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AMUNDI - 2014 BUSINESS REPORT

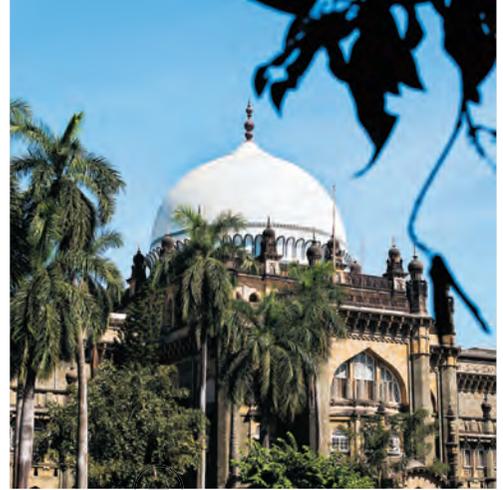
# 2014 BUSINESS REPORT

CONFIDENCE  
MUST BE EARNED

**Amundi**  
ASSET MANAGEMENT



WARSAW



MUMBAI



SINGAPORE

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## Interview



*“The success of the growth strategy implemented since Amundi’s creation is reflected in the results for 2014.”*

**Jean-Paul Chifflet,**  
Chairman of the Board of Directors



**Amundi was created in 2010 with the ambition of becoming a European leader in the Asset Management industry. In 2014, Amundi buttressed its positions:**

with €870 billion in assets under management, i.e. an increase of €200 billion in five years, Amundi is the leading European asset manager and ranks among the world’s top ten players.



The success of the growth strategy implemented since Amundi’s creation is reflected in the results for 2014. Inflows amounted to €35 billion, two thirds of which in international markets. All client segments and all the areas of management expertise contributed positively to this growth.

With net profit of €488 million, up 8%, and a cost-to-income ratio of 52%, 2014 was also a year of strong growth momentum and high profitability.

In a fast-changing economic and financial environment, with banks facing increasingly stringent capital and liquidity constraints, the asset management industry is set to play an instrumental role in helping finance the economy. Amundi is fully committed to fulfilling this role by developing its private equity, private debt and advisory business with companies and institutional investors.

Amundi’s development is thus in line with Crédit Agricole’s strategy of being a universal bank at the service of economic growth, both in France and internationally.

**With an 11% increase in assets under management and inflows of €35 billion in 2014, the highest level since its creation, Amundi’s growth momentum has accelerated.**

All of its areas of expertise contributed to this growth: active management (equities, fixed income and diversified), passive management (indexing and ETFs) and illiquid asset management, notably real estate and private debt. Inflows increased in all client segments, particularly third-party distributors, where subscriptions exceeded €10 billion. As in 2013, the sharpest increase was outside France, with international markets accounting for two thirds of inflows in 2014. Amundi has continued to strengthen its international operations, notably with the acquisition of Austria’s BAWAG Invest.

This development is reflected in the financial results, with a 7% increase in NBI and an 8% rise in net profit versus the previous year.

These very satisfactory commercial and financial results validate the actions undertaken in recent years in three different areas:

- innovation to create investment and savings solutions tailored to the needs of each client and taking into account the financial market environment,
- enhancing the quality of services and advice provided,
- building a trusting relationship with our clients, based on our long-term commitment.

In 2015, we intend to pursue this growth strategy in three directions by:

- consolidating our leadership position in France,
- extending our international development by making Europe our domestic market and consolidating our already solid positions in Asia and the Middle East,



- developing new asset classes to meet the needs of investors in the current environment of very low interest rates.

In a changing world, made of risks and also of opportunities, Amundi’s ambition remains the same: to earn the confidence of its retail and institutional clients.

*“As in 2013, the sharpest increase was outside France, with international markets accounting for two thirds of inflows in 2014.”*

**Yves Perrier,**  
Chief Executive Officer, Amundi



**Key figures**

**AMUNDI, THE LEADING EUROPEAN ASSET MANAGER**

**Leader**  
in Europe<sup>(1)</sup>

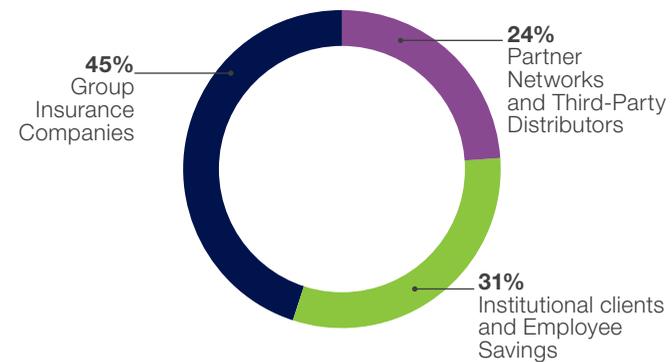
**TOP 10**  
worldwide<sup>(1)</sup>

**€35.4bn**  
in net inflows<sup>(2)</sup>

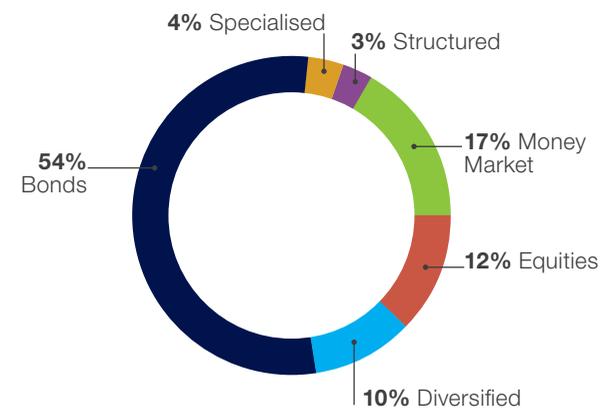
**€866bn**  
in assets under management<sup>(2)</sup>

\* (1) Largest European asset manager based on total assets under management (AUM) - Scope Amundi Group - Source IPE "Top 400 asset managers" published in June 2014 and based on AUM as at December 2013, all AUM having been re-calculated by Amundi to exclude (i) Wealth Management activities and (ii) asset managers having their parent/holding company outside Europe.  
(2) Amundi Group figures as of 31 December 2014.

