✓
FI 03	Breakdown by market and credit quality	✓	Public							✓
FI 04	Incorporation strategies applied	✓	Public	✓						
FI 05	ESG issues and issuer research	✓	Public	✓						
FI 06	Processes to ensure analysis is robust	✓	Public	✓						
FI 07	Types of screening applied	✓	Public	✓						
FI 08	Negative screening - overview and rationale	✓	Public	✓						
FI 09	Examples of ESG factors in screening process	✓	Public	✓						
FI 10	Screening - ensuring criteria are met	✓	Public	✓						
FI 11	Thematic investing - overview	✓	Public	✓						
FI 12	Thematic investing - themed bond processes	✓	Public	✓						
FI 13	Thematic investing - assessing impact	✓	Public	✓						
FI 14	Integration overview	✓	Public	✓						
FI 15	Integration - ESG information in investment processes	✓	Public	✓						
FI 16	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 17	ESG incorporation in passive funds	✓	Public	✓						
FI 18	Engagement overview and coverage	✓	Public		✓					
FI 19	Engagement method	✓	Public	✓	✓					
FI 20	Engagement policy disclosure	✓	Public	✓	✓					
FI 21	Financial/ESG performance	✓	Public							✓
FI 22	Examples - ESG incorporation or engagement	✓	Public	✓	✓					
FI 23	Communications	✓	Public		✓				✓	
FI End	Module confirmation page	✓	-							

Amundi

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

France

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

4100

OO 03	Mandatory	Public	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04	Mandatory	Public	Gateway/Peering	General
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OO 04.1 Indicate the year end date for your reporting year.

31/12/2016

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM	1	082	711	000	000
Currency	EUR				
Assets in USD	1	158	721	111	426

OO 04.4 Additional information. [Optional]

In 2016, Amundi's assets rose by + 9.9% to € 1,083 billion.

OO 06 **Mandatory** **Public** **Descriptive** **General**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 06.1 How you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	14	0
Fixed income	50	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0

Inclusive finance	0	0
Cash	17	0
Other (1), specify	12	0
Other (2), specify	7	0

'Other (1)' specified

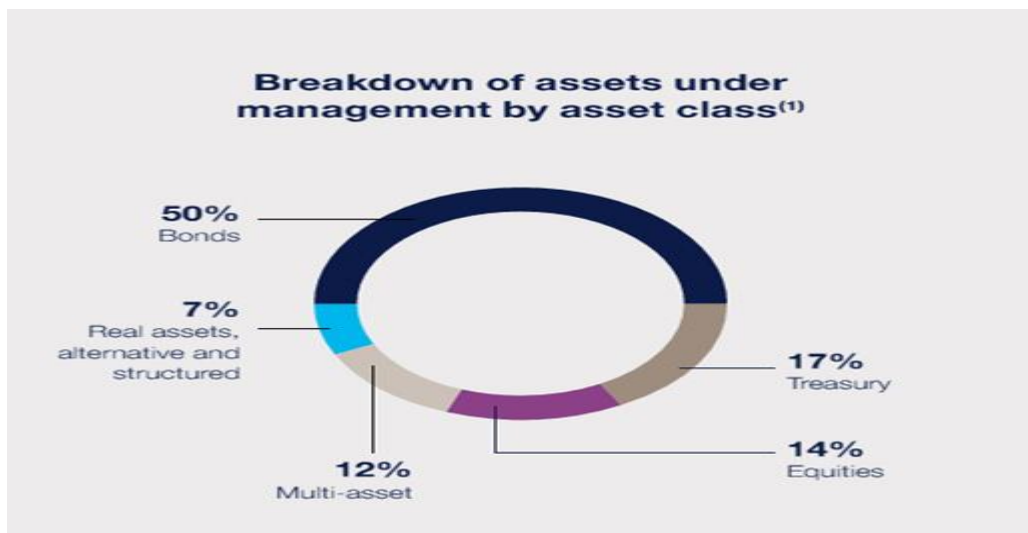
Multi-asset

'Other (2)' specified

Real assets, alternative and structured

as broad ranges

OO 06.2 Publish our asset class mix as per attached image [Optional].



(1) Amundi figures as of 31 December 2016.

OO 07	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO 07.1 Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	SSA	30
	Corporate (financial)	40
	Corporate (non-financial)	25
	Securitised	5
	Total	100%

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	<i>100%</i>

Gateway asset class implementation indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1

Select the direct or indirect ESG incorporation activities your organisation implemented for listed equities in the reporting year.

- We incorporate ESG in our investment decisions on our internally managed assets
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 10.2

Select the direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

- We engage with companies on ESG factors via our staff, collaborations or service providers
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 10.3

Select the direct or indirect voting activities your organisation implemented for listed equity in the reporting year

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11

Mandatory

Public

Gateway

General

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Fixed income – securitised
- Cash
- Other (1)
- Other (2)
- None of the above

'Other (1)' [as defined in OO 05]

Multi-asset

'Other (2)' [as defined in OO 05]

Real assets, alternative and structured

Amundi

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)

other (1) description

UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials; UN Declaration on the Rights of Indigenous Peoples

Other, specify (2)

other (2) description

The International Finance Corporation (IFC) - the private sector arm of the World Bank Group-, which has published environmental and social sustainability performance standards.

Other, specify (3)

other (3) description

ILO's Core Labour Standards; World Council of Indigenous Peoples; UN Convention on Biological Diversity; Maritime Labour Convention; MARPOL Convention

None of the above

No

SG 01.6

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

At Amundi, the implementation of our ESG policy notably includes:

ESG at the core of the investment process

Since its creation, Amundi has chosen to place ESG at the core of its investment processes. This has led to greater cooperation between the extra-financial and financial analysis teams, as well as between the SRI and "traditional" management teams, with the ratings being circulated to all the fund managers.

Issuers' extra-financial ratings (both companies and countries) are circulated in real time to all our management teams and financial analysts. At any time, fund managers can consult the financial and extra-financial ratings of the stocks in their portfolios and benchmark indexes.

Exclusion of the most controversial issuers

Amundi applies strict rules for integrating ESG criteria across its active management activities:

- no direct investments in companies involved in the production or sale of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo conventions,
- exclusion of companies involved in the production or sale of chemical, biological and depleted uranium weapons,
- exclusion of companies that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact.
- exclusion of countries that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity,
- exclusion of issuers that generate more than 50% of their revenue in coal extraction.

These issuers are rated G according to Amundi's internal ESG rating (from A to G, A being the highest rating and G being the lowest rating).

Rigorous Socially Responsible Investment Policy

To qualify as SRI, all investments must respect the following criteria:

- Systematic inclusion of a rating based on Environmental, Social and Governance criteria when selecting issuers for the portfolio, while respecting the following minimum conditions:

- --Guaranteed minimum threshold for taking ESG criteria into account: the average portfolio's ESG rating must be greater than or equal to a predefined level, in this case a C-rating;
- --Selection of the best issuers in an investment universe: the average ESG rating of an SRI portfolio must be greater than or equal to the ESG rating of the investment universe or benchmark index, as calculated by our team of extra-financial analysts;
- --At least 90% of the securities in the portfolio must have an ESG rating.

- Exclusion of issuers with the most questionable ESG practices. Portfolio managers cannot purchase issuers with the lowest industry ratings (issuers rated E, F or G on a scale from A to G); this enables us to protect our clients from financial and reputational risks.

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1 Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

http://about.amundi.com/corporate_fr/ejzscore/call/ejzscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_362

- Attachment (will be made public)

Attachment

[File 1:Integration ESG ENG 07 16 Final.pdf](#)

- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

http://www.amundi.com/int/ejzscore/call/ejzscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_wam_lists_Documents_documents_212

- Attachment (will be made public)

Attachment

[File 1:FINAL EN 13.01.17.pdf](#)

- Formalised guidelines on social factors

URL/Attachment

- URL

URL

http://www.amundi.com/int/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld= download_geds_wam_lists_Documents_documents_212

- Attachment (will be made public)

Attachment

[File 1:FINAL EN 13.01.17.pdf](#)

- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld= download_geds_corporate_lists_Document_documents_693

- Attachment (will be made public)

Attachment

[File 1:FINAL EN 13.01.17.pdf](#)

- Asset class-specific RI guidelines

URL/Attachment

- URL

URL

http://www.amundi.com/int/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld= download_geds_wam_lists_Documents_documents_212

- Attachment (will be made public)

Attachment

[File 1:Amundi immobilier charte ISR.pdf](#)

- Sector specific RI guidelines

URL/Attachment

URL

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_742

Attachment (will be made public)

Attachment

[File 1:Integration ESG ENG 07 16 Final.pdf](#)

Screening / exclusions policy

URL/Attachment

URL

URL

http://www.amundi.com/int/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_wam_lists_Documents_documents_1197

Attachment (will be made public)

Attachment

[File 1:rapport eng 2015 uk co liens securisé.pdf](#)

Engagement policy

URL/Attachment

URL

URL

http://www.amundi.com/int/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_wam_lists_Documents_documents_1197

Attachment (will be made public)

Attachment

[File 1:rapport_eng_2015_uk_co_liens_securisé.pdf](#)

(Proxy) voting policy

URL/Attachment

URL

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=_download_geds_corporate_lists_Document_documents_693

Attachment (will be made public)

Attachment

[File 1:AMUNDI 2016 Voting Policy.pdf](#)

We do not publicly disclose our investment policy documents

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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In order to ensure the protection and primacy of client's interests and to comply with the applicable regulations, Amundi has implemented a policy and procedures aimed at preventing situations involving conflicts of interests an resolving such situations if they could arise.

This policy describes Amundi's approach to the identification, prevention and management of conflicts of interests that may arise in the conduct of its activities:

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=_download_geds_corporate_lists_Document_documents_821

No

SG 04	Voluntary	Public	Descriptive	General
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SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.
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- Yes
- No

SG 04.2	Describe your process on managing incidents
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We work with 2 agencies, RepRisk and Factiva, to monitor controversies. ESG Ratings are updated monthly and may be reviewed between two monthly calculations in the event of serious controversy. Additionally, Amundi Consultative Committee, which is comprised mainly of external experts, aims at monitoring developments in social issues and emerging themes, as well as anticipating possible controversy. The Committee issues opinions which are then communicated to the ESG Committee for a final decision. The Committee can also refer to outside experts, for instance NGOs, on subjects like child labour or reasons for excluding countries.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

SG 05.2	Additional information. [Optional]
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SG 06	Voluntary	Public	Descriptive	General
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SG 06.1	List the main responsible investment objectives that your organisation set for the reporting year.
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	Responsible investment processes
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- Provide training on ESG incorporation

	Key performance indicator
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Number of ESG sector presentations done to fund managers and clients
 Number of generic ESG presentations made to clients

Progress achieved

More than 100 presentations of ESG integration process have been done in 2016, to investors, clients, rating agencies, consultancy firms, universities, in 19 countries.

On top of generic ESG presentations, 9 sector/thematic presentations have been presented both to fund managers and clients, about:

- Human rights
- Endocrine disruptors
- Sustainable building
- Sustainable transport
- Water in the utilities sector
- Coal extraction and mining
- Non conventional hydrocarbons
- Palm oil
- Child Labour

- Provide training on ESG engagement

Key performance indicator

Publication and presentation of the engagement report

Progress achieved

Amundi's Engagement report is publicly available on Amundi's website and is widely distributed at public events we take part or we organise.

On top of that, more than 100 external presentations of the Engagement report have been done in 2016. The Engagement report is also presented to internal staff.

- Improved communication of ESG activities within the organisation

Key performance indicator

Internal presentations and information news

Progress achieved

Mandatory presentations have been organised to train all staff concerned by ESG integration: SRI analysts, management, marketing, control, compliance, risks and governance. This training details the Afnor set of criteria and explains the engagements listed in the internal reference values of the process. In 2016, more 76 people were trained and, more than 350 over the past four years. New training sessions have already been conducted since the start of 2017.

Specific sessions on ESG sector/thematic issues (e.g. palm oil, unconventional hydrocarbons) have also been organised for funds managers and clients.

Additionally, a number of internal press releases have been published about our participation in industry events, the awards we have received for our ESG practices, and the SRI labelling of some of our SRI funds.

- Improved engagement to encourage change with regards to management of ESG issues

Key performance indicator

Contribution to working groups and consultations on ESG issues

Progress achieved

Amundi is an active participant in working groups conducted by market bodies aimed at moving responsible finance, sustainable development and corporate governance forward.

Amundi's memberships include the French Asset Management Association (AFG), the European Fund and Asset Management Association (EFAMA), the French Institute of Administrators (IFA), the Corporate Social Responsibility Observatory (ORSE), the French Association of Financial Analysts (SFAF), Sustainable Investment Forums in France, Spain, Italy, Sweden, Canada, Japan, Australia, and the French Association of Businesses for the Environment. Amundi is also a member and Director of Finansol.

In 2016, Amundi also made contribution to several consultations about ESG integration, took part to the European Commission's consultations about "long term and sustainable investment" and about "non-binding guidelines for reporting of non financial information by companies", contributed to Efama's report on responsible investment etc ... More recently, Amundi also contributed to the Task Force on Climate-related Financial Disclosures Report Consultation.

Improved ESG incorporation into investment decision making processes

Other, specify (1)

Promoting visibility on SRI funds

Key performance indicator

Labelling

Progress achieved

The SRI label, backed by French public authorities, was launched at the beginning of 2016.

In August 2016, Amundi was the first asset manager to receive the French government SRI label for 4 SRI open-ended funds (3 equity funds and 1 fixed income fund). The goal of this labelling is to increase the visibility of SRI management and allow investors, especially retail investors, to easily identify funds that meet the specification set out by the public authorities, which are the following: -The fund's general, financial and ESG objectives -The methodology for analysis and scoring of issuers implemented by the asset manager, - The integration of ESG considerations in the construction and management of the portfolio, -The ESG engagement policy (dialogue and voting), -Transparency and the measure of positive impact around the development of a sustainable economy

Other, specify (2)

Other, specify (3)

Financial performance of investments

Increase portfolio performance by consideration of ESG factors

Key performance indicator

Measure of the contribution of the ESG signal to the performance of the portfolio

Progress achieved

For our SRI funds, we have the ability to isolate the ESG contribution to the outperformance of the portfolio.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics

Key performance indicator

All Amundi's SRI portfolios must exclude E, F and G rated companies.

Progress achieved

All SRI portfolios respect Amundi's SRI rules. This is verified internally by the risk team and also through the AFNOR certification.

- Improve ESG ratings of portfolio

Key performance indicator

All SRI portfolios must have an average ESG rating higher than C and higher than the ESG average of their benchmark.

Progress achieved

All SRI portfolios respect Amundi's SRI rules. This is verified internally by the risk team and also through the AFNOR certification.

- Setting carbon reduction targets for portfolio

Key performance indicator

Low carbon and Green bonds funds / Carbon Reporting

Progress achieved

Amundi manages 5 billions AuM of low carbon portfolios and 2.5 billions of green bond investments.

Amundi has also launched, on September 2016, a fund that invests exclusively in green bonds whose projects have a measurable positive impact on the environment: **Amundi Impact Green Bond**.

Amundi has selected one key metric for evaluating the impact of its green bond investments: avoided emissions. The motivation behind this decision is to facilitate easy comparison between the bonds in the investment universe by using a clear metric that can be applied to most issuances. We believe that avoided emissions are going to become the reference metric for Green Bond impact calculation. Amundi has therefore developed an internal methodology based on avoided emissions assessment to evaluate, rank and compare bonds and issuers. Furthermore, this is a practical choice of metric as the carbon impact of more than half of the Barclays MSCI Global Green Bonds is already assessable. This impact reporting represents

a breakthrough innovation in that we are producing systematic monthly reporting on avoided emissions for an open-ended fund composed entirely of green bonds.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

Other activities

- Joining and/or participation in RI initiatives

Key performance indicator

Number of initiatives supported by Amundi

Progress achieved

Amundi supports:

- Institutional Investors' Group on Climate Change (IIGCC)
- Carbon Disclosure Project
- Forest Footprint Disclosure Project
- Water Disclosure Project
- Access to Medicine Index (Amundi hosted the launch of its 2016 rankings in December)
- Access to Nutrition Index
- UN Global Compact Engagement on Leaders and Laggards
- Extractive Industries Transparency Initiative
- Clinical Trials Transparency
- Human Rights Reporting and Assurance Frameworks Initiative
- Portfolio Decarbonization Coalition
- PRI Human Rights Engagement
- Montreal Carbon Pledge
- Green Bond Principles

- Encouraging others to join a RI initiative

Key performance indicator

Promotion and support of RI Initiatives

Progress achieved

- Promotion during our discussions with clients / industry peers
- Hosting some initiatives' events in our offices (Access to Medicine event in Dec 2016, CDP Water event in March 2017, ...)

- Documentation of best practice case studies

Key performance indicator

Public documentation

Progress achieved

Since 2013, we publish Amundi's Engagement report, as an integral part of our policy of engagement for influence. In this report, we highlight best practices and measure companies' progress based on a grid on success indicators related to the examined themes and set up by the ESG analysts.