**BREAKDOWN OF ASSETS BY CLIENT TYPE<sup>(2)</sup>**



**BREAKDOWN OF ASSETS BY ASSET CLASS<sup>(2)</sup>**



**RESULTS**

**€1,557m**  
Net banking income

**€747m**  
Gross operating income

**€488.3m**  
Net income (group share)

**€6,118m**  
Shareholders' equity

**52%**  
Cost-income ratio

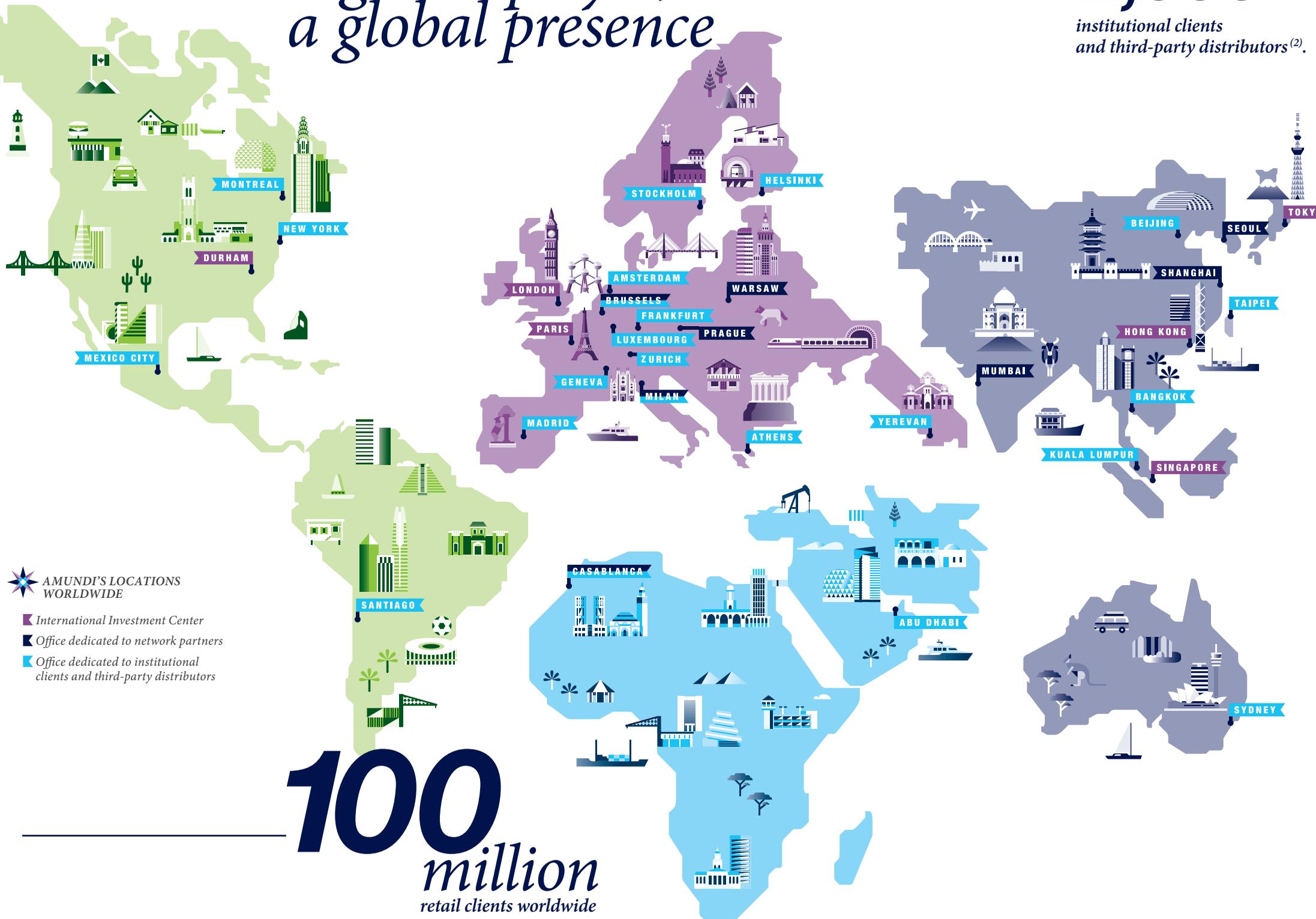
**18bp**  
Management margin

**9.8bp**  
Operating expenses/average assets under management

A global player,  
a global presence

2,000

institutional clients  
and third-party distributors<sup>(2)</sup>.



100 million  
retail clients worldwide  
via our partner networks<sup>(2)</sup>.

Profile

About Amundi

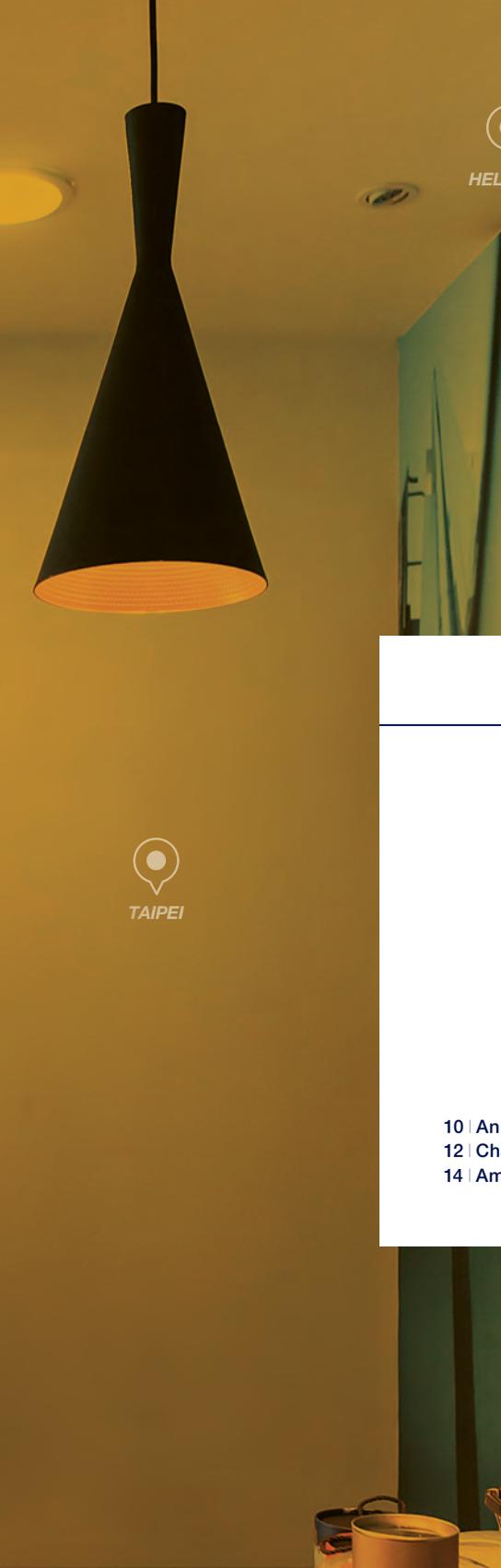
Amundi is the European leader and in the Top 10 worldwide in the asset management industry<sup>(1)</sup> with AUM of more than €850 billion worldwide<sup>(2)</sup>. Located at the heart of the main investment regions in more than 30 countries, Amundi offers a comprehensive range of products covering all asset classes and major currencies.

Amundi has developed savings solutions to meet the needs of more than 100 million retail clients worldwide and designs innovative, high-performing products for institutional clients tailored specifically to their requirements and risk profile.

The Group contributes to funding the economy by orienting savings towards company development. Amundi has become a leading European player in asset management, recognised for:

- Product performance and transparency;
- Quality of client relationships based on a long-term advisory approach;
- Efficiency in its organisation and teams' promise to serving its clients;
- Commitment to sustainable development and socially responsible investment policies.

<sup>(1)</sup> Largest European asset manager based on total assets under management (AUM) - Scope Amundi Group - Source IPE "Top 400 asset managers" published in June 2014 and based on AUM as at December 2013, all AUM having been re-calculated by Amundi to exclude (i) Wealth Management activities and (ii) asset managers having their parent/holding company outside Europe.  
<sup>(2)</sup> Amundi Group figures as of 31 December 2014.



# AMUNDI AND ITS ENVIRONMENT

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## Amundi and its environment

# AN OVERVIEW OF THE WORLD ECONOMY IN 2014: DISAPPOINTING GROWTH AND PERSISTENTLY LOW INTEREST RATES

**With economic growth in the United States, a contraction in Japan, a very sluggish euro zone and mixed performances in emerging countries, the economic recovery is not convincing enough to prompt central banks to change their monetary policy.**

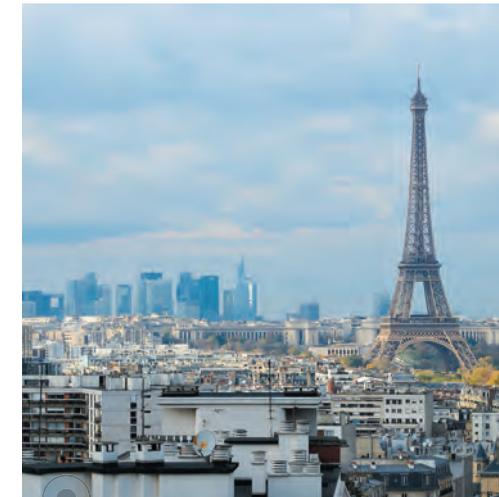
The “great stagnation” was the overarching economic theme in 2014. Growth was held back by several factors, such as weak investment, the weight of debt and debt reduction (and the resulting constraints on economic policies) and unfavourable demographics. This environment was enough to justify low interest rates and inflation, high asset prices and a resurgence in volatility. Economic growth is, however, continuing in the United States, but at a far slower pace than during previous economic recoveries. The improvement in the labour market is not yet convincing, as the fall in the unemployment rate is largely due to the fall in the labour force participation rate. The Fed has nevertheless ended its quantitative easing programme, but without making any moves to ‘normalise’ its interest rate policy. Splits over monetary policy have even emerged, notably because inflation is deemed too low. Japan, despite considerable efforts (zero-rate policy, quantitative and qualitative easing, Abenomics<sup>(1)</sup>, etc.), is struggling to resume sustainably positive economic growth and its inflation rates continue to fall short of government and Bank of Japan targets. The Bank of Japan can only leave its rates at zero and continue to buy government bonds while letting the yen depreciate. At this juncture, this is not enough to create the conditions for sustainable growth. In the euro zone, economic activity remains extremely weak and deflationary pressures are not abating. At constant tax rates, more than half of the euro zone is now in deflation (up from 5% just three years ago) and the zone’s inflation rate has slipped into negative territory. The ECB has officially acknowledged the need for forceful action to combat these deflationary pressures.

The euro zone faces a double challenge:

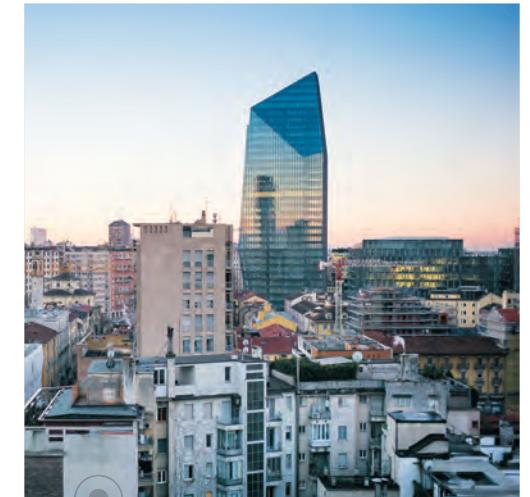
- First, providing SMEs with easier access to financing. Unlike large corporations and listed companies covered by rating agencies, SMEs, which accounted for 85% of net job creations in the euro zone between 2002 and 2012, cannot raise funds via the capital markets. They rely on banks for almost 95% of their financing needs;
- The next challenge is achieving greater fluidity between surplus savings in the north of the zone and investment deficits in southern countries. Although nearly all of the euro zone countries now have current account surpluses, this reflects very mixed circumstances and the recycling of savings within the zone remains insufficient. The ECB therefore implemented several measures to counter these difficulties in 2014, including a programme to make long-term liquidity available to banks, an asset-backed securities (ABS) purchase programme and a covered bond<sup>(2)</sup> purchase programme.

### Falling oil prices and low interest rates

Against this backdrop, sovereign spreads continued to tighten in the euro zone: the search for yield, abundant liquidity and an improvement in economic conditions in peripheral countries – combined with the willingness of international organisations and European bodies to let this happen – were instrumental in this process. Emerging economies held up fairly well when the Fed ended its quantitative easing programme but some of the major economies, notably Russia, China and Brazil, were unable to avoid an economic slowdown (or even recession) for a multitude of reasons: loss of competitiveness, financial vulnerability, falling commodity prices, poorly adapted policy mix and the inevitable fight against inflation. Now more than ever before, these economies should be analysed individually in terms of their specific characteristics and economic and financial vulnerability. In other words, the emerging bloc should no longer be taken as a bloc. The drop in oil prices was one of the major trends



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of 2014. The fall of almost 50% in per-barrel prices, linked more to a supply than a demand shock, suggests the possibility of a slight growth recovery in consumer countries but seriously weakens some of the producer countries, which are highly dependent on oil both for income and for production and growth. Many of these countries are seeing their current account surpluses melting away and their budgetary balances are under threat. Falling oil prices are breathing new life into countries struggling with inflation (India, Indonesia) while putting additional pressure on countries (Japan, etc.) or regions (euro zone, etc.) currently fighting deflation.

All in all, interest rates, both short- and long-term, remained low throughout the year, with central banks maintaining highly accommodative monetary policies. The year ended with an extreme and unusual situation: German bond yields were negative up to five-year maturities, while more than 85% of the euro zone’s credit universe delivered yields of less than 2% (down from around 40% at the beginning of the year) and 13% recorded negative yields. Equity markets had a chaotic year, with some ending on a decline (-9% for Russia, -4.8% for the MSCI Emerging Markets, -1% for the CAC 40), while others edged up (+2.7% for the DAX) or even saw a significant rise (+12.5% for the S&P 500). The euro slipped against the dollar, depreciating by 12% and ending the year at \$1.21.

\* (1) See methodology and glossary, page 74.  
(2) See methodology and glossary, page 74.

*“Falling oil prices are a dividing factor, both in the emerging world and in developed countries.”*

**85%**

*of net job creations in the euro zone between 2002 and 2012 came from SMEs.*

**\$1.21**

*the euro’s year-end closing price.*

## Amundi and its environment

# CHANGES IN THE ASSET MANAGEMENT MARKET IN 2014

### Sluggish French market despite strong inflows in bond and equity ETFs

The market of French open-ended funds contracted for the second straight year in 2014, by around €4.2 billion. Total assets under management decreased to €761 billion, down 1% on the previous year. Despite a positive market effect, investors continued their redemptions. Once again this year, the market suffered significant outflows (-€20.5 billion), mainly from money market funds (-€27.8 billion) and more specifically short-term deposits (-€28.3 billion). Despite a positive market effect of €15.6 billion, equity funds as a whole recorded outflows of €1.9 billion, with the exception of thematic and sector equities (+€1 billion), European equities and Asia-Pacific equities. Assets under management in this category increased by 4%, rising for the fourth consecutive year. Diversified funds also recorded redemptions of €3.9 billion. Funds invested mainly in bonds (+€2.5 billion) and defined maturity funds were the only ones to achieve net inflows. Note that for guaranteed funds, redemptions amounted to €2.0 billion. Flows recorded in bond funds (+€11.1 billion) confirmed investor interest in this asset class, with a 15% increase in assets managed in 2014. Portfolios invested in euro zone bonds and multi-country bond portfolios took in the highest subscriptions. Other fund categories recorded inflows on the whole: absolute return funds (+€2.8 billion), hedge funds, commodity funds, convertible bond funds and real estate funds (+€1.2 billion). Subscriptions in ETFs (+€6.9 billion), with assets under management up to all-time highs at €52.6 billion, remained higher than those in actively managed funds. The main subscriptions were in equity ETFs with a geographic bias (Japan, Europe, World) and bond ETFs (long term, medium term and all maturities).

### Bond and diversified funds very popular in Europe

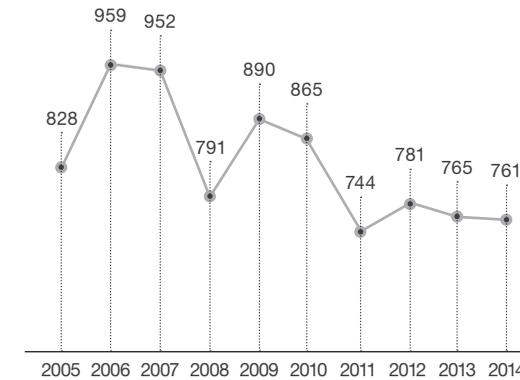
The European UCITS market amounted to €8,040 billion at end-2014<sup>(1)</sup>, a 15.2% increase year on year. This rise in assets under management is attributable to a subscription effect (+€432 billion)

combined with a positive market effect (+€630 billion). Subscriptions were driven mainly by bond funds (+€168 billion) and diversified funds (+€151 billion) and, to a lesser extent, by equity funds (+€60 billion) and absolute return funds (+€31 billion). Despite positive inflows over the year (+€20 billion), money market funds followed a more irregular trend. With many guaranteed funds falling due, redemptions amounted to €10 billion for this asset class. Note also €12 billion of flows into hedge funds and real estate funds. Bond fund subscriptions were driven by flows into bond portfolios of euro zone issuers (+€44 billion), Scandinavian countries, emerging countries and multi-country portfolios. Investors showed a strong appetite for flexible bonds (€22 billion) and private-sector bonds (+€40 billion). The steady flows in diversified funds benefited flexible funds (+€63 billion) and prudent (+€50 billion) and balanced profiles (+€34 billion). Investor appetite for equity funds, notably in the first half, benefited North American equities (+€22 billion) and income funds (+€15 billion) at the expense of UK, European and emerging-country equities. Sector and thematic equities (+€9 billion) were also sought after by investors. Active management represented 82% of subscriptions, ETFs 9% and traditional index management 9%.

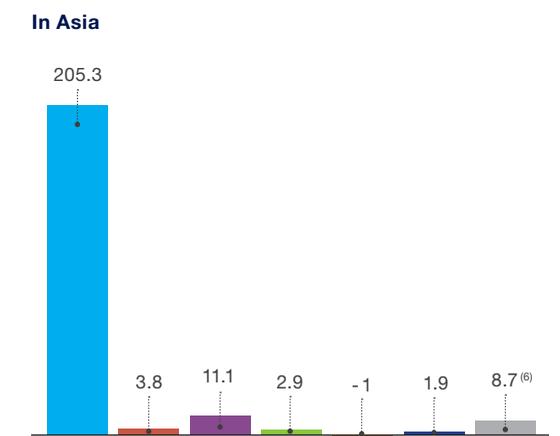
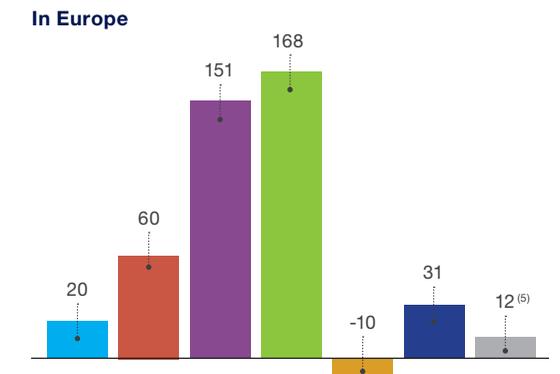
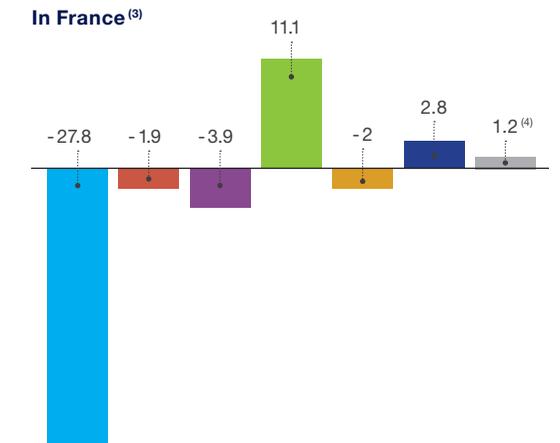
### Burgeoning appetite for long-term products in Asia, aside from flows in money market instruments