Using case studies to demonstrate engagement and ESG incorporation to clients

Key performance indicator

Reporting on case studies

Progress achieved

Amundi's annual Engagement report highlights how studied companies have evolved and identifies the areas where progress still has to be made on the themes defined by our policy of engagement for influence.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

SG 06.2 Additional information.

Amundi has ESG ratings for more than 4000 companies and engaged in dialogue with over 300 companies on ESG issues each year.

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Global Head Research, Strategy, Analysis**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)
- Other role, specify (2)

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

ESG analysts work in close collaboration with Amundi's teams, particularly senior management and financial analysis and management teams.

COMMITTEES WITH MANAGEMENT TEAMS

- **Sectoral committee**

Each month, an analyst presents a sector or a theme's non-financial challenges to management teams. These studies include sustainable development issues, good and bad practice and provide justification for analysts' recommendations. The committee therefore constitutes a place for exchange and transfer of SRI knowledge.

- **SRI management committee/Non-financial analysis**

This committee, intended for SRI specialists, makes it possible to monitor SRI news and changes to the analysis scope, analyse bias, performance and movements in the team's recommendations. Precise updates are also provided on any securities whose non-financial ratings have fallen or risen sharply.

When implementing ESG criteria, an asset manager must meet its stakeholders' expectations in terms of quality and transparency in order to inspire confidence. It therefore needs a dedicated governance structure.

The approach is initiated and driven by the general management. Amundi's Chief Executive Officer monitors progress made in rolling out SRI and validates any changes in the SRI approach.

AN ESG COMMITTEE TO VALIDATE AND CIRCULATE EXTRA-FINANCIAL RATINGS

Governance must enable all the group's business lines to adopt ESG ratings. Issuer ESG ratings, suggested by the extra-financial analysts after review of the criteria defined at Amundi, are therefore validated by an ESG Committee chaired by a member of Amundi's general management.

This Committee is attended by the heads of Amundi's main business lines and meets at least eight times a year. It debates and validates ESG ratings and provides opinions on issuers when their ratings put them at risk of being systematically excluded from Amundi's portfolios.

The ESG Committee can refer to a consultative Committee to help it rule on the most difficult cases and, in this way, create an Amundi doctrine on these subjects.

Once validated, ratings are sent to all the fund managers and staff concerned (e.g. risk control) via an internal tool.

A THINK TANK DEDICATED TO RESPONSIBLE FINANCE

We steer the Medici Committee, a think tank dedicated to responsible finance, which aims to address major societal issues under the angle of finance, with a dual objective: to help Amundi define its investment policy more broadly, and to contribute to social debate by enabling Amundi to fully play its societal role. Chaired by Amundi's Chief Executive Officer, the Medici Committee is comprised of high-profile professionals of many different nationalities: scientists, economists, sociologists, philosophers, chief executives, representatives from the charity sector, etc.

A CONSULTATIVE COMMITTEE TO WARN AND ADVISE

SRI is and always will be a world of controversy. It is therefore necessary to develop doctrines on sensitive issues, on which analyses will be based. Comprised mainly of external experts, the consultative Committee's role is to monitor developments in social issues and emerging themes and check that Amundi's ESG methodology is up-to-date. This Committee's work also helps enlighten Amundi on points of policy and anticipate possible controversy. The Committee issues opinions which are then communicated to the rating Committee for final decision. The Committee can also refer to outside experts, for instance NGOs, on subjects like child labour or reasons for excluding countries.

These bodies are consulted upstream of the control functions, whose responsibility is to ensure compliance with the constraints imposed on SRI portfolios.

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
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Number

50

SG 08	Voluntary	Public	Additional Assessed	General
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SG 08.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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Board members/Board of trustees

- Responsible investment included in personal development and/or training plan

SG 08.2

Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.

Responsible investment activity is included in annual appraisal process
Responsible investment specific KPIs are included in annual objectives

- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Other C-level staff or head of department

Global Head Research, Strategy, Analysis

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Portfolio managers

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Investment analysts

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Dedicated responsible investment staff

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

Investor relations

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

SG 08.3	Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.
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1. TRAINING ON RESPONSIBLE INVESTMENT AND THEMATIC PRESENTATIONS WITHIN AMUNDI STAFF

Specific training programs and thematic presentations are organized on a regular basis:

■ Mandatory presentations about the Afnor process

As part of the Afnor certification process, training sessions are organised to train all staff concerned by ESG integration: SRI analysts, management, marketing, sales, control, compliance, risks and governance. This training details the Afnor set of criteria and explains the engagements listed in the internal reference values of the process. In 2016, over 75 people were trained and more than 350 over the past four years.

■ Monthly presentations on specific thematics, such as, for example in 2016:

- Unconventional hydrocarbons
- Palm Oil
- Energy efficiency in the transport sector
- Mineral Extraction

2. REWARDS BASED ON APPRAISAL

■ Since 2010, Amundi has set itself objectives with regard to integrating ESG criteria in its investment processes.

Some of these objectives come within the scope of the CASA group's sustainable development approach (FRoD) and are therefore audited by an independent organisation. The objectives are:

- to involve the entities, stimulate initiatives, build the group's sustainable development policies in cooperation with each business line. FRoD thus fulfils two complementary missions:
- to provide a common framework for the entities, enabling them to define and formalise their own CSR policy;
- to assess the group's societal performance.

The average assessment of the progress made by each entity will provide an index. This index will have an impact on the variable remuneration of all the Group's top executives, as does the operating income, confirming that the performance in terms of CSR has a strategic importance.

This approach is certified by an independent organisation: Afnor.

■ ESG analysts are assessed in respect of:

- Quality of their sector report
- Quality of their company reports
- Number of reports initialized
- Number of companies met
- Response to fund managers demands
- Participation to the improvement of the process

- Both SRI and non SRI portfolio managers are appraised in respect of ESG integration.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- AFIC – La Commission ESG
- Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Amundi has contributed to the CDP European Water Report 2017, which has been released in March 2017: "Catching up with the leaders: Accelerating corporate water stewardship in Europe".

Link to the report: <https://www.cdp.net/en/reports/downloads/1765>

Amundi hosted the CDP Workshop France 2017 at Amundi's Paris office. More than 100 persons attended the plenary and breakout sessions.

Link to the program: <https://infograph.venngage.com/s/kBdEfEvkSqs>

- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- Global Investors Governance Network (GIGN)
 - Global Impact Investing Network (GIIN)
 - Global Real Estate Sustainability Benchmark (GRESB)
 - Green Bond Principles

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Member of the shareholder responsibilities committee.

- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
French SIF (FIR), Italy (Forum per la Finanza Sostenibile), Spain SIF, Sweden (SWESIF)
Australia (RIAA), Japan SIF, RIA Canada

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Amundi is a signatory member of UNEP FI and develops innovative investment solutions to tackle the climate related-risks in portfolio management.

Amundi and UNEP FI are founding members of the Portfolio Decarbonisation Coalition, alongside AP4 and CDP.

- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 - Moderate
 - Advanced
- Other collaborative organisation/initiative, specify
- French Asset Management Association (AFG)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Amundi is a member of the SRI working group and of the corporate governance working group.

In 2016, Amundi has participated to the AFG workshops about the implementation of the Article 173 of the French Law on Energy Transition.

- Other collaborative organisation/initiative, specify
- 1) Access to Medicine Index
 - 2) Access to Nutrition Index (since 2013)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

In December, Amundi hosted the Access to Medicine 2016 Index presentation. This event gathered professionals from the pharmaceuticals sector and extra-financial analysts. The ATM Index provides a ranking of leading pharmaceutical laboratories with respect to their engagement in terms of access to healthcare in developing countries.

Other collaborative organisation/initiative, specify

EFAMA

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Member of the SRI commission and the corporate governance working group.

Other collaborative organisation/initiative, specify

ORSE

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 10.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

specify description

Additionally we hosted in Amundi's office several events organised by initiatives like Access to Medicine, Finansol ...

No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

Beyond our participation in collaborative initiatives, we have sought to promote responsible investment in the investment industry through:

1/ Discussion papers

Several ESG Discussion papers are available on Amundi' Research Center website:

- Coal extraction and mining: sector exclusion or greater selectivity?
- Endocrine disruptors in ESG Analysis
- Human rights and businesses: How can one assess the corporate responsibility to protect human rights?

[http://research-](http://research-center.amundi.com/researchcenter/search/(closefilters)/true?filter[]=attr_keywords_lk%3A%22sri%22&activeFacet[s[attr_keywords_lk:%22sri%22]=%22sri%22&display=date)

[center.amundi.com/researchcenter/search/\(closefilters\)/true?filter\[\]=attr_keywords_lk%3A%22sri%22&activeFacet\[s\[attr_keywords_lk:%22sri%22\]=%22sri%22&display=date](http://research-center.amundi.com/researchcenter/search/(closefilters)/true?filter[]=attr_keywords_lk%3A%22sri%22&activeFacet[s[attr_keywords_lk:%22sri%22]=%22sri%22&display=date)

2/ Educational events and public conferences about ESG, SRI and CSR

For example in 2016:

- France:

> On Thursday 13 October, CPR AM held a lunch-conference on the issues and impacts of the energy transition for investors.

> Conference organized by magazine Option Finance about "SRI and Performance" - Dec 13

> On the 16th of March Amundi hosted the RAIR conference on shareholder engagement. The seminar, that brought together around 40 industry professionals, aimed to focus on the challenges of shareholder dialogue, especially in terms of SRI policy.

- **Italy** > Amundi SGR organised a conference on ESG (Environmental, Social and Governance) issues on the 16th of March 2016 in Lazise (lake Garda) with the title "Ethical finance, a better world".

- **Canada** > On the 19th of October in Montreal, Amundi presented its socially responsible investing policy at the Québécois conference on Responsible Investment, for a sustainable future. Amundi was also a primary sponsor of the event.

- **Chili** > On the 14th of September, Amundi presented its Socially Responsible Investing policy to investors and companies convened in Santiago for the second latin-American Conference on Responsible Investment.

- **Brazil** > On the 16th of March, Amundi took part in the CDP & Abrasca conference held in Sao Paulo on the theme of climate change and capital markets. Antoine Sorange, Head of ESG analysis, Amundi, attended the panel on financial instruments for these green opportunities.

- **Peru** > Amundi presented its ESG integration policy to institutional investors meeting in Lima within the scope of the PRI at a conference on the 10th of March organised by the PRI and the Peruvian Initiative PIR.

2/ Academic research support

Amundi is committed to supporting academic research in the field of sustainable investment.

> Amundi is a founding member of the **chair in Sustainable Finance & Responsible Investment**, created in 2007, sponsored by the French Asset Management Association (AFG) and steered by Ecole Polytechnique and the Toulouse Institut d'Economie Industrielle (IDEI).

> Amundi also sponsors a chair in climate economics. The **Climate Economy chair** is a joint initiative of CDC Climat and the Paris-Dauphine University, under the aegis of Fondation Institut Europlace de Finance. We support its research initiative on Carbon Prices and Markets.

> Amundi funds the **FIR/PRI European award for Finance and Sustainable Development**.

> Amundi's **Medici Committee** is a think tank on sustainable development and its financial applications (<http://about.amundi.com/Navigation/A-committed-player/Advancing-the-Asset-Management-industry>)

SG 11	Voluntary	Public	Additional Assessed	PRI 4,5,6
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SG 11.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.
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Yes

Yes, individually

Yes, in collaboration with others

SG 11.2	Select the methods you have used.
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Endorsed written submissions to governments, regulators or public policy-makers developed by others

Drafted your own written submissions to governments, regulators or public-policy markers

Participated in face-to-face meetings with government members or officials to discuss policy

Other, specify

SG 11.3	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
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Yes, publicly available

	provide URL
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<https://ec.europa.eu/eusurvey/publication/non-financial-reporting-guidelines-2016>

provide URL

https://www.efama.org/Publications/Public/Responsible_Investment/EFAMA%20Reply%20EC%20Consultation%20long-term%20and%20sustainable%20investment.pdf

No

No

SG 11.4

Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

Examples:

- Consultation on long term and sustainable investment (European Commission)
- Consultation on non binding guidelines (European Commission)
- Task Force on Climate-related Financial Disclosures Report Consultation
- Paris Green and Sustainable Financial Center Consultation
- Consultation on the revision of the Afep-Medef governance code

Implementation not in other modules

SG 12

Mandatory

Public

Descriptive

PRI 1

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

- We do the following
 - Allocation between asset classes
 - Determining fixed income duration
 - Allocation of assets between geographic markets
 - Sector weightings
 - Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 12.3

Additional information. [OPTIONAL]

At the beginning of 2016, Amundi has implemented a coal exclusion policy: Amundi chose to remove from its portfolios all issuers that generate more than 50% of their revenue in coal extraction.

SG 13**Mandatory to Report Voluntary to Disclose****Public****Additional Assessed****PRI 1****SG 13.1**

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.

- Changing demographics
- Climate change

SG 13.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 13.3

Indicate which of the following tools you use to manage emissions risks and opportunities

- Carbon footprinting
- Scenario testing
- Disclosure on emissions risk to clients/trustees/management/beneficiaries

SG 13.4

If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

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

Amundi chose Trucost, the world provider in environmental research and carbon data, to calculate the carbon impact of its funds. Direct and indirect emissions (scopes 1, 2 and part of scope 3 correspond to the indirect emissions of first-tier suppliers), as well as carbon reserves, are covered. This enables us both to satisfy the quantitative provisions of Article 173 as to the inclusion of CO2 emissions related to assets under management and to develop, thanks to the expertise of Amundi's specialised teams, innovative strategies to reduce the carbon footprint of the investment portfolios.

Amundi has developed tools for measuring the carbon footprint of its funds, which make it possible to provide carbon reporting to its clients that includes the following indicators:

- coverage rate: (i) calculation of the amount of ratable assets in the portfolio considered and (ii) calculation of the amount of the rated assets, i.e. those for which we have data provided by Trucost;
- carbon emissions per million euros invested: indicator of emissions induced by the investment in this portfolio;
- carbon emissions per million euros in revenue: indicator of the carbon intensity of the value chains of the companies in the portfolio;

- sector distribution of the carbon emissions (in %);
- geographic distribution of carbon emissions (in %);
- carbon emissions per million euros invested.

- Target setting for emissions risk reduction
- Encourage internal and/or external portfolio managers to monitor emissions risk
- Emissions risk monitoring and reporting are formalised into contracts when appointing managers
- Other, specify
- None of the above
- Resource scarcity
- Technology developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 14.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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Yes

SG 14.2	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
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Area

Clean technology (including renewable energy)

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Listed equity

Amundi Valeurs Durables is a thematic equity SRI fund, investing in European companies that generate at least 20% of their sales from the development of green technologies (renewable energy, energy efficiency, water and waste management, etc.). The fund excludes companies that concomitantly produce fossil and nuclear energy.

Fixed income (Corporate)

Amundi launched its first Green Bonds fund at the end of 2015, and its Impact Green Bonds fund in September 2016. The methodology is based on avoided emissions assessment to rank and compare bonds and issuers.

Private equity

Our partnership with EDF aims to offer alternative investments through an asset class uncorrelated to the volatility of traditional markets. The investment themes are notably:

- the production of renewable energy (wind and solar power, small hydroelectricity, etc.)
- energy efficiency (office and industrial buildings, notably electricity-intensive structures)

Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Listed equity

Energy efficiency represents 33.4% of Amundi Valeurs Durables' investments: electrical distribution, construction materials, efficient transportation, environmental services. As regards green buildings, we select companies that are BREEAM certified.

Property

For the purchase of assets and their long-term management, Amundi Real Estate has developed a specific tool, 'the environmental building map', in partnership with Sintéo. Analysis is based on 6 major criteria: energy, water, waste, transport, pollution and impact on health and well-being.

OPCIMMO, the largest real estate investment fund in the French retail market in terms of assets under management and inflows, applies a socially responsible investment approach.

Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)

other description (1)

Multi-asset

- Other (2)

Brief description of investment

Ex: The Finance et Solidarité fund recently invested in ForestFinance, a pioneer in direct forestry investment. ForestFinance creates forests and offers French investors the opportunity to invest directly in the planting of forests. Amundi's investment of €500,000 will allow ForestFinance France to accelerate the launch of its new responsible reforestation programme as well as the creation of new jobs in areas affected by deforestation.

- Sustainable agriculture

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Ex: Amundi manages Finance et Solidarité fund in which at least 50% of the fund's assets are invested in non-listed equity of social businesses, the rest being invested in monetary or bond-issue financial products. This fund takes part in the sustainable agriculture theme. The fund is invested in a social business called 'Terre de liens', focused on environmental goals such as the preservation of agricultural lands and the development of a local, biological, feeding and farmer agriculture, with the result of 429 hectares of agricultural lands having been preserved since the beginning of the investment.

- Microfinance

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Ex: Solidarité Internationale, an association financed through Amundi's Finance et Solidarité fund, aims to support organisations that help the financing of rural populations through micro credit.

- SME financing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

We finance SME mainly through these 3 funds:

- Amundi AFD Avenirs Durables is focused on the development aid. It dedicates 20 % of its portfolio on average towards that theme.
- Within Finance et Solidarité, the Société d'Investissement France Active (SIFA) works to reinforce the capital of social businesses, Initiative France also tries to help company creators to develop their projects.
- Additionally, the danone.communities fund aims to finance and contribute to the development of local, innovative and sustainable enterprises with a social impact in developing countries.

- Social enterprise / community investing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Amundi manages a 'Finance et Solidarité' fund in which at least 50% of the funds assets are invested in non-listed equity of social businesses, the rest being invested in monetary or bond-issue financial products.

The Danone communities fund aims to contribute to the improvement of the living conditions of populations that live on less than 1\$ per day.

- Affordable housing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

The Finance et Solidarité fund also invests in affordable housing projects. For instance, three solidarity companies are working actively towards this goal.

Habitat et Humanisme works to promote access to decent housing at a low cost and to contribute to social mixity as well as to help families to fit in long-term.

Solidarités Nouvelles pour le Logement aims at offering substitute housing to people in need and to help them by creating social connections.

Chênelet's goal is to fight against exclusion by constructing ecological housing.

As a result 1212 eople in need have been provided with accommodation since the beginning of the investment.

- Education

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

In the Finance et Solidarité fund, the company Môm'artre works for the theme of Education. It tries to offer an adapted child-care service with the help of a combination of art, culture and neighbour animation. It tries to help women reconcile family life with professional life and it supports job creation and artistic creation.

- Global health

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

Global health is a major theme for the Finance et Solidarité fund. Among other companies, Siel Bleu encourages physical activity as a prevention tool to promote health and well-being. Also, Entreprendre pour Humaniser la Dépendance works to give elderly people in need access to health care facilities. 7233 people have benefited from care.

The Amundi AFD avenir durables fund is focused on development aid. It dedicates 20 % of its portfolio on average towards that theme.

- Water

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash
- Other (1)
- Other (2)

Brief description of investment

The danone.communities fund aims to contribute to the improvement of the living conditions of populations that live on less than 1\$ per day. Among other things it takes care of the water theme. Since the beginning of the project 1 million people have been helped. For example, the association 1001 fontaines works to finance the installation of drinking water stations that will help isolated populations in Cambodia.

Other area, specify

No

SG 15	Mandatory	Public	Descriptive	General
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SG 15.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Securitised	The ESG process is the same for all our fixed income corporate managed assets (cf. module FI).
Cash	All G-rated values are excluded from all Amundi's active management funds, including Monetary funds. Moreover, Amundi offer SRI funds in its Money Market's range , amounting to around € 25 bn out of € 168 bn. These funds are available to institutional clients, as well as individuals through the retail distribution networks and the employee savings offering.
Other (1) [as defined in Organisational Overview module]	All G-rated values are excluded from all Amundi's active management funds, including Diversified funds. Amundi also offers SRI funds in its diversified product range, especially through: <ul style="list-style-type: none"> • employee savings offering, • impact investing range.
Other (2) [as defined in Organisational Overview module]	For Private Equity and loans , Amundi has defined an ESG process that encompasses the entire investment cycle. Early on in the process, deal opportunities are screened against an ESG checklist that help identify no go deals or deals requiring a higher degree of vigilance. If the investment committee approves the deal, a thorough ESG due diligence is carried out which leads to a recommendation that can be positive, positive with reserves or negative. Based on the findings of the due diligence and the level of recommendation, the ESG analysis team finally enters into an ESG engagement phase where 1) an ESG action plan is negotiated with the company's management 2) regular ESG meetings are scheduled to support and monitor its implementation 3) companies in the portfolio annually report on their progress using both generic ESG indicators and a few KPIs specific to the priority objectives defined in the action plan.

Innovation

SG 17	Voluntary	Public	Descriptive	General
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SG 17.1 Indicate whether any specific features of your approach to responsible investment are particularly innovative.

Yes

SG 17.2 Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

- Amundi has a unique approach combining:

- Standard based and negative screenings
- Best-In-Class approach
- and Engagement

- On top of sector reviews, ESG analysts are tasked with monitoring themes linked to major sustainable development issues and produce around 12 thematic reports yearly. Examples of themes analysed in 2016:

- Mineral Extraction

- Energy Efficiency and Transport
- Palm Oil
- Unconventional hydrocarbons

No

Amundi

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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LEI 01.1 Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Percentage of internally managed listed equities

33	Passive
6	Active - quantitative (quant)
61	Active - fundamental and active - other
100%	Total

ESG incorporation in actively managed listed equities

Implementation processes

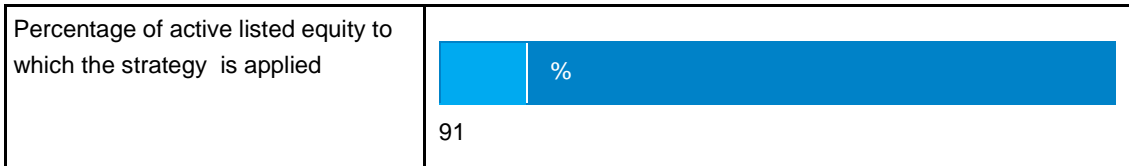
LEI 03	Mandatory	Public	Gateway	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

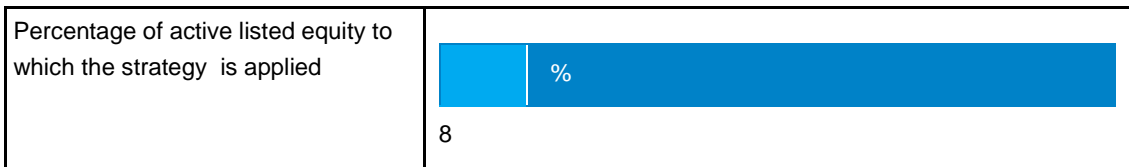
LEI 03.1 Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

ESG incorporation strategy (select all that apply)

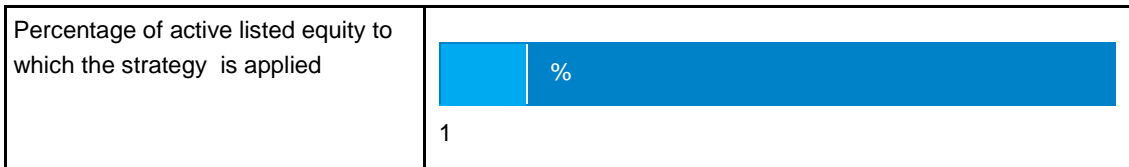
Screening alone (i.e. not combined with any other strategies)



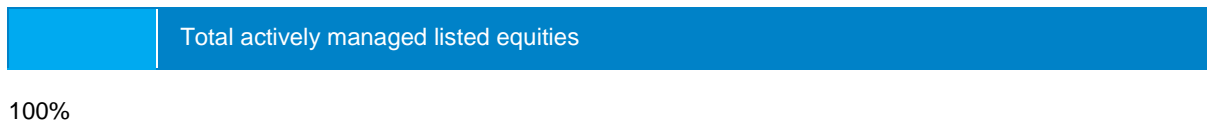
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening and Integration strategies



- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined



- We do not apply incorporation strategies



LEI 03.2 Describe your organisation’s approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

Amundi is convinced that an asset manager must take into account all relevant elements in its management, including Environmental, Social and Governance (ESG) criteria. This is **our fiduciary responsibility**.

Amundi firmly believes that this approach, which provides an all-round vision of companies, **consolidates value creation**. Amundi is convinced that a strong sustainable development policy enables issuers to better manage regulatory and reputational risks and also contributes to improving their operational efficiency. This conviction leads us to integrate ESG criteria across all our management activities (excluding index-linked UCITS and ETFs, which are constrained by their benchmark indices), and to implement an engagement policy.

Additionally, **it is a way for the investor to protect himself from long-term risks**(financial, operational, reputational, etc. risks) and to fully exercise his responsibility.

By evaluating issuers in accordance with these "ESG" or extra-financial criteria, they can be rated on a scale from A to G, with A being the top score. This approach, which is complementary to the financial analysis, allows Amundi to **optimise the risk/ return trade-off**. G-rated issuers are those which violate, seriously and repeatedly the principles set out in the UN Global Compact, ILO, OECD Guidelines... These issuers are excluded from the universe of Amundi’s active management investment funds. The exclusion of G-rated companies aims to mitigate both Amundi’s financial and reputational risk.

LEI 03.3

Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

For Amundi's SRI funds, E, F & G rated companies are excluded. The ESG rating of the companies belonging to the investment universe is then combined to a financial rating. This rating is then used as an Alpha to optimise the portfolio.

The philosophy behind this process is that ESG analysis and financial analysis are complementary and can both contribute to the performance and risk control of portfolios.

Details of this process are published in the funds' transparency codes.

Link to a transparency code:

https://www.amundi.fr/fr_instit/document/download/FR0010175232/SRI%20Transparency%20Code/FR

LEI 04

Voluntary

Public

Additional Assessed

PRI 1

LEI 04.1

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- Raw ESG company data

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Company-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Sector-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Country-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Screened stock list

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- ESG issue-specific analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Other, specify

LEI 04.2	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.
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ESG analysts have access to several extra-financial sources of information:

- brokers, who produce an increasing number of increasingly elaborate studies on SRI and sustainable development
- NGOs
- Scientific reports
- Extra-financial rating agencies.

ESG analysts have access to 8 extra-financial providers chosen for:

- the refinement of the reference framework used for analysis
- their coverage universe
- the quality of their analysis and their ability to justify their ratings
- their ability to respond quickly to new information

These providers are:

- 4 agencies for general ESG ratings
- 2 for monitoring controversies
- 1 for the identification of companies involved in the production or sale of controversial weapons
- 1 focussing on the Environment theme

To complement these data, our analysts use information from various sources:

- Amundi buy-side financial analysts
- broker research
- press and publicly-available documents
- direct contact with the companies and stakeholders

These various sources are an essential element of the ESG analysis process and have a double objective:

- to allowing the analyst to verify the data and to perfect their study by targeting questions on the identified sector and specific stakes
- to increase companies' awareness regarding ESG issues and thus to contribute to the improvement of the ESG reporting supplied by them.

LEI 04.3	Indicate if you incentivise brokers to provide ESG research.
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Yes

LEI 04.4	Describe how you incentivise brokers.
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The quality of brokers' ESG research is assessed and is then used in the broker review that is used to decide the broker's remuneration.

No

LEI 05	Voluntary	Public	Additional Assessed	PRI 1
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LEI 05.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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Engagement

- We have a systematic process to ensure the information is made available.
- We occasionally make this information available.
- We do not make this information available.

(Proxy) voting

- We have a systematic process to ensure the information is made available.
- We occasionally make this information available.
- We do not make this information available.

LEI 05.2	Additional information. [Optional]
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Available on www.amundi.com:

- Amundi's Engagement report:

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=_download_geds_corporate_lists_Document_documents_582

- Amundi's Proxy voting policy:

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=_download_geds_corporate_lists_Document_documents_693

(A) Implementation: Screening

LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.
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Type of screening

- Negative/exclusionary screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

	Description
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Amundi applies strict rules for exclusion across all its active management strategies:

- no direct investments in companies involved in the production or sale of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo conventions;
- exclusion of companies involved in the production or sale of chemical, biological and depleted uranium weapons;
- exclusion of companies that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact;
- exclusion of countries that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity;
- exclusion of issuers that generate more than 50% of their revenue in coal extraction.

- Positive/best-in-class screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Our ESG analysis is highly pragmatic: rather than assessing business sectors, it analyses how, within a given sector, companies manage ESG risks and opportunities. Only the best companies are selected: this is best-in-class analysis.

In order to rate more than 4,000 issuers, Amundi initially refers to the analysis of ESG rating partner agencies, and other entities specialising in given themes. They are then further enriched by internal analysis. The final rating goes from A (highest score) to G (lowest score).

Corporate extra-financial analysis is based on texts with a universal scope, like the United Nations Global Compact, the OECD's guiding principles on corporate governance, the International Labour Organization (ILO), etc.

Our internal reference values are comprised of 36 criteria, of which 15 generic criteria, common to all companies whatever their business sector, and 21 sector-specific criteria.

Criteria are weighted according to the business sector, regional and legislative context. The greater the risk associated to a criterion, the greater the weight attributed to this criterion.

Norms-based screening

Screened by

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

ILO's Core Labour Standards; Rights of Indigenous Peoples (UN, World Council, OAS); Biological Diversity (UN); Maritime Labour Convention, MARPOL

Description

Our investment strategies are based on several principles: promoting respect for international conventions on human rights, the International Labor Organization (ILO) and the environment, as well as advocating a model for responsible and sustainable social development.

The first application of these principles consists in excluding from our investment strategies companies and countries with unacceptable behaviours:

- Companies that violate these conventions repeatedly, without implementing suitable corrective measures.
- Countries that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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Based on the consultative committee directives, screening criteria are defined and reviewed by the ESG committee. Any change is published on Amundi's website (Governance, Policy and Strategy document). The number of companies involved and the reason for their exclusion are published in Amundi's engagement report. The list of excluded companies is sent on a regular basis to all Amundi's fiduciary managers.

1. Best-in-Class / SRI policy

To qualify as SRI, all investments must respect the following criteria:

- Systematic inclusion of a rating based on Environmental, Social and Governance criteria when selecting issuers for the portfolio, while respecting the following minimum conditions:
 - Guaranteed minimum threshold for taking ESG criteria into account: the average portfolio's ESG rating must be greater than or equal to a predefined level, in this case a C-rating;
 - Selection of the best issuers in an investment universe: the average ESG rating of an SRI portfolio must be greater than or equal to the ESG rating of the investment universe or benchmark index, as calculated by our team of extra-financial analysts;
 - At least 90% of the securities in the portfolio must have an ESG rating.
- Exclusion of issuers with the most questionable ESG practices. Portfolio managers cannot purchase issuers with the lowest industry ratings (issuers rated E, F or G on a scale from A to G); this enables us to protect our clients from financial and reputational risks.

2. Exclusions

As a reminder, exclusions concern:

- Companies that violate one or several principles of the Global Compact repeatedly, without implementing suitable corrective measures.
- Companies involved in the production or sale of antipersonnel mines and cluster bombs (exclusions resulting from France's ratification of the Ottawa and Oslo treaties) as well as chemical, biological and depleted uranium weapons.
- Countries that systematically and willfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity. These are countries that intentionally and systematically commit the worst of crimes.
- Issuers that generate more than 50% of their revenue in coal extraction.

Issuers are identified through a monitoring system that gives analysts access to targeted media sources on specific extra-financial subjects. The seriousness of controversy is determined by analysing:

- The gravity of human or environmental damage.
- The repetitive nature of the controversy.

Specific heed is paid to analysing the credibility of information sources. Dialogue is therefore aimed at putting an end to the most controversial corporate practices. Dialogue is considered as productive if:

- The company proves its determination to make a commitment.
- It implements corrective measures.
- It sets up adequate means to obtain lasting results.
- It has its approach certified by an independent third party.

Dialogue is considered as unproductive if:

- The company makes no response.
- The company carries on the controversial activity.
- Amundi concludes it has no influence on the company.

In this case, the engagement policy can result in an exclusion of the stocks (normative exclusion policy).

LEI 07	Mandatory	Public	Core Assessed	PRI 1
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LEI 07.1

Indicate which processes your organisation uses to ensure screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

LEI 08**Voluntary****Public****Additional Assessed****PRI 1****LEI 08.1**

Indicate which processes your organisation uses to ensure fund criteria are not breached

- Systematic checks are performed to ensure that stocks meet the funds' screening criteria.
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- Audits of fund holdings are undertaken regularly by internal audit function
- Other, specify
- None of the above

LEI 08.2

If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

If a breach occurs the Risk Manager notifies the fund manager by e-mail, stating the type of violation. In his answer, the fund manager must state the corrective action and the time necessary for this to be implemented. The Risk Manager accepts or refuses this answer and, if necessary, launches an escalation procedure, involving the Head of the portfolio manager's team, and the Chief Risk Officer and Chief Investment Officer if need be.

(B) Implementation: Thematic**LEI 09****Mandatory****Public****Descriptive****PRI 1****LEI 09.1**

Indicate the type of sustainability thematic funds or mandates your organisation manages.

- Environmentally themed funds
- Socially themed funds
- Combination of themes

Step 1: A green technology investment universe

The ESG analysis team selects equities of European companies that generate at least 20% of their revenue from the development of green technology. These companies are active notably in the following sectors:

- Energy efficiency: electricity distribution, lighting, building materials
- Renewable energy: solar, wind, geothermal, hydro power
- Water management: distribution, treatment, equipment, desalination
- Waste management: treatment, equipment, recycling
- Biomass: biofuels, biochemicals, bioenergy
- Environmental services: engineering, CO2 capture, pollution control and tests

Companies that concomitantly produce fossil and nuclear energy are excluded from the universe.

At the end of this first step, the investment universe consists of 120-130 stocks.

Step 2: ESG and liquidity filters

An ESG (Environment, Social and Governance) filter is applied to this investment universe. It consists in taking into account companies with the best ESG practices in each business sector and in excluding those with the worst practices.

This selection is based on the ESG ratings of companies communicated by the internal extra-financial analysis team, ranging from A (highest score) to G (lowest score). Issuers rated E, F or G (with the least good ESG practices) are excluded from the investment universe.