In Asia, the market of open-ended funds amounted to €2,237 billion, a 27.5% increase<sup>(2)</sup> attributable to an inflow effect of +€233 billion and a market effect of +€249 billion. The three leading markets, Japan (€601 billion), China (€576 billion) and Australia (€274 billion), represented 65% of the region's assets. Investors clearly preferred money market funds in local currencies (+€205 billion), notably in China, Thailand, South Korea and India, as well as cross-border diversified funds (+€9 billion), both balanced and flexible allocation, in Hong Kong, Singapore and Japan. Equity funds (+€4 billion) were the most popular in Japan, with a preference for Japanese and sector equities, and also in Hong Kong, where investors focused on cross-border funds, notably those invested

## AUM IN FUNDS IN FRANCE<sup>(3)</sup> (IN €BN)



## INFLOWS BY ASSET CLASS (IN €BN)



■ Money Market  
■ Equities  
■ Balanced  
■ Bonds  
■ Guaranteed and formula funds  
■ Absolute Return  
■ Other<sup>(4)(5)(6)</sup>

in European, international and high-yield equities. Investor demand was sustained for funds with dynamic asset allocation in Japan and for leveraged ETFs in South Korea. With the exception of the Philippines (-€0.4 billion), all the Asian markets ended the year with positive inflows, driven by China (+€128 billion), Thailand (+€51 billion) and Japan (+€16 billion).

- \* (1) 31 December 2014 (Source Lipper FMI): universe of open-ended funds registered in Europe.  
 (2) December 2014 (Source Lipper FMI, SalesWatch): universe of open-ended funds of which more than 80% is sold in Asia and cross-border funds sold in Asia (countries: Australia, China, Hong Kong, India, Indonesia, Japan, Kazakhstan, Malaysia, New Zealand, Pakistan, Philippines, Singapore, South Korea, Taiwan, Thailand).  
 (3) Source: Europerformance NMO (open-ended funds domiciled in France).  
 (4) Hedge funds, commodity funds, convertible bond and real estate funds.  
 (5) Hedge funds and real estate funds.  
 (6) Funds with dynamic asset allocation, leveraged ETFs.

## Amundi and its environment

# AMUNDI'S BUSINESS AND RESULTS IN 2014

Amundi recorded an 11.4% increase in assets under management in 2014, driven both by record inflows of €35.4 billion and a very positive market effect (+€53.5 billion) resulting from the continued decrease in interest rates and the rise in international equity markets.

### Subscriptions driven by international business

Amundi recorded subscriptions of €23.4 billion outside France, i.e. two thirds of its total inflows, a sharp increase from previous years, reflecting the successful investment policy implemented in recent years. Amundi benefited from healthy business levels at its various locations: in Europe, inflows were positive across all client segments, notably retail clients; in Asia, the Middle East and the United States, institutional mandates were won in fixed income and equity index management. Lastly, Japan achieved record inflows from distributor clients thanks to its high-yield expertise, offsetting outflows in the sovereign segment.

### All client segments made a positive contribution

■ In the institutional and insurance segment, Amundi recorded net inflows of €15.7 billion in France, Asia and the Middle East, having taken advantage of the strong performance of the life insurance market in France and adapted its offering to the new market environment. It recorded significant inflows in its new LCR funds<sup>(1)</sup> designed for credit institutions, as well as in other areas of expertise focusing on diversification.

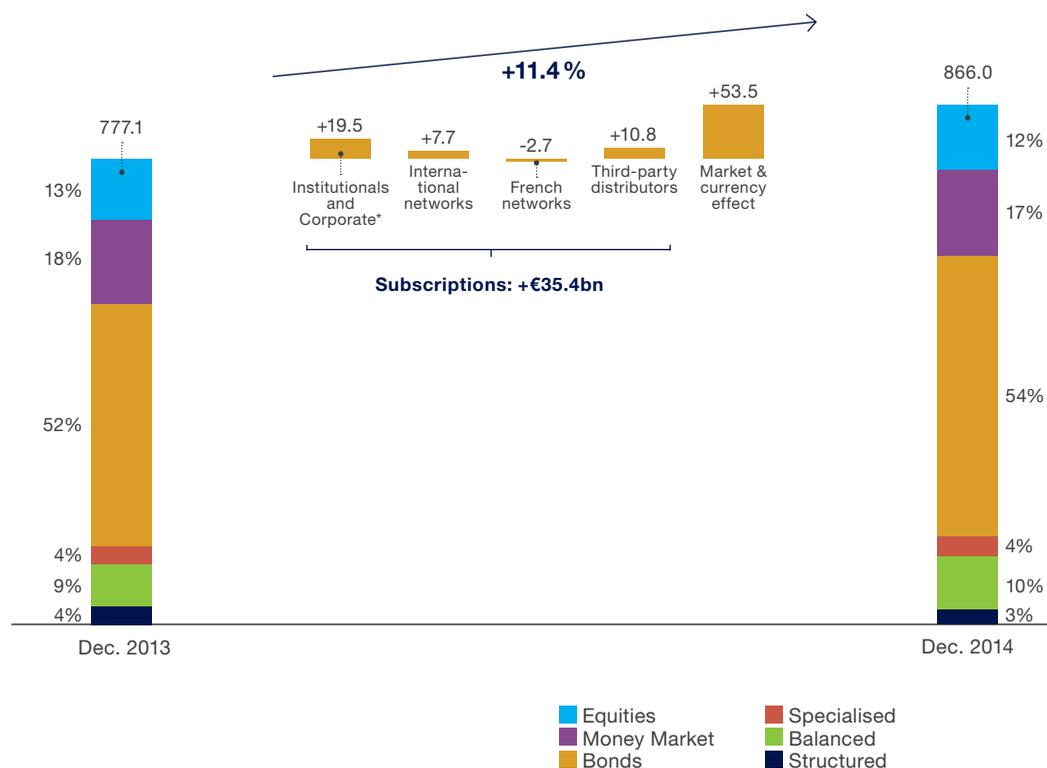
■ Among third-party distributors, inflows reached €10.8 billion with sound results in all geographic regions: in Japan, with a strong contribution from high-yield expertise, in Europe (fixed income, diversified, ETF) and in France, where the funds distributed by CPR AM and BFT Gestion<sup>(2)</sup> achieved stellar performances.

■ Inflows of €7.7 billion in the international networks benefited from the strong momentum of joint ventures and the good results of the various European subsidiaries: in Italy, the Czech Republic

## AGGREGATE INCOME STATEMENT

| IN € MILLIONS                     | 2014         | 2013         | CHANGE<br>DEC. 2014 / DEC. 2013 |
|-----------------------------------|--------------|--------------|---------------------------------|
| <b>Net banking income</b>         | <b>1,557</b> | <b>1,455</b> | <b>7%</b>                       |
| incl. management and similar fees | 1,314        | 1,231        | 7%                              |
| incl. performance fees            | 170          | 162          | 5%                              |
| Total operating expenses          | -810         | -773         | 5%                              |
| <b>Gross operating income</b>     | <b>747</b>   | <b>682</b>   | <b>10%</b>                      |
| Extraordinary and other items     | -4,7         | -8,6         | -                               |
| Corporation tax                   | -253         | -222         | 14%                             |
| <b>Net income (Group share)</b>   | <b>488</b>   | <b>451</b>   | <b>8%</b>                       |
| Cost-income ratio                 | 52%          | 53%          | -                               |

## ASSETS UNDER MANAGEMENT (IN BN€)



\* Including Employee Savings.

and Poland, although activity levels remained moderate, business got off to a satisfactory start.

■ The corporate segment<sup>(3)</sup> (+€4 billion) continued to develop in Europe. One of the big achievements of 2014 was the signing of a partnership with EDF to finance the energy transition.

■ The French networks continued to record outflows on the whole, but there was a significant improvement compared with previous years. Outflows amounted to €2.7 billion against €9.9 billion in 2013, with retail business far more buoyant and improved rollover of structured funds. Discretionary management solutions for the private wealth clients of Société Générale confirmed the success they have already been meeting with since 2013.