The fund manager also applies a liquidity filter, consisting in keeping the most liquid equities so as to be able to adjust the portfolio quickly (liquidity constraint: liquidation of the stock within 5 days at 25% of the average daily trading volume).

Once these two filters have been applied, the eligible universe is reduced to around one hundred stocks.

Step 3: Portfolio construction

In this last phase, the fund manager reduces the portfolio's risk by minimising its volatility. To this end, the fund manager uses an optimiser to identify the least volatile stocks offering the greatest potential for diversification. In this way, he obtains the weight of stocks that minimise the portfolio's variance.

At this juncture, the portfolio is controlled to check that its composition duly complies with the SRI (Socially Responsible Investment) rules of Amundi Group:

- exclusion of companies and countries rated E, F and G (on a scale of A to G) in order to avoid financial and reputation risk;
- the portfolio's rating must be at least equal to that of its benchmark index/investment universe;
- the portfolio's rating must be C or higher;
- at least 90% of the securities in the portfolio must have an ESG rating.

A proprietary control tool has been programmed to issue alerts if one of these rules is no longer respected for a given portfolio. If an alert is issued, a 'return to compliance' procedure is applied. This continuous control is independent of the operational departments.

The resulting portfolio complies with Amundi's SRI rules and is comprised of 70 to 80 European stocks active in developing green technologies.

(C) Implementation: Integration of ESG issues

LEI 10	Mandatory	Public	Core Assessed	PRI 1
LEI 10.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.			

ESG issues	Coverage/extent of review on these issues
Environmental	<div style="background-color: #0070C0; color: white; padding: 2px;">Environmental</div> <p><input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We do not review environmental issues</p>
Social	<div style="background-color: #0070C0; color: white; padding: 2px;">Social</div> <p><input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We do not review social issues</p>
Corporate Governance	<div style="background-color: #0070C0; color: white; padding: 2px;">Corporate Governance</div> <p><input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We do not review corporate governance issues</p>

LEI 11	Voluntary	Public	Additional Assessed	PRI 1
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LEI 11.1	Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.
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- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Company information and/or ratings on ESG are updated regularly
- A periodic review of the quality of the research undertaken or provided is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Other, specify
- None of the above

LEI 11.2 Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

LEI 12	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEI 12.1 Indicate which aspects of investment analysis you integrate ESG information into.

- Economic analysis
 - Systematically
 - Occasionally
- Industry analysis
 - Systematically
 - Occasionally
- Quality of management
 - Systematically
 - Occasionally
- Analysis of company strategy
 - Systematically
 - Occasionally
- Portfolio construction
 - Systematically
 - Occasionally

LEI 12.2a

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

See the process in LEI 12.3

LEI 12.3

Describe how you integrate ESG information into portfolio construction

1° Analyses
ESG analysis

Best in class approach based on 3 themes: Environment, Social and Governance. ESG ratings are established on a 7-level-scale from A to G, and reflect:

- a sector analysis to identify the specific issues/risks of each sector and to determine a weighting of the ESG criteria,
- a company analysis according to the sector analysis grid.

Financial analysis

Based on a model producing a rating built upon financial ratios taking into account sector specifics. 50 financial criteria broken down into 6 styles: Value/Growth/Momentum/Profitability/Revisions/Debt. The output is a financial rating determined according to a 5-level scale from -2 to +2.

2° Combined rating

The extra-financial and financial ratings are entered into a decision matrix which determines a combined rating, inducing the active weight of a stock in the portfolio according to these rules:

+2: systematic overweight

0/+1: used for risk control purposes

-1: systematic underweight

-2: exclusion

3° Portfolio optimisation and construction

The optimisation aims to maximise the risk/return. Principles of portfolio construction are:

- Neutralities against benchmark,
- Implementation of ESG rating combined with financial rating to under/overweight the stocks
- An ex-ante active risk level which complies with the management objective,
- Control of the portfolio turnover.

LEI 12.4a

Describe the methods you have used to adjust the income forecast / valuation tool

Detailed information on Portfolio optimisation and construction:

The optimisation aims to maximise the risk/return of the portfolio. The principles of the portfolio construction are:

- Neutralities against benchmark according to sector, country and capitalisation size,
- Implementation of extra-financial rating combined to financial rating in purpose to under or overweight the stocks,
- An ex-ante active risk level which complies with the management objective,
- Control of the portfolio turnover.

The optimisation process is based on a risk control model. The latter enables the portfolio manager to monitor the active risk and to concentrate this risk on stock picking. The objective of this step is to over-/underweight stocks according to their extra-financial and their financial rating while limiting the turnover of the portfolio.

The model is fed by the following data: investment universe, benchmark constituents, composition of the initial portfolio, neutrality constraints, individual weighting constraints, alpha (combination of ESG and financial ratings), tracking error target and portfolio turnover, searches out the optimal portfolio. Thus the model maximises the alpha for a given level of tracking error.

The resulting portfolio is consistent with the extra-financial ratings, confirmed or temporarily neutralised by the short-term performance risk control tool.

Fair value/fundamental analysis

- Systematically
- Occasionally

LEI 12.2b | Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

LEI 12.4b | Describe the methods you have used to adjust the income forecast / valuation tool

On a case to case basis, some ESG criteria, and more specifically Governance criteria can be added to the DCF model.

Other, specify

ESG incorporation in passively managed listed equities

LEI 13	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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LEI 13.1 | Indicate if you manage passive listed equity funds that incorporate ESG issues in the index construction methodology.

Yes

LEI 13.2 | Indicate the percentage of your total passive listed equity funds for which ESG issues are incorporated in the index construction methodology.

(% of total passive listed equity funds)

- <10%
- 10-50%
- 51-90%
- >90%

LEI 13.3 | Specify index/fund name, provide a brief description of ESG methodology and indicate which of the following ESG incorporation strategies you apply.

Index/fund 1

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
Specific mandate for French pension fund: decarbonisation of a customised SRI index (EMU)	<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 2

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
Two dedicated SRI index funds exposed to SRI indexes (Europe and Emerging markets) for a Swiss pension fund	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 3

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
<p>Two low carbon index funds:</p> <ul style="list-style-type: none"> - AMUNDI INDEX EQUITY GLOBAL LOW CARBON - AMUNDI INDEX EQUITY EUROPE LOW CARBON <p>These funds replicate the MSCI World Low Carbon Leaders and the MSCI Europe Low Carbon Leaders indexes respectively.</p> <p>The MSCI Low Carbon Leaders indexes were launched in September 2014 by index provider MSCI, having been developed with Amundi and two major European pension funds.</p> <p>The MSCI Low Carbon Leaders' methodology aims to achieve at least a 50% reduction in the level of carbon emissions (present emissions and reserves representing potential future emissions) compared to the parent indexes, while minimizing the tracking error relative to them. Each strategy index will, however, retain a sectorial and geographical composition similar to its parent index.</p> <p>The strategy indexes, therefore, exclude:</p> <ul style="list-style-type: none"> - 20% of stocks in the parent index universe, based on the "carbon emission intensity criteria", defined as the weight of carbon emissions (tons of CO2) of a company relative to market capitalisation, with a maximum exclusion of 30% for each sector market capitalization, - and also the largest owners of carbon reserves per dollar of market capitalization, representing at least 50% of the reserves in the parent index. 	<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 4

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
Smart Beta mandate for a Dutch pension fund including ESG (E, F and G rated stocks are excluded) and ethical exclusion such as Tobacco.	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

Index/fund 5

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
Specific mandate for a Dutch client including its own ESG exclusion list.	<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG issues <input type="checkbox"/> Other

No

LEI 13.4	Additional information. [Optional]
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In 2016, several segregated accounts, for French and International institutional clients, have been launched, either on cap-weighted or smart beta indices, integrating specific ESG issues or thematic. This reflects both the trend to include such criteria in clients' portfolios and Amundi's capabilities and commitment to offer customized solutions to our clients.

Outputs and outcomes

LEI 14	Voluntary	Public	Descriptive	PRI 1
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LEI 14.1	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.
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Screening

Describe any reduction in your starting investment universe or other effects.

Number of issuers concerned

Controversial weapons: 98

Companies violating one or several of the Global Compact Principles: 42

Countries systematically violating one or several of the Global Compact Principles: 4

Companies that generate more than 50% of their revenue in coal extraction: 57

Specify the percentage reduction (+/- 5%)

%

5

Thematic

Describe any alteration to your investment universe or other effects.

Green Tech SRI fund: Amundi Valeurs Durables

The initial investment universe comprises around 140 stocks. Then we apply the SRI filter (exclusion of E, F, G rated companies) and a liquidity filter, thus excluding around 40 companies. We apply our SRI portfolio construction principles on the 100 remaining stocks, and obtain an investment portfolio composed of around 80 stocks. In the process, more than 40% of the initial universe has been excluded.

Integration of ESG issues

Select which of these effects followed your ESG integration:

- Reduce or prioritise the investment universe
- Overweight/underweight at sector level
- Overweight/underweight at stock level
- Buy/sell decisions
- Other, specify
- None of the above

Index incorporating ESG issues (for passively managed funds)

Describe the influence on composition or other effects

Low carbon index funds

Amundi's Low Carbon index methodology aims at reducing the carbon footprint efficiently relative to the parent index, with a low tracking error and a sectorial and geographical similar composition. The funds replicate the MSCI Low Carbon Leaders indexes, which exclude 20% of stocks in the parent index universe based on the "carbon emission intensity" criteria, and also the largest owners of carbon reserves.

LEI 15	Voluntary	Public	Additional Assessed	PRI 1
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LEI 15.1 Indicate whether your organisation measures how your approach to ESG issues in listed equity investments has affected financial and/or ESG performance.

- We measure whether our approach to ESG issues impacts funds' reputation
- We measure whether our approach to ESG issues impacts funds' financial performance: return

b) Funds' financial performance: return

Describe the impact on:	Describe the impact	Which strategies were analysed?
Funds' financial performance: return	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact	<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Index construction (passive funds)

We measure whether our approach to ESG issues impacts funds' financial performance: risk

c) Funds' financial performance: risk

Describe the impact on:	Describe the impact	Which strategies were analysed?
Funds' financial performance: risk	<input type="radio"/> Positive <input type="radio"/> Negative <input checked="" type="radio"/> No impact	<input checked="" type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Index construction (passive funds)

We measure whether our approach to ESG issues impacts funds' ESG performance

Describe the impact on:	Describe the impact	Which strategies were analysed?
Funds' ESG performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact	<input checked="" type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Index construction (passive funds)

None of the above

LEI 15.2

Describe how you are able to determine these outcomes.

- Amundi has published a discussion paper on ESG and financial performance:

<http://research-center.amundi.com/page/Publications/Discussion-Paper/SRI-and-performance-impact-of-ESG-criteria-in-equity-and-bond-management-processes?search=true>

The impact of ESG issues on the performance can be measured using:

-the measure of the performance of a long/short portfolio (long on positively rated stocks / short on lowest rated stocks);

-a performance attribution that measures the contribution of ESG ratings to the active return of the portfolio.

- Regarding ESG performance, reporting on each fund measures the added value of the ESG quality of the portfolio compared to its benchmark.

LEI 16	Voluntary	Public	Descriptive	PRI 1
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LEI 16.1

Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.

ESG issue 1

ESG issue and explanation	
<p>Company A is an Indian distributor of electricity and gas. The company's main activity is the generation and sale of electricity to the state-owned electricity distribution companies. The company also manages advisory contracts and turnkey projects.</p> <p>Company A's energy mix is highly exposed to coal and several of its power plants rank among the most polluting and least efficient in India. The company is the subject of several environmental controversies related to their impact.</p> <p>The company is facing controversy related to a coal-fired plant project in an ecoregion between India and Bangladesh and, despite attacks related to the plant's environmental impact, has not taken any steps to minimise its impact and is not considering relocation of this project.</p> <p>In terms of environmental impact, Company A's average carbon intensity over the last three years significantly exceeded the sector average, and has increased continuously. The company's high level of coal activity generates toxic substances and the company has not set reduction targets for its toxic emissions (its NOx and SOx emissions intensity is four times higher than the sector average).</p> <p>The company has not implemented an ESG risk management process adapted to the seriousness of the environmental allegations it faces.</p>	
ESG incorporation strategy applied	
<p><input checked="" type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input type="checkbox"/> Integration</p> <p><input type="checkbox"/> Combination of ESG incorporation strategies</p> <p><input type="checkbox"/> Index incorporating ESG issues</p>	
Impact on investment decision or performance	
<p>The seriousness of the allegations was identified as high and the poor practices found to be systemic leading to exposure to residual reputational, operational and regulatory risk. The company was found to be violating principles 7 and 8 of the Global Compact and we therefore recommended that the issuer's ESG rating be downgraded to a G. G-rated companies are excluded from all of Amundi's management strategies.</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: [Businesses should] undertake initiative to promote greater environmental responsibility</p>	

ESG issue 2

	ESG issue and explanation
	<p>Company B is a Peruvian mining company. Three of its units are integrated vertically from the mine to the processing centre. Through one of its subsidiaries, the company is involved in electrical power generation; and through other subsidiaries the company extracts and mines gold deposits.</p> <p>The company is regularly attacked by NGOs concerning the long term impact of its activities on the environment and local populations at a site located 300 km from Lima, and especially for many cases of lead poisoning in children. As the company has not implemented measures to limit the environmental and health impact of its activities, there is a significant risk that residents could suffer from serious and recurring health issues.</p> <p>The company is also accused of contaminating water in the surrounding lakes and rivers via runoff waters related to mining. The inhabitants are therefore deprived of drinking water. The company has been sentenced on several occasions for cases of environmental pollution.</p>
	ESG incorporation strategy applied
	<p><input checked="" type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input type="checkbox"/> Integration</p> <p><input type="checkbox"/> Combination of ESG incorporation strategies</p> <p><input type="checkbox"/> Index incorporating ESG issues</p>
	Impact on investment decision or performance
	<p>The allegations brought against Company B were identified as being of high seriousness, and given both the level of proof (multiple environmental pollution convictions) and the repetitive and irreversible nature of the company's negative impact on the environment, Amundi downgraded the company's ESG rating. The lack of reaction from the company in the face of the allegations brought against it entails significant residual reputational and regulatory risk. Company B was found to be violating principles 1, 2, 7 and 8 of the Global Compact and we therefore recommended that it be downgraded to a G ESG rating, making it ineligible for Amundi portfolios.</p> <p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: Make sure that they are not complicit in human rights abuses.</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: [Businesses should] undertake initiatives to promote greater environmental responsibility</p>

ESG issue 3

ESG issue and explanation
<p>of Company C is an American Bank that has consistently shown limited performance across ESG criteria.</p> <p>On the Environmental pillar, considering the responsible investment criteria, the bank's risk exposure seems limited. Thus although implemented measures are limited, they seem adequate: Environmental and Social Risk Management are integrated into lending activities. For its asset management activities, SRI is non-existent. In terms of products for individual clients; the bank doesn't engage in any initiative to promote good practices.</p> <p>Company C's Social performance has regressed. Despite heavy exposure, the company has not implemented the necessary measures to ensure responsible marketing. It doesn't communicate on employee training or customer satisfaction measures and until recently, advisor remuneration was based on sales figures. In addition to the serious scandal that affected Company C in 2016, the company has been involved in various controversies in recent years.</p> <p>Company C's Governance performance is average for the sector. A majority of boardmembers are independent however many have held their position for over 10 years and CEO and Chairman roles are not separated. Whilst transparent on remuneration, in terms of ethics, Company C doesn't communicate on the implementation of good practices and has been involved in various controversies in recent years.</p>
ESG incorporation strategy applied
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies <input type="checkbox"/> Index incorporating ESG issues
Impact on investment decision or performance
<p>In 2016, Company C was involved in a highly severe scandal that received wide press coverage. The emergence of this scandal, following a prolonged limited ESG performance, led us to downgrade Company C from an E to a G ESG rating, meaning that it is excluded from all Amundi portfolios.</p>

- ESG issue 4
- ESG issue 5

Communication

LEI 17	Mandatory	Public	Core Assessed	PRI 2,6
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LEI 17.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
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We disclose it publicly

Provide URL

https://www.amundi.fr/fr_part/document/download/FR0000991432/SRI%20Transparency%20Code/FR

LEI 17.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

LEI 17.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 17.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

Amundi

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Engagement

Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1

Indicate whether your organisation has a formal engagement policy.

Yes

LEA 01.2

Indicate what your engagement policy covers:

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Engagements following on from decisions
- Other, describe
- None of the above

LEA 01.3

Attach or provide a URL to your engagement policy. [Optional]

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_582

Attach document

[File 1:2015 Engagement Report.pdf](#)

LEA 01.4

Provide a brief overview of your organization's approach to engagement

Our investment strategies are based on several principles: promoting respect for international conventions on human rights, the International Labor Organization (ILO) and the environment, as well as advocating a model for responsible and sustainable social development.