### Inflows driven by long-term assets

Subscriptions were concentrated in long-term assets (+€36.3 billion), both in active (€27.8 billion) and passive (+€8.5 billion) investment strategies. Money market funds outflows were limited to -€0.9 billion against the backdrop of Eonia having slipped into negative territory in the fourth quarter.

In line with 2013, bond management continued to record an excellent level of inflows, with positive results in areas such as high-yield (+€7.4 billion) and aggregate bonds (+€1.6 billion in an open-ended fund intended notably for distributor clients), as well as the LCR expertise (+€3.7 billion). Diversified assets benefited from the robust performance of Société Générale discretionary mandates. Amundi Patrimoine<sup>(4)</sup> also did well with €3.6 billion in assets under management, up from €1.3 billion at end-2013, and the fund was launched in the European market.

→ continued on p.16

\* (1) Funds intended to optimise the short-term liquidity ratio.

(2) See methodology and glossary, page 74.

(3) Including employee savings.

(4) Amundi Patrimoine does not offer a performance guarantee and there is a risk of capital loss.



  
PARIS

→ continued from p.15

In addition, there was an acceleration in subscriptions to EMTNs marketed through the networks (+€1.4 billion in 2014 vs. +€0.5 billion in 2013) and to real estate (+€1.5 billion in 2014 vs. +€0.9 billion in 2013), by institutional and retail clients. In a very buoyant market for index funds, assets under management in Amundi ETFs grew faster than the European market average for the fifth straight year: +36% against +26% for the market<sup>(5)</sup>. In passive management (excluding ETFs), Amundi recorded subscriptions of €5.9 billion from institutional investors and sovereign funds.

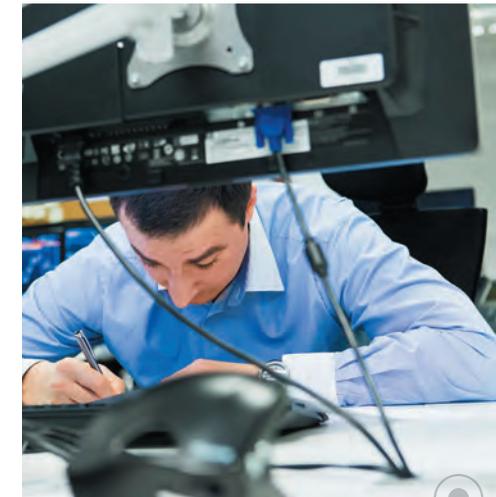
**Net income up 8.3% over one year**

The Amundi Group recorded a sharp rise in earnings in 2014 to €488.3 million, up 8.3% on 2013. This growth resulted from a rise in net banking income and continued cost control. Net banking income rose 7%, driven by strong activity and a satisfactory level of performance fees. Operating expenses rose by 4.8% buy by 2.3% stripping out the scope effect<sup>(6)</sup>. Productivity measures taken in France made it possible to finance the investments made in international development. The headcount in France decreased slightly in 2014 (-11 FTEs<sup>(7)</sup>) while the international workforce rose by 56 FTEs.

As a result, gross operating income came to €747.1 million (up 9.6%) and the cost-income ratio to 52% (-1.1 pt).

**Amundi pursued its investment policy and the diversification of its offering and sources of income**

As in 2013, Amundi adopted an investment policy aimed at strengthening its international business network and enhancing its fund range. In the first quarter of 2014, it acquired a business in Malaysia. In the fourth quarter, it signed a long-term distribution agreement with the Austrian banking network BAWAG and acquired its asset management business<sup>(8)</sup>. Amundi also opened new business units in Mexico (Mexico City), Thailand (Bangkok) and Switzerland (Zurich). Amundi is adapting and broadening its range of activities to better meet its clients' needs. It notably strengthened its expertise in global high-yield with the support of a newly acquired entity, Smith Breeden, and created a specific structure to develop an EMTN platform. In 2014, Amundi also took a stake in Tikehau, a company specialising in private debt fund management, in order to distribute its products. Amundi also pursued its product innovation policy, as reflected in its design of a range of index-tracking solutions based on low-carbon indices.



  
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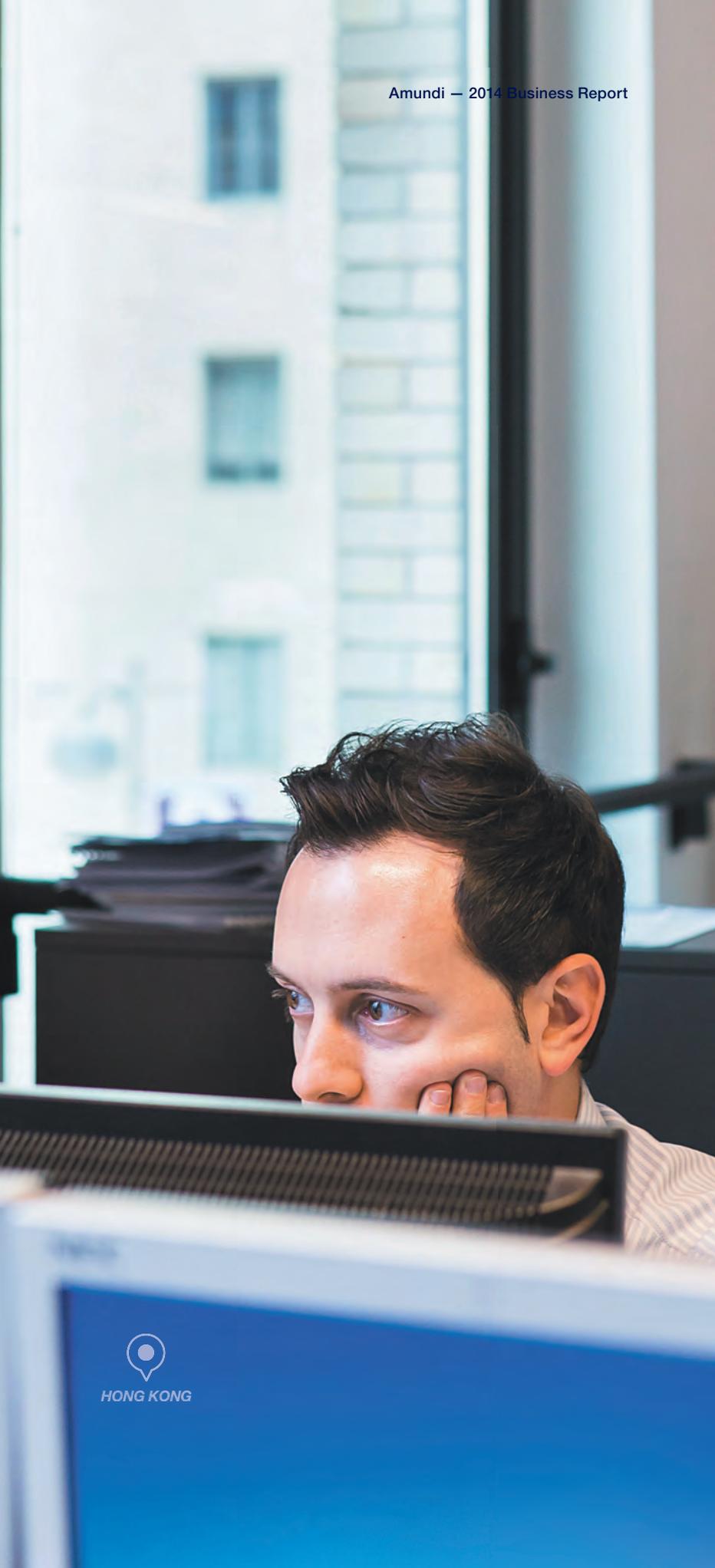
Amundi is developing new value-added businesses. It formed a partnership with EDF to finance the energy transition and won an advisory mandate to assist the ECB in implementing its ABS purchase programme. The Group is also developing new services, such as making its trading desk available to other asset management companies.

*“The Amundi Group recorded a sharp rise in earnings in 2014 to €488.3 million, up 8.3% on 2013.”*

— **€23.4bn**  
in international subscriptions in 2014.

— **€747.1m**  
in gross operating income in 2014.

\* (5) Source: Deutsche Bank end of year industry report.  
(6) Scope effect: new entities in the United States, Poland, the Netherlands and Luxembourg.  
(7) Full time equivalents.  
(8) Final completion of the acquisition on 9 February 2015.



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## EDF

### ENERGY TRANSITION

Amundi has formed a partnership with the EDF Group, the leader in low-carbon energy in France, to create a joint management company<sup>(1)</sup>. The newly-formed entity will seek to raise funds with institutional and retail investors and, for third-party investors, to manage funds intended to finance energy transition projects. EDF will contribute its capacity to identify the best investment opportunities in the sector, while Amundi will bring its expertise in structuring and its ability to channel savings. This partnership of two leaders in their respective fields aims to fully unlock the potential of EDF's businesses for the energy transition, while aiming for the critical mass essential to industrialising financing solutions.