The first application of these principles consists in excluding from our investment strategies companies and countries with unacceptable behaviours:

- Companies that violate these conventions repeatedly, without implementing suitable corrective measures.
 - Companies involved in the production or sale of anti-personnel mines and cluster bombs (exclusions resulting from France's ratification of the Ottawa and Oslo treaties) as well as chemical, biological and depleted uranium weapons.
 - Countries that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity.
- However, excluding stocks from funds must remain an exception. It is often an inadequate response:
- Companies change their environment lastingly and sometimes have to deal with contradictory interests. In these circumstances, they can face more or less serious controversy. Exclusion must therefore be applied only in extreme cases.
 - No longer being a shareholder means losing influence in the company.
- We prefer to focus on dialogue with companies through an engagement process.

No

LEA 01.5	Additional information [optional]
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Detailed engagement process

Engagement with companies takes **three forms**:

- 1. Engagement for influence**
- 2. Data collection for rating purposes**
- 3. Voting at general shareholders' meetings and pre-meeting dialogue**

1. Engagement for influence

This consists in meetings with companies intended to influence their practices. Recommendations made at company meetings concern cross-cutting themes common to a company's business sector. They highlight best practices and measure companies' progress based on a grid of success indicators set up by the extra-financial analyst.

2. Data collection for rating purposes

Within this scope, company meetings are aimed at fine-tuning their ESG rating. With the support of eight suppliers of extra-financial data, Amundi awards Environmental, Social and Governance (ESG) ratings to more than 4,000 issuers.

The Engagement report presents the key statistics relating to meetings with companies for rating purposes.

3. Voting at general shareholders' meetings and pre-meeting dialogue

- Voting: The corporate governance team systematically votes at the general meetings of French companies or of companies in which Amundi holds more than 0.05% of the capital, i.e. more than 2,500 general meetings a year.

- Pre-meeting dialogue: Amundi has implemented a formalised dialogue system to inform the companies in which it holds its largest positions of its voting intentions, to initiate a dialogue and contribute to the improvement of their practices. As well as this proactive approach, Amundi is open to all meetings requested by issuers to discuss general meeting or, more generally, governance themes. This second element is tending to increase in importance as it enables upstream and more constructive dialogue.

LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify To support investment decision-making (e.g. company research) <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

Yes

LEA 03.2

Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.

- Geography/market of the companies targeted
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In reaction to ESG impacts which has already taken place
- As a response to divestment pressure
- As a follow-up from a voting decision
- Client request
- Other, describe

other description

Legislative changes

 No**LEA 03.3**

Additional information. [Optional]

Engagement is prioritised depending on:

- Amundi's holding of companies' capital
- Amundi's opposition to companies' policy
- Seriousness of identified controversies
- Legislative changes

LEA 04**Mandatory****Public****Core Assessed****PRI 2**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1

Indicate if you define specific objectives for your engagement activities.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out by internal staff.

LEA 04.2 Indicate if you monitor the actions that companies take following your engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

LEA 04.3 Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.

- Yes

LEA 04.4 Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.

- Define timelines for milestones and goals
 - Tracking, monitoring progress against defined milestones and goals
 - Establish a process for when the goals are not met
 - Revisit and, if necessary revise goals on continuous basis
 - Other, please specify
- No

LEA 04.5 Additional information. [Optional]

For the shareholder dialogue linked to the Annual General Meetings, the success is determined by changes in voting intentions.

Regarding the engagement linked to the extra-financial analysis, precise recommendations on various KPIs are given to companies, allowing a precise measure of companies' improvement over years.

Process for engagements conducted via collaborations

LEA 05

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

- Yes

LEA 05.2

Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
 - Ability to add value to the collaboration
 - Geography / market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In response to ESG impacts which has already taken place
 - In response to divestment pressure
 - Client requests
 - Other, describe
- No

LEA 05.3

Additional information [Optional]

Amundi supports several collective initiatives: Institutional Investors' Group on Climate Change (IIGCC), Carbon Disclosure Project (CDP), Forest Footprint Disclosure Project, Water Disclosure Project, Access to Medicine Index, Access to Nutrition Index, UN Global Compact engagement on leaders & laggards, Extractive Industries Transparency Initiative (EITI). Amundi also supports the Green Bonds Principles, the Paris Green Bonds Statement of the Climate Bonds Initiative, and the Montreal Carbon Pledge.

These international initiatives group together institutional investors and professional asset managers. These initiatives have been selected after analysis of:

- Quality of their governance and organization
- Alignment of defended cause with Amundi's set of analysis criteria
- Diversification of themes (both E, S and G themes)
- Quality of past results
- Innovation of subjects raised

LEA 06**Mandatory****Public****Core Assessed****PRI 2**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 06.1

Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

LEA 06.2 Indicate if you monitor the actions companies take following your collaborative engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

LEA 06.3 Indicate whether your organisation defines milestones and goals related to engagement activities carried out via collaborations.

- Yes

LEA 06.4 Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities.

- Define timelines for milestones and goals
 - Tracking, monitoring progress against defined milestones and goals
 - Establish a process for when the goals are not met
 - Revisit and, if necessary revise the goals on a continuous basis
 - Other, please specify
- No

General processes for all three groups of engagers

LEA 09	Voluntary	Public	Additional Assessed	PRI 1,2
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LEA 09.1 Indicate if insights gained from your engagements are shared with your internal or external investment managers.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Public	Gateway	PRI 2
---------------	------------------	---------------	----------------	--------------

LEA 10.1 Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements

Outputs and outcomes

LEA 11	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
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LEA 11.1

Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.

	Number of companies engaged (avoid double counting, see explanatory notes)	Proportion (to the nearest 5%)	Specify the basis on which this percentage is calculated
Individual / Internal staff engagements	<div style="border: 1px solid black; background-color: #0070C0; color: white; padding: 2px;">Number of companies engaged</div> 481	<div style="border: 1px solid black; background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 55	<div style="border: 1px solid black; background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input type="radio"/> of the total number of companies you hold <input checked="" type="radio"/> of the total value of your listed equity holdings
Collaborative engagements	1000	<div style="border: 1px solid black; background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 50	<div style="border: 1px solid black; background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input type="radio"/> of the total number of companies you hold <input checked="" type="radio"/> of the total value of your listed equity holdings

LEA 11.2

Indicate the proportion of engagements that involved multiple, substantive and detailed discussions or interactions with a company during the reporting year relating to ESG issue.

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 11.3 Indicate the percentage of your collaborative engagements for which you were a leading organisation during the reporting year.

Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None

LEA 12	Voluntary	Public	Additional Assessed	PRI 2
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LEA 12.1	Indicate which of the following your engagement involved.
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- Letters to outline the engagement and the objectives
 - In some cases
 - In majority cases
 - In all cases
- Meetings and/or calls with the appropriate team
 - In some cases
 - In majority cases
 - In all cases
- Visits to operations
 - In some cases
 - In majority cases
 - In all cases
- Roadshows
 - In some cases
 - In majority cases
 - In all cases
- ESG research
 - In some cases
 - In majority cases
 - In all cases
- Other, specify

LEA 13	Voluntary	Public	Additional Assessed	PRI 2
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LEA 13.1	Indicate if your engagements in the reporting year covered E, S and/or G issues, providing an estimation of the breakdown.
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	Individual / Internal staff engagements
--	---

	% Environmental only
--	----------------------

25

	% Social only
--	---------------

18

	% Corporate Governance only
--	-----------------------------

57

	% Overlapping ESG issues
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0

Total

100%

Collaborative engagements

% Environmental only

20

% Social only

50

% Corporate Governance only

0

% Overlapping ESG issues

30

Total

100%

LEA 14 **Voluntary** **Public** **Descriptive** **PRI 2**

LEA 14.1 Indicate whether you track the number of cases during the reporting year where a company changed its practices, or made a formal commitment to do so, following your organisation's and/or your service provider's engagement activities.

Yes

LEA 14.2 Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.

	Number of company changes or commitments to change
Individual / Internal staff engagements	100
Collaborative engagements	

No

LEA 15	Voluntary	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 15.1	Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.
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Add Example 1

Topic or ESG issue	Management of coal use in the Electricity Production sector
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>In the context of the energy transition in key European countries and the move away from coal (more polluting than other fossil fuels) in the United States and China, the responsibility of companies in the Utilities sector is under scrutiny due to the large number of old and polluting coal-fired power stations.</p> <p>Beyond the problems that these power stations present in terms of emissions, governments are increasingly concerned about pollution and the release of ash and particulates. As a result, a 2010 European Directive (IED Industrial Emission Directive) demanded the reduction of emissions of atmospheric pollutants (sulphur dioxide, soot, carbon and polluting substances) from coal-fired power stations by the 1st of January 2016.</p> <p>Conformity to these new obligations requires the implementation of proactive and efficient policy by the companies concerned : the installation of filters and desulfurization and smoke denitrification units, improved efficiency of power stations etc.</p> <p>In order to accompany the affected companies in reducing carbon emissions and pollution linked to their coal-fired power stations, we have initiated an engagement dialogue allowing us to go beyond regulation and promote better practices within the sector in terms of exposure to coal and the environmental impact of companies.</p>
Scope and Process	<p>15 companies from the Utilities sector were analysed</p> <p>Our analysis focused on 4 main pillars, for which we put in place key criteria in order to position companies relative to their peers and to issue recommendations:</p> <p>Perimeter and Exposure- (e.g. Absolute coal capacity in MW; Coal capacity as a proportion of total capacity; SOX, NOx et CO2 emissions; Geographic exposure to coal/carbon regulation ; New coal-fired power station construction projects)</p> <p>Policy & Strategy- (e.g. Evaluation of all power stations to identify the oldest and the most polluting power plants; strategy and actions to improve highest emitting power stations; objectives for proportion of coal in energy mix)</p> <p>Closure / modernisation and implemented measures- (e.g. Publication of a list of all coal-fired power stations as well as the measures proposed for each power plants; Identification of the time horizon for the closure of coal-fired plants; Modernisation of power plants; Closure of oldest power plants)</p> <p>Engagement and Results- (e.g. Trends towards reducing emissions of SOx, NOx, CO2; R&D for the conversion of coal-fired power plants)</p> <p>Exposure of companies to controversies related to coal (pollution, emissions) was taken into account as well as the quality of the company's response where controversies had occurred.</p>
Outcomes	<p>Example of CEZ Group:</p> <p>We recommended that CEZ group put in place objectives for the proportion of coal/renewable energies in their energy mix. Since then CEZ decided to close some of their coal-fired power plants in order to gradually reduce the coal capacity of the group by 30%. Over the last two years the company have invested in the reduction of SOx and NOx emissions to respect the most strict environmental regulation.</p> <p>We also issued a recommendation that they carefully monitor the closure/sale of power plants (social aspect, environmental rehabilitation etc.). For each of their power plants CEZ defined a detailed plan for planned closures or modernisation as well as a calendar for each project.</p> <p>CEZ is one of the most transparent companies when it comes to reporting. Emissions intensity is gradually improving as a result of improved efficiency of turbines and the</p>

	modernisation of coal-fired power plants.
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Add Example 2

Topic or ESG issue	The fight against child labour in the tobacco and cacao production sectors
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>In 2015, 193 countries adopted goal 8.7 of the UN's Sustainable Development Goals to "Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms", demonstrating the urgent need to eradicate child labour recognised by the international community.</p> <p>According to the latest statistics from the ILO (2013), almost 169 million children are affected worldwide, 10% of which are in the Asia-Pacific region and 22% of which are in Sub-Saharan Africa (equivalent to almost 1 in 4 children).</p> <p>Through our engagement with companies, we want to accompany companies in improving their practices in order to promote the objectives outlined by the Sustainable Development goals.</p>
Scope and Process	<p>We analysed 10 companies from the tobacco and cocoa sectors.</p> <p>We evaluated companies across four areas and then issued recommendations to help them improve their performance on this theme.</p> <p>Strategy and Policy</p> <p>We analysed whether their strategy conformed to ILO conventions (182 and 138), whether policy outlined qualitative and quantitative objectives, if its scope was defined and if the company had a specific policy on child trafficking.</p> <p>Implementation</p> <p>Analysis of implementation considers: collaboration with local entities to improve the efficiency and coverage of the policy; supply chain including risk evaluation ; agricultural training to increase returns ; raising awareness of the issue of child labour amongst farmers and members of the communities concerned.</p> <p>Evaluation</p> <p>Companies should ensure frequent and in-depth internal and external evaluation to ensure the implementation of controls and indicators to measure performance on child labour, the results of farmer training and awareness programmes, as well as a higher level of transparency on aspects that require improvement.</p> <p>Non-Compliance</p> <p>In the event of non-compliance, we analyse if the companies has put in place a signalling system and corrective measures and if they demonstrated transparency concerning the results and the scope of their policy.</p>
Outcomes	<p>Example of Japan Tobacco Inc. :</p> <p>We recommended that Japan Tobacco Group set up a child labour strategy comprising overall quantitative and qualitative objectives and to include and operational plan against child trafficking in the policy outline. With the ILO's support, JT Group has developed a clear strategy to fight child labour. The strategy is based on three pillars (social, economic and regulatory) that aim to address the underlying causes of child labour. The company's Agricultural Labor Practices policy refers directly to ILO conventions no.138 and 182.</p> <p>We recommended that Japan Tobacco Inc. establish an independent and external assessment mechanism and increase the number of quality indicators of child labour. Under the Agricultural Labour Practices programme, the Japan Tobacco Group trained farming experts to observe labour practices during farm visits and to suggest possible improvements.</p>

	<p>In 2015, 7% of tier one leaf suppliers underwent such an internal assessment and Japan Tobacco Group aims for this to reach 100% by 2019. The observations made by the farming experts allow the JT Group to use this information to further develop its programmes and to provide personalised social investment and remediation support.</p>
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Add Example 3

Topic or ESG issue	The compliance of minerals in conflict zones
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>The Great Lakes region has sadly been known over recent decades as a theatre for humanitarian atrocities and recurrent armed conflicts. NGOs estimate that between 1980 and 2000, these conflicts have affected 100 000 civilian victims per year. In total, taking into account armed forces and civilian victims, over 5 million have died since the outbreak of the conflicts:</p> <p>The main areas of concern in terms of mineral extraction in these locations are :</p> <ul style="list-style-type: none"> • Human Rights : extreme working conditions, child exploitation, violence, armed conflicts. • Environment and Ecology : mineral extraction not taking into consideration the environment, untreated effluent waste, plundering resources. • Hindrance to economic development within the area due to the misappropriation of mineral resources.
Scope and Process	<p>We looked at companies active in mineral extraction in such areas and identified KPIs across 4 different themes by which we evaluated company behaviour and issued recommendations for improving practices :</p> <p>Policies and Strategies- (e.g. Clear policy, integrating qualitative and quantitative objectives; policy on exercising influence to promote legislation surrounding conflict minerals; training employees on this topic; communication on results, objectives, progress...)</p> <p>Tracability- (e.g. Identification of the country of origin of 3TG minerals - tin, tungsten, tantalum - from suppliers; transparency around list of foundries using one of the 3TGs and the respective countries of origin of these minerals)</p> <p>Control, surveillance, certification- (e.g. Participation in Conflict-Free Smelter Early Adopters Fund in order to finance foundry audits; control and certification responsibilities for foundries; training of suppliers as well as employees of companies concerned, surveillance, monitoring)</p> <p>Engagement and Results- (e.g. "Conflict Free" certification of company products and foundries used in the supply chain; publication of a report on conflict minerals; participation in sector initiatives and NGO initiatives; implication in controversies around conflict minerals)</p>
Outcomes	<p>Example of ERICSSON:</p> <p>In 2014, when we initiated our engagement approach with ERICSSON, it had not formalised a specific policy on conflict minerals. In response to our recommendation on improving communication on systematic compliance control of suppliers, the company has been increasing supplier communication and has continued to implement its strategy on Conflict Minerals, both internally and with suppliers. The company's current targets are a 95% response rate and a long term objective of 100% conflict-free smelters in its entire portfolio. The company's Conflict Minerals Report (CMR) includes the name of smelters and the number of conflict-free smelters in its supply chain.</p> <p>In response to our recommendation on inciting suppliers to adopt a specific policy and purchase only from certified sources, the company has been encouraging suppliers to source only from certified smelters. Emphasis has thus been placed on outreach efforts with suppliers, resulting in higher response rates, better quality of responses and a higher proportion of certified smelters.</p>

Add Example 4

Topic or ESG issue	Respect of human rights in the oil and mining sectors
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative
Objectives	<p>For the oil and mining sectors, we chose to focus our engagement on human rights challenges. The social pillar is fundamental although the most difficult to quantify, and many companies have traditionally been laggards on the theme of human rights. This challenge is primordial for players within this sector which face both operational and reputational risks.</p> <p>We therefore initiated an engagement dialogue in order to accompany companies in the improvement of their practices in order to mitigate operational and reputational risks.</p>
Scope and Process	<p>This year we completed our formal and bilateral engagement cycle on this theme. Our work continues through the United Nations Principles for Responsible Investment collective initiative, which began after our cycle on human rights. The initiative allows us to extend our impact to new companies and to share with our peers. The question of human rights remains a key consideration in our analysis and we are continuing this dialogue to ensure that this fundamental themes stays solidly anchored in our priorities for those companies that are exposed to it.</p> <p>In order to assess companies' performance on this theme we looked at indicators for their human rights policy & due diligence process, supply chain, security forces, grievance mechanisms, performance indicators & external audits, controversies and training.</p>
Outcomes	<p>Example of Anglo American:</p> <p>In line with its strategy, Anglo American has continued its efforts to integrate human rights considerations. Anglo American has replaced its company principles with a new Code of Conduct, which reiterates its commitments around human rights and in favour of responsible commercial behaviour.</p> <p>Anglo American launched a new Code of Conduct in 2016 specifically focusing on responsible purchasing which integrates conditions related to the UK Modern Slavery Act. A new version will be published in the near future.</p> <p>As a signatory of Voluntary Principles on Security and Human Rights (VPSHR) since 2005, the company ensures that security teams are registered in the country in which they operate. AngloAmerican has published a report on the implementation of the VPSHR. For 12 countries, including Colombia, Namibia and Chile, Anglo American has published a report on the pre-selection process for security employees and service providers for private security.</p>

Add Example 5

Topic or ESG issue	Access to Nutrition and the fight against waste in the agriculture and distribution sectors
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Amundi's engagement aims to better understand both the health and nutrition strategies of companies and access to products, notably for disadvantaged groups, and to encourage companies to adopt better practices. With regard to food waste, companies must put in place tools to reduce their waste, crucially food waste from "from the pitchfork to the fork". The fight against food waste and the optimisation of logistical chains also reduces costs whilst improving the company's reputation. The management of food waste is an increasingly hot topic that not all companies treat equally.
Scope and Process	Amundi looked at companies within the agriculture and distribution sectors and assessed their maturity against KPIs for Policies & Strategy, Quality & Nutrition, Access to Food and Marketing. Then, based on the identification of Best Practices for each of these criteria, we gave companies recommendations on how they could improve their current behaviours across this theme.
Outcomes	<p>Example of Carrefour:</p> <p>Having encouraged Carrefour to formalise its reporting on waste in 2015, in 2016 Carrefour committed along with other members of the Consumer Goods Forum to reducing their food waste by half by 2025 and to publishing a report on progress towards this objective. Carrefour also consolidated its efforts to raise awareness of food waste amongst its clients. Amundi also issued recommendations to Carrefour on evaluating its supply chain to see how food waste issues could be addressed within the context of their supply chain. In 2016 Carrefour worked with its suppliers and start-ups to create innovative anti-food waste solutions and has subsequently set up a prize recognising best practices amongst suppliers in the fight against food waste. Additionally Carrefour has worked on increasing the lifespan of its own-brand products by changing, after quality control, the use-by dates of some items.</p>

- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

Communication

LEA 16	Mandatory	Public	Core Assessed	PRI 2,6
LEA 16.1	Indicate whether your organisation proactively discloses information on its engagements.			
	<input checked="" type="radio"/> We disclose it publicly			

provide URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_582

LEA 16.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEA 16.3

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 16.4

Indicate how frequently you report engagements information.

- Disclosed continuously (prior to and post engagements)
 - Disclosed quarterly or more frequently
 - Disclosed biannually
 - Disclosed annually
 - Disclosed less frequently than annually
 - Ad hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries.

LEA 16.8

Additional information. [Optional]

(Proxy) voting and shareholder resolutions

Overview

LEA 17	Mandatory	Public	Gateway	PRI 1,2,3
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 17.1 Indicate whether your organisation has a formal voting policy.

Yes

LEA 17.2 Indicate what your voting policy covers:

- Conflicts of interest
- Prioritisation of voting activities
- Transparency
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Share blocking
- Regional voting practices
- Record keeping
- Company dialogue pre/post vote
- Securities lending process
- Other, describe
- None of the above

LEA 17.3 Attach or provide a URL to your voting policy. [Optional]

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_693

Attach document

[File 1:AMUNDI 2016 Voting Policy.pdf](#)

LEA 17.4

Provide a brief overview of your organization’s approach to (proxy) voting.

Proxy voting is an essential part our fiduciary duty and responsibility as an active responsible investor. A dedicated team of governance analysts is in charge of coordinating the different areas of expertise needed to make informed decisions (fund managers, financial analysts, SRI analysts ...) and ensure an efficient exercise of the votes.

But Amundi also acknowledges that proxy voting alone does not suffice to monitor and improve corporate practices. Consequently, a dialogue process was implemented through an alert sent to companies in the SBF 120 index (since 2004) and to some major international companies (since 2009) in order to initiate a dialogue before the AGM if any of their resolutions contradict our voting policy principles.

The filing of shareholder resolutions is not a systematic aspect of our approach (our main holdings being in countries where shareholders resolutions are difficult to file efficiently) but is considered on a case by case basis.

LEA 17.5

Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

The Corporate Governance (CG) team analyses the agenda of the AGM so as to determine the best voting intentions for every resolution.

- If the CG team is able to determine the voting intentions based on the voting policy, then the vote is instructed
- If the issue is not covered by the voting policy (ex. non routine financial operations) or if the initial voting intention based on policy does not seem to be in the client’s interest, then the CG team asks the fund managers for their opinions
- If all fund managers agree and the voting intention is not in breach the voting policy, then the vote is instructed
- If fund managers disagree or if they agree on a voting intention in breach of the voting policy, a Voting Committee, led by Head of Equities (or CIO) with fund managers and financial/ESG/CG analysts, takes the decision then the vote is instructed.
- If the final voting decision is in breach of the voting policy, it is reported in our annual proxy-voting report, as required by our regulator (Autorité des Marchés Financiers)

Our votes are audited through our AFNOR SRI certification, SRI labels, our internal audit, external auditors for the part published in our annual report. The regulator can also request disclosure of all our votes.

No

Process**LEA 18****Mandatory****Public****Descriptive****PRI 2****LEA 18.1**

Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.

Based on

- the service provider voting policy signed off by us
- our own voting policy
- our clients' requests or policy
- other, explain
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- We hire service provider(s) that make voting decisions on our behalf.

LEA 18.2 Additional information.[Optional]

We use non-customized research from our 3 providers as one of the input (with our internal financial and extra-financial research) used by our corporate governance team to make informed voting decision based on our own voting policy or our clients' policies.

LEA 20	Voluntary	Public	Descriptive	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 20.1 Describe your involvement in any projects to improve the voting trail and/or to obtain vote confirmation .

We participated in the implementation of VoteAccess, a new (french) electronic voting platform developed by custodians in order to suppress paper votes and ensure vote confirmation.
 We also monitored the development of the Shareholders Rights Directive (directly and through the EFAMA and AFG) on the issue of the facilitation of exercise of shareholder rights and vote confirmation.
 We have also been auditioned by a workgroup of the AMF on the proxy-voting process and functioning of the AGMs.

LEA 21	Voluntary	Public	Additional Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 21.1 Indicate if your organisation has a securities lending programme.

- Yes

LEA 21.2

Indicate how voting is addressed in your securities lending programme.

- We recall all securities for voting on all ballot items
- We systematically recall some securities to vote on their ballot items
- We recall some securities to vote on their ballot items on an ad hoc basis
- Our securities lending agent is free to decide when and which securities to recall for voting purposes.
- We communicate our voting instructions to the borrowing entity.
- We do not recall our shares for voting purposes.
- Others
- No

LEA 22**Mandatory****Public****Core Assessed****PRI 2**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 22.1

Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other

For every company asking ahead of the AGM
- Neither we nor our service provider raise concerns with companies ahead of voting

LEA 22.2

Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 22.3

Additional information. [Optional]

We inform a group of about 300 issuers (most significant holdings) of potential negative votes in advance of the AGM in order to initiate a dialogue on the issues. We also answer every direct request from companies asking for our voting intentions. For other companies, our semi-annual proxy voting reports give the information for every voted AGM if we had an opposition vote or not.

Outputs and outcomes

LEA 23

Mandatory

Public

Core Assessed

PRI 2

LEA 23.1

For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

We do track or collect this information

Votes cast (to the nearest 1%)

%

91

Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

LEA 23.2

Explain your reason(s) for not voting certain holdings

- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- We do not vote on environmental resolutions
- We do not vote on social resolutions
- On request by clients
- Other

We do not track or collect this information

LEA 23.3

Additional information. [Optional]

For open funds, in the interest of cost control and increased efficiency, Amundi has decided to vote at international meetings only where its consolidated vote will represent at least 0.05% of the company's equity capital.




For dedicated funds/mandates, the client determines its voting perimeter.

LEA 24	Mandatory	Public	Additional Assessed	PRI 2
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LEA 24.1 Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

Yes, we track this information

LEA 24.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 83
Against (opposing) management recommendations	 14
Abstentions	 3

100%

LEA 24.3 Describe the actions you take after voting against management recommendations.

We monitor the actual result of the resolutions (passed/failed/substantial opposition) in order to prepare for future engagements and or escalation

No, we do not track this information

LEA 25	Voluntary	Public	Descriptive	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 25.1 Indicate if your organisation directly or via a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.


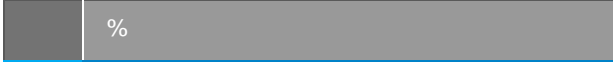


Yes

LEA 25.2 Indicate the number of ESG shareholder resolutions you filed or co-filed.

Total number

3

LEA 25.3 Indicate what percentage of these ESG shareholder resolutions resulted in the following.

Went to vote	 100
Were withdrawn due to changes at the company and/or negotiations with the company	 0
Were withdrawn for other reasons	 0
Were rejected/not acknowledged by the company	 0

Total

100%

LEA 25.4 Of the ESG shareholder resolutions that you filed or co-filed and that were put to vote (i.e. not withdrawn) how many received:

>50%

3

LEA 25.5 Describe the ESG shareholder resolutions that you filed or co-filed and the outcomes achieved.

Climate risk resolution at Anglo American, Rio-Tinto and Glencore. All of them got supported by boards and received majority of votes at AGM.

No

LEA 26	Voluntary	Public	Descriptive	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 26.1 Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

Add Example 1

Topic or ESG issue	Climate risks
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Shareholder resolutions asking for more transparency on the carbon risk's impact on return on investment (3 US energy companies and 3 UK mining companies)
Scope and Process	<p>On the 3 US companies, despite negative recommendation from the board, we voted for those resolutions and publicly announced our support ahead of the shareholder meetings.</p> <p>On the 3 UK companies, we participated to the co-filing of those resolutions and consequently voted in favor at the AGMs.</p>
Outcomes	<p>On the 3 US companies, those resolutions that were not supported by the boards received substantial support but were rejected by the AGMs.</p> <p>On the 3 UK companies, those resolutions that were supported by the boards and finally adopted by a huge majority at the AGMs.</p>

Add Example 2

Topic or ESG issue	Remuneration
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Ensure adequate remuneration policies
Scope and Process	We considered that the performance criteria under the long term incentive were not challenging enough. After dialogue, they strengthened the criteria which allowed us to support the new long term incentive plan but not the remuneration report where awards were based on the unchallenging former criteria.
Outcomes	The remuneration report was rejected and it was the first failed "say on pay" in France

Add Example 3

Topic or ESG issue	Governance
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Ensure a good functioning of the Board
Scope and Process	We were concerned by the independence and potential overboarding of the chairman of the audit committee. After dialogue, the company committed to tackle that issue in its succession plan and we finally supported the reelection.
Outcomes	The company effectively nominated a new chairman for its audit committee

Add Example 4

Topic or ESG issue	Financial authorizations
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Monitor potential dilution for shareholders
Scope and Process	The company proposed an authorization for a capital issuance without preemptive rights amounting for nearly 40% of the issued capital and without sufficient justifications. We informed the company of our negative voting intention
Outcomes	The resolution was finally withdrawn.

Add Example 5

Topic or ESG issue	Remuneration
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Ensure adequate remuneration practices
Scope and Process	Upon the departure of an executive, the board decided to use its discretion to maintain the full vesting of his long term incentive plan. After dialogue, the company decided to finally apply a pro-ration on this award.
Outcomes	We finally supported the resolution.

- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

Communication

LEA 27	Mandatory	Public	Core Assessed	PRI 2,6
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LEA 27.1 Indicate if your organisation proactively discloses information on your voting activities.

- We disclose it publicly

provide URL

http://legroupe.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld= download_geds_corporate_lists_Document_documents_756

provide URL

http://www.amundi.com/int/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld= download_geds_wam_lists_Documents_documents_213

LEA 27.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes
- No

LEA 27.3

Indicate the voting information your organisation proactively discloses to the public.

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.4

Indicate how frequently you typically report voting information to the public.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc/as requested

LEA 27.5

Indicate the voting information your organisation proactively discloses to clients/beneficiaries.

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.6

Indicate how frequently you report voting information to clients/beneficiaries.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Between quarterly and annually
- Less frequently than annually
- Other

Please specify

Depends on clients requirements, it goes from continuously (pre-meeting) to annually

LEA 27.7

Describe any other differences in the information being disclosed. [Optional]

Our public report disclose all voting decisions by meetings (voted, opposition or not, dialogue or not), statistical information and explanation of the most interesting trends, votes and engagements.

Our clients reports can be very different depending on the clients' requests, some are extremely specific, some are less detailed than our public report.

- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

Amundi

Reported Information

Public version





































Direct - Fixed Income

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies			

SSA	<table border="1"> <tbody> <tr> <td data-bbox="496 221 619 286">  </td> <td data-bbox="619 221 1474 286"> Passive </td> </tr> <tr> <td data-bbox="496 297 619 324"> 2 </td> <td></td> </tr> <tr> <td data-bbox="496 365 619 430">  </td> <td data-bbox="619 365 1474 430"> Active - quantitative (quant) </td> </tr> <tr> <td data-bbox="496 441 619 468"> 0 </td> <td></td> </tr> <tr> <td data-bbox="496 508 619 573">  </td> <td data-bbox="619 508 1474 573"> Active - fundamental and active - other </td> </tr> <tr> <td data-bbox="496 584 619 611"> 98 </td> <td></td> </tr> <tr> <td data-bbox="496 651 619 716">  </td> <td data-bbox="619 651 1474 716"> Total </td> </tr> <tr> <td data-bbox="496 728 619 754"> 100% </td> <td></td> </tr> </tbody> </table>		Passive	2			Active - quantitative (quant)	0			Active - fundamental and active - other	98			Total	100%	
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Corporate (non-financial)	<table border="1"> <tbody> <tr> <td data-bbox="496 1404 619 1469">  </td> <td data-bbox="619 1404 1474 1469"> Passive </td> </tr> <tr> <td data-bbox="496 1480 619 1507"> 2 </td> <td></td> </tr> <tr> <td data-bbox="496 1547 619 1612">  </td> <td data-bbox="619 1547 1474 1612"> Active - quantitative (quant) </td> </tr> <tr> <td data-bbox="496 1624 619 1650"> 0 </td> <td></td> </tr> <tr> <td data-bbox="496 1691 619 1756">  </td> <td data-bbox="619 1691 1474 1756"> Active - fundamental and active - other </td> </tr> <tr> <td data-bbox="496 1767 619 1794"> 98 </td> <td></td> </tr> <tr> <td data-bbox="496 1834 619 1899">  </td> <td data-bbox="619 1834 1474 1899"> Total </td> </tr> <tr> <td data-bbox="496 1910 619 1937"> 100% </td> <td></td> </tr> </tbody> </table>		Passive	2			Active - quantitative (quant)	0			Active - fundamental and active - other	98			Total	100%	
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98																	
	Total																
100%																	

FI 03	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA	Developed markets	95
	Emerging markets	05
	Total	100%

FI 03.2 Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

Corporate (financial)	High-yield	10
	Investment grade	90
	Total	100%
Corporate (non-financial)	High-yield	5
	Investment grade	95
	Total	100%

ESG incorporation in actively managed fixed income

Implementation processes

FI 04	Mandatory	Public	Gateway	PRI 1
FI 04.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>99</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>1</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> <tr> <td>Total (any strategy)</td> <td>100%</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	99	Thematic alone	0	Integration alone	0	Screening + integration strategies	1	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0	Total (any strategy)	100%
Strategy	Percentage																				
Screening alone	99																				
Thematic alone	0																				
Integration alone	0																				
Screening + integration strategies	1																				
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Screening + thematic strategies	0																				
All three strategies combined	0																				
No incorporation strategies applied	0																				
Total (any strategy)	100%																				
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>67</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>32</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	67	Thematic alone	0	Integration alone	0	Screening + integration strategies	32										
Strategy	Percentage																				
Screening alone	67																				
Thematic alone	0																				
Integration alone	0																				
Screening + integration strategies	32																				

	<p>Thematic + integration strategies</p> <p>1</p>
	<p>Screening + thematic strategies</p> <p>0</p>
	<p>All three strategies combined</p> <p>0</p>
	<p>No incorporation strategies applied</p> <p>0</p>
	<p>100%</p>

Corporate (non-financial)	Screening alone	67
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	32
	Thematic + integration strategies	1
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
	100%	

FI 04.2 Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

Amundi firmly believes that implementing an all-round view of companies consolidates value creation. Amundi is convinced that a strong sustainable development policy enables issuers to better manage regulatory and reputational risks and also contributes to improving their operational efficiency. This conviction leads us to integrate ESG considerations across all our management activities (excluding index-linked UCITS and ETFs, which are constrained by their benchmark indices), and to implement an engagement policy.