*(1) The creation of the management company remains subject to the approval of the relevant regulatory authorities.*

### Highlights

AMUNDI CHOSEN BY EUROPEAN CENTRAL BANK TO SUPPORT IT IN ITS ASSET PURCHASE PROGRAMME

The ECB launched its asset purchase programme in the last quarter of 2014. The central bank notably selected Amundi as a financial intermediary to help it buy asset-backed securities (ABS), i.e. securitised loans. Amundi is therefore mandated to purchase eligible ABS as directed by and on behalf of the Eurosystem, the monetary authority comprising the ECB and the central banks of the member states that belong to the euro zone.



## AMUNDI WORLD INVESTMENT FORUM

In June, the Amundi World Investment Forum organised for Amundi's major clients welcomed internationally renowned speakers. The event was attended by 400 clients, investors, international economists and Nobel Prize winners, authors and philosophers who came to share and discover a forward-looking vision of global asset management. On the themes "The Times They Are A-Changing", addressing shifts in global economic balances and post-crisis paradigm changes, former Federal Reserve Chairman Ben Bernanke, former Bank of England Governor Mervyn King and Nobel economics laureate Thomas Sargent dialogued with Amundi's own specialists. Nobel economics laureate Paul Krugman spoke about new market approaches with ABN Amro's Chief Investment Officer, AP4's Chief Executive Officer and Future Fund's Head of Strategy.

## AMUNDI'S INVESTMENT MANAGEMENT

*"Amundi is increasingly emerging as a credible alternative to US and UK players."*

### Interview

**Pascal Blanqué,**  
Head of Institutional Clients  
and Third-Party Distributors  
and Chief Investment Officer

#### What were the main challenges for asset managers in 2014?

**Pascal Blanqué** → The market environment was again marked by interest rates close to zero and is expected to remain at low levels for an extended period. This situation has two consequences. First, unprecedented excess liquidity held by investors, a quest for yield and investment opportunities, resulting notably in more demand for real and so-called illiquid assets. Their proportion in asset allocations will increase further in the years ahead. Second, asset managers' margins will come under increasing pressure in an ever more competitive environment. This will translate into a competitive advantage for passive management, offset by an accepted premium for solutions with true added value. This trend will benefit asset managers like Amundi which are present in both of these market segments. More generally, it should also be reiterated that our investment universes remain shaped by post-crisis regulations. This situation requires great adaptability but is also a source of opportunities, as it fosters innovation and the emergence of new solutions, of the Solvency II type, to meet our clients' needs.

#### How did Amundi adapt its strategy and response to the new environment?

**P. B.** → We continued to expand our offer by strengthening our existing areas of expertise or giving them more visibility – I refer in particular to Smart Beta<sup>(1)</sup> index-tracking solutions – and by developing new investment territories in terms of asset classes, for example illiquid assets, and also in terms of geographic regions. 2014 also marked

our determination to strengthen our organisation upstream and downstream of our investment services. Downstream, by offering services such as intermediation to other asset managers and some institutional investors. Upstream, by strengthening our global allocation advisory services for our clients. Our approach is undergoing a complete overhaul. The transformation of our marketing approach to institutional investors has achieved the intended results. Our exchanges have improved in terms of visibility, clarity and efficiency and we have increased our level of mutual confidence. This is also true for distributors, a segment in which we are striving to develop partnerships while placing greater emphasis on our brand strategy. More than ever, Amundi is in a position to anticipate its clients' expectations and offer them tailored solutions.

#### Are Amundi's positioning and recognition equal to your ambitions?

**P. B.** → Amundi is increasingly emerging as a credible alternative to US and UK players. In 2014, of the €35 billion in assets under management taken in, €23 billion came from outside France. We carried off major deals, in Europe with the symbolic mandate with the ECB, and also in Asia, which has in a way become our second national market. On the other hand, we need to achieve greater penetration in the US and UK markets. This objective is clearly part of our strategy, but while the international market is a necessity, the French market remains the Group's fundamental pillar.

*(1) See methodology and glossary, page 74.*



# “Performance and innovation with a focus on advice and solutions”

**D**espite an uncertain market environment, with falling interest rates and a negative long-term trend at the end of the year, coupled with high volatility in the equity markets, Amundi's investment management did well in 2014. Performances were largely positive across the board, all asset classes combined, and net inflows increased further. New areas of expertise were added to the many existing ones in the ongoing quest to better meet the global and specific demands of institutional and retail clients. The Equity business line continued to grow, with the creation of a Global Equity platform in London further cementing its presence in the City. New, original indexing solutions were added to the Smart Beta offer, such as Multi Smart Beta and the new family of Low Carbon indices. The Fixed Income business line also delivered some innovative launches, with multi-currency versions of the Money Market and Enhanced Treasury fund range, as well as a new Global Macro Bonds and Currencies strategy, while Alternative Investments launched a new Global Macro Credit strategy. Amundi also extended its investment scope to include new asset classes, including private debt, with the creation of a dedicated management platform, and infrastructure, notably through the partnership with EDF. Furthermore, 2014 saw the emergence of services that Amundi is keen to deliver to its clients, both upstream and downstream of investment services, by capitalising on the advisory aspect of its business.

## Fixed Income Management

### CONSISTENTLY DELIVERING STEADY PERFORMANCE

**In an environment of very low interest rates and a partial disconnect between bond valuations and the real economy, the Fixed Income business line delivered sound performances across the full range of its expertise, with unflinching consistency and regularity.**

Clients can therefore be assured that, whatever product line or management platform (France, United Kingdom, United States, Asia) they choose, they can always rely on the quality and added value of Amundi's investment solutions. 2014 was marked by the introduction of new areas of expertise and innovative services in a bid to provide increasingly efficient responses to investors' specific requirements. The Liquidity Coverage Ratio (LCR) advisory and management service designed to support financial institutions in constructing High Quality Liquid Assets (HQLA) portfolios, operational since the beginning of last year, was very well received. At end-December, it had already recorded subscriptions of close to €5 billion. Another promising innovation was the creation of a private debt platform, bringing together the expertise of the Fixed Income platform and the debt component of the Private Equity platform. From a marketing viewpoint, several significant achievements were made, particularly in Asia. In Japan, the euro-denominated strategies proved very popular. The Amundi Euro High Yield Bond Fund<sup>(1)</sup>, distributed by a dozen local financial institutions, became the largest European bond fund in Japan, with over €6.3 billion<sup>(2)</sup> in assets under management. New Global Absolute Return and

## AMUNDI'S INVESTMENT MANAGEMENT

Credit Euro Investment Grade mandates were signed with other local partners. The Group's new entity in the United States, operational since 2013, also scored a commercial success in Asia. One of South Korea's leading insurance companies has chosen Amundi Smith Breeden to manage a US Investment Grade Corporate Credit Buy & Watch mandate. Winning a new client, a central bank in Central Asia, with the Asian Fixed Income strategy was a highly symbolic achievement from a marketing viewpoint, one that demonstrates the regional credibility of the Group's Asian platform and Amundi's ability to use its local operations as a springboard for international development. Other central banks in Latin America have been convinced by our Global Fixed Income strategies, while in Europe, a mandate awarded by the ECB was a strong sign of recognition for Amundi's Fixed Income expertise. The outlook for 2015 is therefore extremely positive. The challenges that lie ahead are clear: maintain the quality and consistency of the performance delivered; continue to build investors' requirements into innovative solutions; enhance the advisory aspect of our services to further increase the added value of our investment services and solutions; and give our expertise greater visibility. To meet these challenges, we will bring to the fore, alongside the flagship funds that our clients are now familiar with, other active strategies that drive performance, such as Global High Yield, Asian Fixed Income, and Global Macro Bonds and Currencies.

## Highlights

### AMUNDI STRENGTHENS ITS OPERATIONS IN MALAYSIA

— Amundi has acquired the Fixed Income business of KAF Fund Management, a subsidiary of the Malaysian group KAF. With more than \$1.2 billion in assets under management, KAF Fund Management specialises in Fixed Income management for both retail and institutional clients. Amundi is thus extending its expertise in the global and local management of Islamic funds and strengthening its offer of investment solutions in Sharia and conventional management. This acquisition makes Amundi the leading foreign Fixed Income asset manager in Malaysia and is perfectly in keeping with the Group's strategy on a more global level, aimed at extending its international reach by adapting and customising its offering to its local client bases.