Additionally, it is a way for the investor to protect himself from long-term risks (financial, operational, reputational, etc.) and to fully exercise his responsibility.

By evaluating issuers in accordance with these "ESG" or extra-financial criteria, they can be rated on a scale from A to G, with A being the top score. This approach, which is complementary to the financial analysis, allows Amundi to optimise its risk/return trade-off. G-rated issuers are excluded from the universe of Amundi's active management investment funds. The exclusion of G-rated companies aims to mitigate both Amundi's financial and reputational risk.

FI 04.3 Additional information [Optional].

For Amundi's SRI funds, E, F& G rated companies are excluded. The ESG rating of the companies belonging to the investment universe is then combined with a financial rating. This rating is then used as an Alpha to optimise the portfolio.

The philosophy behind this process is that ESG analysis and financial analysis are complementary and can both contribute to the portfolio performance.

Details of this process are published in the funds' transparency codes.

FI 05	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 1
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FI 05.1 Indicate which ESG factors you systematically research as part of your analysis on issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
Environmental data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Social data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Governance data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

FI 05.2 Indicate what format your ESG information comes in and where you typically source it

Raw ESG company data

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify
- ESG factor specific analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify
- Issuer-level ESG analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify
- Sector-level ESG analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify
- Country-level ESG analysis

FI 05.3

Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.

ESG analysts have access to several sources of extra-financial information:

- brokers, who are producing an increasing number of increasingly elaborate studies on SRI and sustainable development
- NGOs
- Scientific reports
- Extra-financial rating agencies

Extra-financial analysts have access to 8 extra-financial providers chosen for:

- the refinement of the reference framework used for analysis
- their coverage universe
- the quality of their analysis and their ability to justify their ratings
- their ability to respond quickly to new information

Of these 8 providers:

- 4 agencies produce general ESG ratings used through a screening approach
- 2 are for monitoring controversies
- 1 allows for the identification of companies involved in the production or sale of anti-personnel mines and cluster bombs
- 1 is specialised in monitoring the climate/environment theme

To complement the data supplied by these agencies, our analysts' process information is taken from a variety of sources:

- Amundi buy-side financial analysts
- broker research
- press and publicly-available documents
- direct contact with the companies and stakeholders

FI 05.4	Additional information. [Optional]
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These various sources of analysis are an essential element of the extra-financial analysis process and have a double objective:

- allowing the ESG analyst to verify the data and to perfect their study by targeting their questions on the identified sector and specific stakes
- to heighten companies' awareness regarding ESG issues and thus to contribute to the improvement of the ESG reporting supplied by them.

FI 06	Mandatory	Public	Additional Assessed	PRI 1
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FI 06.1	Indicate how you ensure that your ESG research process is robust:
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- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify
- None of the above

FI 06.2	Describe how your ESG information or analysis is shared among your investment team.
----------------	---

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(A) Implementation: Screening				
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FI 07	Mandatory	Public	Gateway	PRI 1
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FI 07.1	Indicate the type of screening you conduct.
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Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Norms-based screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 07.2 Describe your approach to screening for internally managed active fixed income

Negative/ exclusionary screening:

Amundi applies strict rules across its management activities:

- no direct investments in companies involved in the production/sale of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo treaties,
- exclusion of companies involved in the production or sale of chemical, biological and depleted uranium weapons,
- for some clients, we apply negative screening on states that practise the death penalty or using nuclear energy,
- exclusion of companies that generate more than 50% of their revenue in coal extraction.

Positive/ Best-in-class screening

For corporates, we apply the same rules as for equity investments.

For states, we establish a rating on a scale of 0 to 100 for a total analysis scope comprising 63 countries based on around 100 common ESG indicators analysed from three angles: Compliance, Action and Results (CARE methodology).

Norms-based screening

Excluded issuers are those which violate, seriously or repeatedly the principles set out in the UN Global Compact, ILO, OECD Guidelines... These issuers are excluded from the universe of Amundi's investment funds.

We implement an exclusion of states that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity.

FI 08 **Mandatory** **Public** **Descriptive** **PRI 1**

FI 08.1 Indicate why you conduct negative screening.

SSA

SSA

- For legal reasons
- For non-legal reasons

Corporate (financial)

Corporate (fin)

- For legal reasons
- For non-legal reasons

Corporate (non-financial)

Corporate (non-fin)

- For legal reasons
- For non-legal reasons

FI 08.2

Describe your approach to ESG-based negative screening of issuers from your investable universe.

-Exclusions concern:

- Companies that violate one or several principles of the Global Compact repeatedly, without implementing suitable corrective measures.
- Companies involved in the production or sale of anti-personnel mines and cluster bombs (exclusions resulting from France's ratification of the Ottawa and Oslo treaties) as well as chemical, biological and depleted uranium weapons.
- Countries that systematically and wilfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity. These are countries that intentionally and systematically commit the worst of crimes.
- Companies that generate more than 50% of their revenue in coal extraction.

FI 08.3

Additional information. [Optional]

Issuers are identified through a monitoring system that gives analysts access to targeted media sources on specific extra-financial subjects.

The seriousness of controversy is determined by analysing:

- The gravity of human or environmental damage.
- The repetitive nature of the controversy.

Specific heed is paid to analysing the credibility of information sources.

Dialogue is therefore aimed at putting an end to the most controversial corporate practices.

Dialogue is considered as productive if:

- The company proves its determination to make a commitment.
- It implements corrective measures.
- It sets up adequate means to obtain lasting results.
- It has its approach certified by an independent third party.

Dialogue is considered as unproductive if:

- The company makes no response.
- The company carries on the controversial activity.
- Amundi concludes it has no influence on the company.

In this case, the engagement policy can result in an exclusion of the stocks (normative exclusion policy).

FI 09.1	Provide examples of how ESG factors are included in your screening criteria.
---------	--

Example 1

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class <input type="checkbox"/> Norms-based
Description of how ESG factors are used as the screening criteria
<p>Company D is an international trading company that imports and exports steel, cement, crude oil, heavy machinery, auto parts and textiles in addition to producing synthetic fabrics for shoes, clothing and car seats. Company D's activities also include the export and trade of machinery and industrial equipment and the company is involved in electricity generation projects, railways, ports, etc. The company has also embarked on international ventures in resource development projects.</p> <p>In 2016, Company D was accused of severe environmental damage resulting from the conversion of Indonesian rainforests into oil palm plantations. The company was also accused of being responsible for child labour in Uzbekistan and of having been complicit in human rights violations in Myanmar. Following e-mail exchanges with the company, the responses confirmed our recommendation for exclusion, our analysis having shown that the company had not taken the necessary steps to remedy the situation.</p> <p>We conclude that Company D does not comply with Principles 1, 2, 5, 7 and 8 of the Global Compact. Given the severity of environmental and social controversies and the company's insufficient response, we recommend the downgrading of the company's ESG rating to G, resulting in its exclusion from all of Amundi's actively-managed portfolios.</p>

Example 2

Type of fixed income
<input type="checkbox"/> SSA <input checked="" type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class <input type="checkbox"/> Norms-based
Description of how ESG factors are used as the screening criteria
<p>Having demonstrated weak all round ESG performance for some time, Company E (an American bank) has now been downgraded to an ESG rating 'E' making it ineligible for Amundi's SRI funds. This downgrade was established in the wake of a recent scandal. The severity and wide press coverage of the scandal impacted its ratings across our ESG criteria, including key criteria: responsible marketing, ethics, board structure, audit and control and labour relations.</p> <p>Company E's governance is characterised by no separation of CEO and Chairman roles. On the social side, the bank is particularly exposed in terms of responsible marketing and overall its Social performance weak, having been involved in various controversies in recent years. In terms of environmental practices, Company E has made little progress (limited policies, no 'green' products for individuals, lack of SRI) but its exposure to environmental risk is limited.</p> <p>Company E's performance on both the Environmental and Governance axes is average (D) however its Social performance has regressed and due to its particularly poor performance for Responsible Marketing Company E received an E rating for its Social practices, bringing its overall rating down to an E and rendering it ineligible for Amundi's SRI portfolios.</p>

Example 3

Type of fixed income
<input checked="" type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class <input type="checkbox"/> Norms-based
Description of how ESG factors are used as the screening criteria
<p>We assess states according to what extent Environmental, Social and Governance policies are built into institutional systems and public policies. Criteria are split into three classes of indicators: Compliance, Actions and Results. Considering Country A:</p> <p>POSITIVE ASPECTS:</p> <p>Transparency of political institutions:</p> <p><i>Compliance:</i> United Nations Convention against Corruption <i>Action:</i> Political Stability and Absence of Violence Voice and Accountability Government Effectiveness Regulatory Quality <i>Results:</i> Rule of Law Control of corruption Corruption perception index</p> <p>NEGATIVE ASPECTS:</p> <p>Control of social behaviour related to environment:</p> <p><i>Results:</i> Water withdrawal per capita Waste per capita Energy consumption per capita Electricity consumption per capita</p> <p>Preservation of biodiversity :</p> <p><i>Results:</i> Proportion of land area covered by forest Natural forest area, % change % endangered species</p> <p>Population health:</p>

Action: Public health expenditure

Population economic well-being:

Results: Unemployment rate

Fight discrimination and inequality:

Results: Gini Index

On a scale going from A to G, Country A gets an ESG rating of E, which is mainly explained by its environmental and social ratings. Environmental performances and Health spending are below average. Country A has an average Governance performance with good positioning for transparency of political institutions. With an overall ESG rating 'E', Country A is excluded from SRI portfolios.

Example 4

Type of fixed income
<input checked="" type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class <input type="checkbox"/> Norms-based
Description of how ESG factors are used as the screening criteria
<p>In 2016 Amundi launched Amundi Impact Green Bond, a fund that invests in green bonds whose projects have a measurable positive environmental impact.</p> <p>The investment universe made up of 100% non-cash net assets of green bonds with the highest standards of transparency in terms of evaluation of the bonds' positive environmental impact.</p> <p>Analysts carry out in-depth analysis of the Environmental component of the projects financed by the green bonds. They consider impact estimates (e.g. reduction in energy consumption; production of clean energy measured in tons of CO2 equivalent avoided) and exclude green bonds for which impact issuers don't publish information on the impact of projects or where the information isn't judged reliable. Analysts also look at ESG criteria and traditional financial criteria in order to evaluate the issuer.</p> <p>Amundi developed an internal methodology based on avoided emissions assessment to evaluate, rank and compare bonds and issuers. Using this proprietary methodology, Amundi has selected a number of Green Bonds issued by SSAs. The fund is invested in the green bonds issued by Poland and France. In addition to state green bonds, the funds invests in bonds issued by other SSAs e.g. European Investment Bank; Nacional Financiera; Asian Development Bank.</p>

Example 5

FI 10	Mandatory	Public	Core Assessed	PRI 1
FI 10.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.			

Type of screening	Checks
Negative/exclusionary screening?	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Norms-based screening	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

FI 10.2	Additional information. [Optional]
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If a breach occurs the Risk Manager notifies the fund manager by e-mail, and states the type of violation. In his answer, the fund manager must state the corrective action and the time necessary for it to be implemented. The Risk Manager accepts or refuses this answer and, if necessary, launches an escalation procedure, involving the Head of the portfolio manager's team, and the Chief Risk Officer and Chief Investment Officer if need be.

(B) Implementation: Thematic

FI 11	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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FI 11.1	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
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Ⓒ Environmentally themed funds

FI 11.2

Indicate whether you invest in 'green' or 'climate' bonds

- Yes
- No

FI 11.3

Indicate whether you apply criteria (your own or those of a third party) to decide whether a bond can be considered a 'green' bond.

- Yes
- No

FI 11.4

Describe your organisation's approach to all sustainability-themed fixed income investing and the criteria you apply to determine whether a bond can be considered for a thematic fund, mandate or similar.

Amundi has developed a range of fixed income solutions to finance the energy and ecological transition with two approaches:

1. **Amundi Impact Green Bond:** Focus on projects delivering positive and measurable impact with regards to energy transition
2. **Amundi Green Bonds:** Focus on actors committed to energy transition

■ **Amundi's methodology focuses on emissions avoided by each bond**

- Assumes a trend towards more energy-related bond issues
- Recognises improved impact disclosure by issuers
- Acknowledges the importance of a single coherent metric for investors

■ **Green due diligence and investable universe**

- Project-by-project or portfolio level data is used to compute avoided emissions by dollar or euro invested
- Assumes perfect information availability for each bond
- If information is deficient a coverage ratio is computed to enhance transparency

■ **Going forward**

- Analysis of new issuances based on availability of quantitative impact assessment
- Issuers engagement to improve impact reporting

■ **Enables a dynamic investment strategy based on carbon avoided emissions**

Focus on AMUNDI IMPACT GREEN BOND - Launched in September 2016

Amundi Impact Green Bonds invests exclusively in green bonds. The management team uses an investment universe made up of 100% non-cash net assets of green bonds with the highest standards of transparency in terms of evaluation of the bonds' positive environmental impact.

Impact reporting for the fund covers:

- breakdown of avoided emissions per bond, expressed in tons of CO2 equivalent avoided per year per €1 million invested;
- portfolio use of proceeds breakdown by project category: renewable energies, energy efficiency, others;
- portfolio use of proceeds geographic breakdown;
- portfolio ESG rating breakdown and global ESG rating of the fund.

Amundi decided to select one key metric for evaluating the impact of its green bond investments: avoided emissions. The avoided emissions are calculated in terms of tons of CO2 equivalent avoided per year per €1 million invested.

Amundi acknowledges the importance of a single, coherent metric for investors. We have chosen to report on just one impact metric in our monthly fund reporting to facilitate easy comparison between the impacts of

all bond projects. Whilst other impact reporting usually evaluates impact across several themes i.e. water, energy... Amundi has singled out one indicator for this impact fund in order to achieve its key goal of clarity of message. Avoided emissions is a metric that is well adapted to the theme of the transition to a low-carbon economy, and was chosen in the context of Amundi's commitment to contributing to financing the energy transition, specifically through the financing of energy efficiency and renewable energy projects. Additionally, the choice of this metric is in line with the current development of the Green Bond market and global decarbonisation goals. Furthermore, avoided emissions is a practical choice of metric given the wide availability of information- data is available for 54% [as of November 2016] of the Barclays MSCI Global Green Bonds.

Impact reporting is a core development focus of the Green Bond market. The development of market-wide reporting standards is supported by the Green Bond Principles (GBPs) and International Finance Institutions are developing a harmonised framework with the aim of fostering transparency and preventing green washing. Amundi hopes to place itself at the forefront of this movement and considers that its systematic monthly reporting and choice of impact metric are in line with these goals.

- Socially themed funds
- Combination of themes

FI 12	Mandatory	Public	Core Assessed	PRI 1
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FI 12.1	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles:
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- We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects
- We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated
- We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated
- We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects
- Other, specify
- None of the above

FI 12.2	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
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In the case issuers do not disburse bond proceeds as described in the offering documents, our management team will contact the issuer. If no corrective action is taken, then the issuer should be excluded from the fund.

FI 13	Mandatory	Public	Additional Assessed	PRI 1
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FI 13.1

Indicate how you assess the environmental or social impact of your thematic investments

- We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- We ensure independent audits are conducted on the environmental or social impact of our investments
- We have a proprietary system to measure environmental and social impact
- We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- Other, specify
- None of the above

(C) Implementation: Integration

FI 14

Mandatory

Public

Descriptive

PRI 1

FI 14.1

Describe your approach to integrating ESG into traditional financial analysis.

The first step of our Euro Credit SRI process consists in a rigorous corporate rating system with regard to ESG criteria, extreme product transparency and specific attention paid to giving clients the clearest information possible.

Amundi favours the "Best in Class" approach: this positive approach increases companies' awareness of environmental, social and governance (ESG) issues and helps them to develop and progress.

This management approach consists in favouring companies within each business sector that are the most advanced in their sustainable development programmes. It gives investors the opportunity to encourage the companies that are most serious about sustainable development.

The second step is a top down approach consisting in a global credit allocation combining macro-economic and market analysis, to define the model portfolio's systematic risk exposure.

The purpose of this step is to translate macro-economic scenarios (growth, inflation...), credit fundamentals (leveraging trend, upgrade to downgrade ratio...), technical valuations (flows, volatility, issues, redemptions and investor polls) and market valuations (historical analysis of spreads, econometric models for credit-spread "fair value") into an effective credit allocation.

The third step consists in :

1/ The application of an ESG filter to exclude issuers with the most questionable ESG practices:

- Portfolio managers cannot purchase issuers with the lowest industry ratings (issuers rated E, F or G). In this way, we protect our clients from financial and reputational risk.

- In the event of a downgrade, G-rated issuers must be excluded from portfolios: the managers have three months to sell any positions; as for buy-and-hold portfolios, a 10%-limit of G-rated issuers is tolerated in the event of a downgrade.

2/ A country and sector allocation, using a scoring based on Credit risk, Credit quality and Valuation, discussed at the Monthly Credit Committee. The decision process follows a macro- (sector credit dynamic, historical valuation, cross sector analysis) and micro-approach (globalization/regional factors). Geographical allocation takes into account country sensitivity (domestic revenues vs. international diversification, specific regulation, and issuer's correlation to sovereign).