### PARTNERSHIP WITH TIKEHAU

— In March 2014, Amundi and Tikehau signed a strategic cooperation agreement focusing on private debt management. The aim is to offer their institutional and retail clients high value-added products that meet their need for yield in a low interest rate environment. Tikehau, formed in 2004, specialises notably in credit management. Together, the two companies will also develop new products marketed under the Amundi/Tikehau banner.

### SUCCESS FOR THE PEA-PME EQUITY SAVINGS PLANS

— Amundi was one of the first asset managers to offer its clients a fund eligible for PEA-PME equity savings plans. The success met by Amundi Actions PME<sup>(3)</sup>, with €150 million in assets under management as at 31 December 2014, reflects the Group's know-how in managing and selecting small and mid caps. This was also an opportunity to rekindle interest among the partner networks in distributing products invested in equities.

## Equity Management

### A RETURN TO RISKIER ASSET CLASSES

**2014 saw a return to risky asset classes, notably equities.** The trend can be explained by the economic environment (low inflation, interest rates close to zero, anaemic growth, preserved profitability) and by a change in the attitude of investors, whether institutional or retail, towards equity investments. The phenomenon is also driven by new themes, including financing the economy, valuation of extra-financial criteria, and above all yields. For the first time in many years, some governments have been encouraging equity investments. This was notably the case in France with the PEA-PME equity savings plan, and also in Japan. 2014 was a turbulent

year for the equity markets, however, opening up new opportunities for active management strategies. In this contrasting environment, the Equity business line continued to develop, strengthening its London operations with the creation of a local Global Equity platform and launching new investment solutions that were lauded by investors, notably in South-East Asia. These solutions, actively managed in Smart Beta and aimed at generating higher yields than bond products, were actively promoted to investors. They also epitomise Amundi's expertise in risk modelling and the transformation of risk into a reliable investment vehicle.

\* (1) See methodology and glossary, page 74.  
(2) As at 31 December 2014.  
(3) See methodology and glossary, page 74.

## Highlights

### CPR AM: RETURN ON INNOVATION

—  
A symbol of accomplished development and the affirmation of its international ambition, the new brand signature of CPR AM positions the entity as a manager of innovation. More modern, more refined, more easily memorable, the brand identity conveys the three strong values that have carried the company for more than twenty five years: innovation, obviously, but also flexibility and the capacity to listen.

### AMUNDI PATRIMOINE<sup>(1)</sup> SEES THE BIGGER PICTURE

—  
In 2014, Amundi's flagship fund was presented in a PEA-eligible version for the French Market and the Luxembourg Sicav (mutual fund) Amundi Funds Patrimoine was created to provide an offer at European level. The new versions were backed by strong advertising in France and also in Belgium, Spain, Italy and Sweden. A compendium of the best in-house expertise, Amundi Patrimoine and its different versions

were fashioned to meet increasing investor requirements in terms of client support and the transparency of information. At 31 December 2014, the expertise exceeded €3.5 billion in assets under management.

## Alternative Investment Management

### AN EXTENSIVE AND COMPETITIVE OFFER

**The interest shown by institutional investors in Absolute Return solutions further increased in 2014, in a dynamic market: low interest rates that were favourable for risky assets and alpha research to compensate the drop in performance of all asset classes.**

Demand was further confirmed by the implementation of the AIFM<sup>(2)</sup> Directive, which regulates and standardises the framework of alternative investment fund managers in the European market, in the same way as for equity and bond UCITS. Amundi Alternative Investments, one of the first French management companies to have secured AIFM approval as of December 2013, can now offer management solutions that do not restrict alternative performance drivers (levers, ability to short, commodities, etc.), in a new regulated and secure EU framework. The alternative and multi-management business, based in Paris and London – a platform of managed accounts and

alternative funds of funds – represented, at end-2014, assets under management of nearly €10 billion, placing Amundi among the top 15 global players in this segment<sup>(3)</sup>. The mono-manager Absolute Return funds, managed by the other Amundi management platforms (Equities, Fixed Income, Diversified, etc.) and marketed, for their part, mostly in UCITS format, have also been hugely successful – especially the Global Macro and Global Forex strategies operating in the Fixed Income markets. Another new strategy is Global Macro Multi Credit, launched in London at the end of 2014. With one of the most complete product ranges on the European market in terms of the variety of strategies proposed and regulatory formats (UCITS and AIFM), attractive performances and a competitive offer in terms of fee structure, Amundi has proved it is a major player in the Absolute Return sector, which holds high promises for 2015.

## Diversified Management

### EFFECTIVE STRATEGY WITH A GROWING REPUTATION

**In 2014, Amundi's Diversified management showed positive returns on all its strategies, Absolute Return and benchmarked, despite an unfavourable market environment.** These

results confirm the quality and relevance of the management processes, as much in their ability to look for risk premiums in all asset classes and their different sub-components as in their fast and flexible implementation. The investment solutions designed for retail clients were once again singled out in the French financial press<sup>(4)</sup> and lauded by partner banking networks. This is reflected by the increase in assets under management for Amundi Patrimoine<sup>(1)</sup> and the development of advisory management solutions currently being introduced in the Private Bank of Crédit Agricole. On the institutional client side, the Absolute Return strategies recorded a high level of inflows in 2014 in a low interest rate environment. Internationally, exposure and overlay solutions<sup>(6)</sup> – EOM<sup>(6)</sup> – and asset allocation advice have met with growing success and are expected to grow in 2015.

## AMUNDI'S INVESTMENT MANAGEMENT

## CPR AM

### A MANAGER OF INNOVATION

**CPR AM, an independent brand within the Amundi Group, works in full complementarity with the other entities. As the spearhead in the marketing of all Amundi solutions with IFAs (independent financial advisors), CPR AM is backed by the Group's international network to win clients outside France.**

# 01

#### An efficient, innovative manager

Thanks to its range of innovative and efficient investment solutions, CPR AM has shown very strong growth in all its business segments. In less than three years, its assets under management have increased from €17 billion to €28 billion<sup>(7)</sup>. This success is explained by its innovation abilities and moderate-sized structure – 90% of subscriptions were achieved with investment solutions that did not exist five years ago – and by the robustness and recurrence of obtained returns. CPR AM's range of flexible wealth funds, which have just crossed the mark of one billion euros in assets under management, have had an impressive run over the last three years. The entity's flagship fund, which focuses on an increasingly relevant topic, population ageing, has topped €650 million in assets under management for this strategy in less than five years of existence, thanks to a positioning that is perfectly adapted to the needs of independent distributors and their private wealth clients. CPR AM has also seduced its institutional clients by proposing a range of short-term money market and bond funds which meet their long-term cash-flow investment needs. In 2014, CPR AM recorded inflows of more than one billion euros from ten successful tender bids.

# 02

#### Confirmed international breakthrough

CPR AM products have met with growing success in international markets. Promoted by the Amundi sales teams, the products managed by CPR AM and distributed outside France now represent close to 6% of its assets under management. The launch of the Luxembourg Sicav at end-August 2014 made the flagship funds of the range available to distributors in around ten European countries. From now until the end of 2015, CPR AM aims to exceed €2 billion in assets under management internationally and to extend its geographical presence. This strategy was initiated at the end of 2014 with the launch of an international version of the Silver Age theme and a version aimed at Hong Kong clients which is in the process of being approved.

# 03

#### Le Comptoir par CPR<sup>(8)</sup>, a reference partner of IFAs (independent financial advisors)

Created in 2010, *Le Comptoir par CPR* was designed to promote the best of Amundi's expertise to IFAs. In 2014, this distribution activity passed the one billion euro mark in assets under management, positioning *Le Comptoir par CPR* among the top IFA suppliers in the French market.

\* (1) Amundi Patrimoine does not offer a performance guarantee and presents a risk of capital loss.  
(2)(3)(4)(5)(8) See methodology and glossary, page 74.  
(6) Exposure on Overlay Management.  
(7) Figures as at 31 December 2014.