3/ Portfolio managers then implement the sector allocation based on The Monthly Credit Committee translating the qualitative views into sector exposure expressed in SWMD* against the benchmark.

The fourth step consists in:

1/ Applying Best-in-class ESG selection, that is to say the selection of the best issuers in an investment universe. The average ESG rating of an SRI portfolio must be greater than or equal to the ESG rating of the investment universe or benchmark index, as calculated by Amundi Group's team of sustainability analysts. The portfolio must respect the following minimum conditions:

- Guaranteed minimum threshold for taking ESG criteria into account: the portfolio's ESG rating must be greater than or equal to a predefined level; in this case a C-rating on a scale from A to G, with A being the top score

- At least 90% of the portfolio must be rated.

2/ Applying Credit Analysis issuer selection

Detectable inconsistencies may exist between the price of bonds and the actual quality of the issuer's credit fundamentals. The portfolio is managed in terms of deviation vs. the index, hence it is overweight (or long) on discounted issuers and underweight (or short) on expensive names. To select issuers, we compare the internal forward rating provided by the credit analysts to the implied rating derived from the market. The credit analysts, organized by sectors, provide a forward rating over a 9 month horizon. The portfolio managers compute the implied rating out of cross-sectional market data, and rank issuers on a relative basis within their peers, for every sector. These approaches are based on both credit quality evolution and spreads dynamics.

The final step is Bond Picking & Arbitrage

The purpose of this step is to select specific market instruments (cash bonds, derivatives...).

Portfolio managers rely on in-house developed databases. Live prices are taken as input from Reuters, and are used to calculate spreads against government bond curve and swap curve. Spreads are calculated and recorded for every liquid bond issue and CDS in the European corporate market (as of today: more than 3000 bonds and 600 CDS priced on a daily basis). This database allows portfolio managers to draw credit curves, select valuable bonds and price new issues coming to the market and to arbitrage between cash or derivatives.

The screening is based on the following criteria:

- Issuer curve: selection of maturity & issue, - Type of debt: degree of subordination, covenants,
- Issues denominated in different currencies, with systematic currency hedging,
- Instrument type: cash bonds versus derivatives.

This analysis is completed by a judgmental screening resulting from permanent discussion between portfolio managers, traders, credit analysts and extra-financial analysts to integrate the most up-to-date qualitative information.

FI 14.2

Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

SSA

The aim of non-financial analysis of countries is to measure and compare the extent to which sustainable development challenges are integrated into countries' institutional and political systems in the three aspects of ESG (Environment, Social and Governance).

We focus on:

- **Compliance:** ratification of treaties (Kyoto Protocol for the E aspect, Chemical Weapons Convention for the aspect, etc.)
- **Actions:** public expenditure, decisions and implementation (share of renewable energy in the energy mix for the E aspect, share of GDP spent on health for the S aspect, etc.)
- **Results:** quantifiable and measurable (CO2 emissions for the E dimension, Transparency International's Corruption Perceptions Index for the G aspect, etc.)

Corporate (financial)

The relevant criteria for financial corporates are more specifically:

- responsible marketing,
- green financing,
- audit and control,
- financial inclusion.

Corporate (non-financial)

Same criteria as for equity SRI investments.

The weighting of criteria varies from one sector to another: the more the criterion is a potential source of risk or opportunity for sector companies, the greater its weight. The greater the risk faced by a company for a given criterion, the more demanding the analysts will be as to the quality of its practices. Amundi's analysis is above all pragmatic. Analysts always look at companies in the context of their sector and region. They also examine the local regulations to understand what extra-financial risks and opportunities companies face.

FI 14.3 Additional information [OPTIONAL]

To summarise, an issuer is analysed depending on its sector of activity, regardless the type of issue (equity, securitised, classical bonds, debt).

FI 15	Mandatory	Public	Core Assessed	PRI 1
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FI 15.1 Indicate how ESG information is typically used as part of your investment process.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 16	Mandatory	Public	Additional Assessed	PRI 1
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FI 16.1	Indicate the extent to which ESG issues are reviewed in your integration process.
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	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 16.2 Please provide more detail on how you review E, S and G factors in your integration process.

SSA

Our Country assessment methodology (CARE):

The aim of non-financial analysis of countries, based on CARE methodology, is to measure and compare the extent to which sustainable development challenges are integrated into countries' institutional and political systems in the three aspects of ESG (Environment, Social and Governance).

These three aspects are sub-divided into nine challenges (three for the environment, four for social and two for governance) which are analysed from three angles, Compliance, Action and Results (CARE methodology), specifically:

-Compliance: ratification of treaties (Kyoto Protocol for the E aspect, Chemical Weapons Convention for the aspect, etc.)

-Actions: public expenditure, decisions and implementation (share of renewable energy in the energy mix for the E aspect, share of GDP spent on health for the S aspect, etc.)

-Results: quantifiable and measurable (CO2 emissions for the E dimension, Transparency International's Corruption Perceptions Index for the G aspect, etc.)

The nine challenges cover approximately 100 criteria.

This methodology is based on public data sources:

- UNDP - United Nations Development Programme:

- Coordination of efforts to achieve the Millennium Development Goals, the main one being to halve poverty by 2015
- Action focuses: promotion of democratic government, sustainable management of resources, preventing the spread of HIV/Aids

- WHO - World Health Organisation (UN institution specialising in health)

- WRI - World Resources Institute: Environmental protection think tank

- Transparency International: Anti-corruption NGO

The process is the same for financial and non-financial corporates.

Analysts rate companies on a scale with seven levels, from A to G. There are three stages to the non-financial assessment of companies: a pre-analysis phase, an analysis phase and a post-analysis phase.

1. Pre-analysis: Selection of analysis criteria, weightings and selection of research sources

Our E, S, G analysis grid comprises 15 generic criteria and 21 criteria specific to the sector. This reference system allows an exhaustive, normative and systematic analysis of all securities, irrespective of the asset class (equities, bonds or money market instruments).

In each of the sectors, analysts identify four to five key criteria which are weighted more heavily than other criteria.

ESG ratings are a weighted average of E, S and G ratings. The weighting varies according to the sector to which the security belongs. The choice of criteria and their weighting results from the expertise of the ESG analysis team and depend on the different sectors.

The ESG analysis team currently draws on the expertise of eight non-financial rating agencies:

- four are non-specialists: Sustainalytics, MSCI, Vigeo, Oekom
- two allow tracking of controversial issues: Factiva, Reprisk
- one identifies securities involved in the manufacture of controversial weapons: ISS-Ethix
- one provides information on environmental issues: Trucost

In addition to this data, analysts handle information from a range of sources, including: brokers, NGOs, scientific reports, Amundi group financial and credit analysts, Crédit Agricole Group analysis, the press and public documents, and direct contact with the companies and stakeholders.

2. Analysis: calculation and validation of ESG ratings

A proprietary tool for calculating, validating and disseminating ESG ratings was developed in 2009 by Amundi's IT teams. The ESG analysis team:

- validates the ratings calculated by the tool,
- makes a decision on any discrepancies,
- makes a decision regarding securities that are not monitored (at managers' request),
- makes a decision regarding securities awarded an average ESG score but which are particularly weak on one criterion (smoothing effect).

The score for a given security will depend on a combination of the different suppliers' scores, the weights assigned by analysts to the criteria depending on the sector for example.

Finally, the ESG score is the weighted average according to the weights assigned to criteria in the reference system of the scores obtained for each criterion.

The calculation tool allows total transparency in security's rating at any time.

3. Post-analysis: quantitative research

The post-analysis phase is based on the expertise of the quantitative research team and makes it possible to refine the ratings calculation algorithm, identify, in collaboration with management teams, the securities with the biggest over- or under-performance for any non-financial causes, analyse and correct any bias and enhance the pre-analysis phase.

This type of analysis is conducted by sector, criterion or geographical region.

In 2014, Amundi published a discussion paper on the performance of ESG factors, relying on the quantitative research. Quantitative research also plays an active role in the establishment of SRI management processes, helps to create model SRI portfolios and ensures the monitoring of risk and performance from an SRI/ESG perspective.

The process is the same for financial and non-financial corporates.

ESG incorporation in passively managed fixed income

FI 17	Voluntary	Public	Descriptive	PRI 1
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FI 17.1	Describe your RI approach for passively managed fixed income assets.			
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Amundi became a pioneer by launching, as early as September 2014, index funds based on the MSCI Low Carbon Leaders indices, with the support of large institutions such as AP4 (Fourth Swedish National Pension Fund), FRR (Pension reserve fund) and ERAFP (Additional pension institution for public-sector employees). These innovative indices duplicate some standard world or European market indices, while reducing the weighting in companies exposed to climate risk and retaining the same exposure to the markets. By adopting these indices, investors are able to reduce their exposure to the carbon risk without incurring a negative impact on their market exposure and therefore their returns.

Moreover, Amundi's Portfolio Decarbonisation solutions may be applied to traditional portfolios or to index solutions.

Fixed income - Engagement

FI 18	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
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FI 18.1	Indicate if you engage on your fixed income assets. Please exclude any engagements carried out solely in your capacity as a shareholder.			
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Category	Proportion of assets
SSA	<input type="radio"/> >50% <input type="radio"/> 26-50% <input checked="" type="radio"/> 5-25% FI 18.2 Indicate your motivations for conducting engagement. <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="radio"/> More than 0%, less than 5% <input type="radio"/> We do not engage
Corporate (financial)	<input type="radio"/> >50% <input checked="" type="radio"/> 26-50% FI 18.2 Indicate your motivations for conducting engagement. <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5% <input type="radio"/> We do not engage
Corporate (non-financial)	<input type="radio"/> >50% <input checked="" type="radio"/> 26-50% FI 18.2 Indicate your motivations for conducting engagement. <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5% <input type="radio"/> We do not engage

FI 19	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

FI 19.1	Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)
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Select all that apply

Type of engagement	SSA	Corporate (financial)	Corporate (non-financial)
Individual/Internal staff engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Service provider engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not engage with issuers as a fixed income investor or as both a fixed income and listed equity investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.2

Indicate how your organisation prioritises engagements with issuers

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)
Based on potential materiality of ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on systemic risks to global portfolios	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on our exposure (holdings) to ESG risks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not prioritise engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.3

Indicate when your organisation conducts engagements with issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)
Engagements are conducted pre-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Engagements are conducted post-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.4

Indicate how your organisation conducts engagements with issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)
We systematically engage prior to ESG-related divestments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage in reaction to ESG issues which have already affected the issuer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment and ESG analysts systematically conduct ESG-related engagements together	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.5

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
We conduct engagements with individual issuers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
We conduct engagements across sectors and industries	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
We conduct engagements on specific ESG themes (e.g. human rights)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 19.6

Indicate how your organisation shares the outcomes of the engagements internally.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
We have a systematic process to ensure the outcomes of engagements are made available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
We occasionally make the outcomes of engagements available	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We do not make this information available	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We do not share the outcomes of the engagements internally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 20

Mandatory to Report Voluntary to Disclose

Public

Additional Assessed

PRI 1,2

FI 20.1

Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

Yes

FI 20.2

Please attach or provide a URL to your fixed income engagement policy document. [Optional]

URL

http://about.amundi.com/corporate_fr/ezjscore/call/ezjscamundibuzz::sfForwardFront::paramsList=service=ProxyMarketingDocRequest&routeld=download_geds_corporate_lists_Document_documents_582

No

Outputs and outcomes

FI 21	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	General
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FI 21.1 Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
We measure whether incorporating ESG impacts funds' reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We measure whether incorporating ESG impacts financial returns	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
We measure whether incorporating ESG impacts risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We measure whether incorporating ESG impacts funds' ESG performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 22	Voluntary	Public	Descriptive	PRI 1,2
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FI 22.1 Provide examples of how your incorporation of ESG analysis and/or your engagement of issuers has affected your fixed income investment outcomes during the reporting year.

Example 1

Type of fixed income
<input checked="" type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG issue and explanation
<p>Amundi conducts ESG analysis of countries alongside its ESG analysis of corporates and applies the same strict SRI rules across both categories of issuer. Issuers receiving an ESG rating of E, F or G are excluded from Amundi's SRI portfolios and those that receive a 'G' rating are excluded from all of Amundi's management strategies, with the exception of index funds and ETFs that are constrained by their benchmark index. A specific example of how ESG criteria applied to a country is available in our response to FI 09.</p> <p>In addition to analysis and evaluation of criteria resulting in ESG ratings, ranging from A to G, for countries, Amundi operates a normative exclusion policy, applying strict rules for exclusion across its management strategies. In the context of its ESG analysis of countries, Amundi excludes those countries that systematically and willfully violate human rights and make themselves guilty of the worst crimes: war crimes and crimes against humanity.</p>
RI strategy applied
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>As a result of this exclusion criteria, 4 countries (among the country analysis scope) were rated G and therefore excluded from Amundi's portfolios in 2016.</p>

Example 2

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial)
ESG issue and explanation
<p>In 2016 Amundi published a report entitled "Coal Extraction and Mining: Sector Exclusion or Greater Exclusivity?". Given the proliferation of environmental and social risks related to coal mining, we asked if it is possible to define good practices in sectors related to coal mining and combustion, or should one systematically exclude companies operating in these sectors.</p> <p>Against the backdrop of growing awareness of the risk of global warming and the COP21 commitment to limit the rise in temperatures to well below 2°C, the use of coal in the energy sector is increasingly called into question. Thermal coal stands out as the largest source of CO2 and presents a significant climate risk due to its low cost and considerable amount of existing reserves.</p> <p>Over and above the issue of CO2 emissions, coal mining also raises issues related to the pollution of surrounding resources; the impact on biodiversity; the health and safety of employees working in mines and respect for human rights and local communities.</p> <p>For each of the various criteria, we assessed companies' exposure to the risk represented by coal and to what extent their management was adapted to the scale of this risk.</p>
RI strategy applied
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>In terms of managing the various risks, we specified the best practices observed for each of the criteria studied in order to identify the least well-positioned players, which cannot be included in SRI portfolios given their sub-par performance in respect of the coal theme.</p> <p>Finally, we concluded that players who generate more than 50% of their revenues from coal mining have an ESG and financial risk profile that, in our view, is too high for them to be included in Amundi's portfolios. As a result of the study, in line with the commitment made by Crédit Agricole S.A., we decided at the beginning of 2016 to exclude from all our active management strategies issuers for whom more than 50% of revenue comes from coal extraction.</p> <p>Regarding the Utilities sector, excluding the companies in question from SRI portfolios depends on the non-publication of CO2 emissions for companies exposed to coal, on their relative level of carbon intensity compared with their peers and on the technologies of the coal plants owned by these companies. 29 companies have been excluded from SRI portfolios based on the filter defined by the above criteria.</p>

Example 3

Type of fixed income
<input type="checkbox"/> SSA <input checked="" type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG issue and explanation
<p>In 2016 Amundi launched Amundi Impact Green Bond fund, a fund that invests exclusively in green bonds whose projects have a measurable positive environmental impact.</p> <p>The management team uses an investment universe of 100% non-cash net assets of green bonds with the highest standards of transparency in terms of evaluation of the bonds' positive environmental impact.</p> <p>Analysts look at the Environmental component of the projects financed by the green bonds (taking into account impact estimates such as the reduction in energy consumption or the production of clean energy measured in tons of CO2 equivalent avoided) and exclude green bonds for which issuers don't publish information on the impact of the financed projects or where such information is not judged reliable. Amundi also relies on analysis of Environmental, Social and Governance criteria and analysis of traditional financial criteria related to credit worthiness.</p> <p>In an effort to continuously improve the quality of its reporting, Amundi carries out engagement with the issuers of the bonds in the fund; Amundi's Green Bond analysis and issuer engagement aim to enable impact assessment and reporting, in addition to contributing to the structuring of the Green Bond market towards higher transparency and better impact reporting.</p>
RI strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>We believe that avoided emissions are going to become the reference metric for Green Bond impact calculation. Amundi has therefore developed an internal methodology based on avoided emissions assessment to evaluate, rank and compare bonds and issuers. Primarily financing projects related to renewable energy and largely based in Europe, Amundi Impact Green Bond avoided emissions indicator was calculated at 858 tons of CO2 equivalent avoided per €million euros invested (as of 31/12/2016). The fund invest in bonds issued by states (Poland & France), other SSAs (e.g. the European Investment Bank), corporate financials (e.g. Société Générale) and corporate non-financials (e.g. EDF, Tennet Holding).</p>

- Example 4
- Example 5

Communication				
FI 23	Mandatory	Public	Core Assessed	PRI 2,6

FI 23.1

Indicate if your organisation proactively discloses information on your approach to RI across all of your fixed income investments.

- We disclose it publicly

Provide URL

https://www.amundi.fr/fr_instit/document/download/FR0010035162/SRI%20Transparency%20Code/FR

FI 23.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

FI 23.3

Indicate the information your organisation proactively discloses to the public regarding your approach to RI incorporation.

- Broad approach to RI incorporation
 Detailed explanation of RI incorporation strategy used

FI 23.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 Biannually
 Annually
 Less frequently than annually
 Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 We do not proactively disclose it to the public and/or clients/beneficiaries