**What the experts say**

**“Amundi is a major player in private debt. This year, the Italian company Sace mandated us to finance exporters and an insurer partner for a MidCap 2014 fund in a record amount of over €760 million. By drawing on the best of Amundi’s expertise to set up a platform totalling €3.5bn and combining origination, asset management and structuring, we will be able to strengthen our offer and roll out our skills internationally.”**

→ Jean-Marie Dumas / Euro Fixed Income & Credit Amundi



**“The network partnership with Amundi has been in place since October 2010, the month in which we introduced our open (guided) architecture policy. We are convinced we made the right choice. We have found a responsive and proactive partner, attentive to our business needs. A partner that regularly comes up with new ideas and solutions. Lastly, having access to the Amundi Group’s many partners has enabled us to exchange with them on themes as varied as legislation or ‘client centricity’. Our relationship is evolving and has enabled us to grow together. That was our objective!”**

→ ING Belgium



**“By creating a joint management company with Amundi, we are forming a unique partnership between an asset manager and an industry leader to finance projects contributing to the energy transition. Combining our respective skills and expertise will enable us to develop a new class of alternative assets, largely decorrelated from the volatility of traditional markets, in order notably to channel long-term savings to serve the real economy.”**

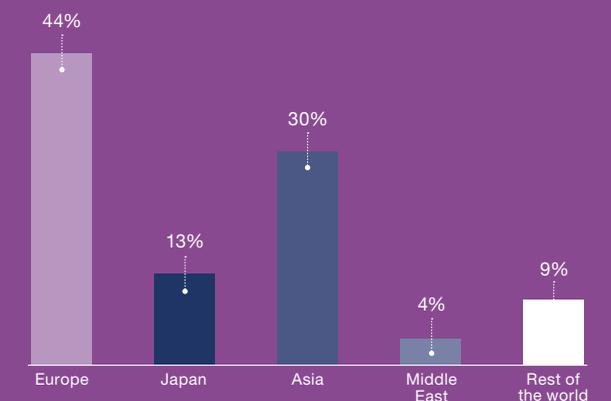
→ Stéphane Tortajada / Group Head of Finance & Investments-EDF

**Key figures**

Data as at 31 December 2014



**BREAKDOWN OF ASSETS UNDER MANAGEMENT BY REGION (OUTSIDE FRANCE)**



## Illiquid Assets

# AN ENHANCED OFFER IN PHASE WITH INVESTORS' NEEDS

**So-called “illiquid” alternative assets can satisfy investors’ needs for yield and diversification. Increasingly popular with both institutional and retail clients, they are set to take a more predominant share of asset allocations.** Long recognised as an established player in the Real Estate and Private Equity markets, Amundi set about diversifying and enhancing its expertise in 2014 so as to offer its clients conviction-driven products, managed according to a selective, value-creating approach. Two new areas of expertise were added to the two existing asset classes: infrastructure and private debt. The latter activity, which emerged in 2013, took shape as a management platform in its own right. It has been widely successful and had close to €3.5 billion in assets under management at end-December 2014, in the form of either private placements (notably with insurance companies) or debt funds investing in small and medium-sized non-listed companies (securitisation mutual funds). Another innovative achievement in 2014 was the partnership formed with EDF to manage infrastructure funds. This joint venture, which will be launched in the first half of 2015, aims to introduce ad hoc strategies based on two key themes: renewable energy production (wind power, photovoltaics, small hydropower installations, etc.) and BtoB energy savings (notably electricity-intensive industries). Meanwhile, Amundi Real Estate, a specialist in developing, structuring and managing property funds, continued to grow at a robust pace. The entity’s assets under management neared €9 billion at end-December 2014, under direct management and through a selection of fund managers. This business is driven notably by retail investors’ growing appetite for this asset class and support from the partner banking networks: over three years, the network channel grew significantly to reach €950 million in 2014. This, added to the inflows from institutional investors, positions Amundi as the top seller of funds invested in real estate in France. Amundi Private Equity Funds also buttressed its positions. The manager selection business, in which Amundi has been present since 1999, is the largest in terms of assets under management (€4 billion at end-December 2014) and currently manages more than 25 funds of funds and institutional mandates. The direct management business, marketed to private clients (FIP local investment funds and FCPI local innovation funds) and institutional clients (FCPR venture capital funds), passed the one billion euro mark in assets under management in 2014. Amundi, which invests mainly in intermediate-size enterprises, is a leader in this segment in France.

## Highlights

### LOW CARBON INDICES: AN INNOVATIVE APPROACH

— Investors are increasingly taking climate change risk into account in their portfolios. Amundi has been instrumental in the creation of a range of Low Carbon indices by MSCI, alongside FRR (*Fonds de Réserve pour les Retraites*, the French pension reserve fund) and AP4 (the Swedish pension fund). This novel approach, which limits the portfolio’s exposure to carbon risk while maintaining its performance relative to benchmark indices, was an instant success, with a first mandate of one billion euros put in place with FRR in November 2014.

### COMPETITIVE PRICING POLICY FOR ETFs

— In 2014, management fees decreased in the European ETF market. The Amundi ETF range remained on average 25% less expensive than the European market average<sup>(1)</sup>. Amid the revival of investor interest and the improved market outlook for emerging market equities, in April Amundi announced a cut in management fees for its emerging equity ETFs offering regional and global exposure. Annual charges thus fell from 0.45% to 0.20%, making them the lowest in Europe<sup>(2)</sup>.

\* (1) See methodology and glossary, page 74.  
(2) See methodology and glossary, page 74.

## AMUNDI’S INVESTMENT MANAGEMENT

## ETF, Indexing and Smart Beta

# PASSIVE MANAGEMENT IS BOOMING

**Within the asset management industry, passive management has been one of the fastest-growing segments in recent years. With a range of solutions combining replication quality, innovation and competitive pricing, Amundi clearly aims to become a leader in this market.** 2014 was a very good year for Amundi’s ETF, Indexing and Smart Beta businesses. The Group recorded subscriptions of more than €8.4 billion, reaching almost €50 billion in assets under management<sup>(3)</sup>. It now aims to raise this figure to €75 billion within the next three years, accelerating its growth in a segment that has become essential for investors. Amundi’s global size and scope enables it to leverage its two biggest assets: exceptional pricing power<sup>(4)</sup> and the ability to design tailor-made solutions, like the recent innovations in Smart Beta or Low Carbon investments. Regarding ETFs, Amundi’s foremost challenge is to consolidate its European positioning (it currently ranks among the top 5<sup>(5)</sup>) by continuing to build on the three pillars underpinning its success: competitive prices, quality and innovation. In 2014, Amundi’s growth in assets managed in Europe once again exceeded market growth, with an increase of 36% against 26% for the market<sup>(6)</sup>. The second challenge is to launch this business in Asia in 2015, starting with Hong Kong.

Amundi benefits from years of experience in Index Management for French and international clients, including sovereign funds, asset managers, pension funds and insurance companies. This business line leverages its extensive know-how in developing bespoke solutions to become the preferred European partner for global institutional investors. In Smart Beta, the Group offers a broad range of mono- or multi-strategy solutions to meet the growing demand for this type of product. An ETF, Indexing and Smart Beta team has been created to pool Amundi’s expertise and provide global investors with the best solutions for this type of strategy, both in open-ended funds and in dedicated mandates. The team of forty professionals covers asset management, structuring and product development activities, as well as international sales, capital markets and marketing. It draws on all the Group’s resources and strengths in terms of research, analysis, order execution and risk management to offer investors a top-class service.

\* (3) Source: Amundi as at 31 December 2014.  
(4) See methodology and glossary, page 74.  
(5) Source: Amundi ETF/ Bloomberg as at 31 December 2014.  
(6) Source: Lipper FMI FundFile – December 2014 – open-ended funds registered in Europe and related offshore territories.  
(7) Source: Europerformance.

## Structured Solutions

# 2014: SHARP INCREASE IN GROSS INFLOWS!

**With 25 years’ experience in structured products, Amundi is a European leader<sup>(6)</sup> in this segment.** As the first producer of formula funds in the French market, Amundi has had to contend with a constantly changing regulatory environment since 2008, alongside falling interest rates and competition from balance-sheet products, which led to a sharp contraction in the market for conventional guaranteed products. Over the last two years, Amundi has successfully reinvented itself by acquiring expertise in balance-sheet products (structured bonds marketed under the brands of its distribution networks) and relaunching so-called “protected” products for savings clients able to accept a capital risk. Clear-cut and readily-understandable, these products have gradually carved out a place in banking networks, meeting the expectations of both advisors and their clients. In 2014, inflows picked up again: Amundi now has a market share of more than 42% in France<sup>(7)</sup>. With 2014 subscriptions equivalent to the combined total for 2012 and 2013, the level of assets under management bears witness to the Group’s ability to adapt to market constraints and design solutions tailored to the needs of savings clients. In 2015, the focus will be on international growth, notably through new partner networks such as those in Austria and Poland. 2015 will also see the Group’s skills rolled out transversally, as its structuring expertise is applied more broadly to all of its activities.

## Research and Analysis

### 2014, A PIVOTAL YEAR

**Amundi's Research team serves institutional clients (companies, pension funds, insurance companies, sovereign funds, central banks, etc.) and banking distribution networks (a dozen around the world).**

As such, it produces papers intended for a wide variety of audiences.

One of its priorities is to work very closely with clients and investment management teams, and this has proved instrumental in winning new management mandates, notably in the credit segment. This approach is reflected in the sheer number of meetings held (more than 2,000 with investment management teams, more than 4,000 with companies and more than 2,500 with clients) and countries visited on business trips (more than 40 countries every year), whether for individual meetings or conferences. 2014 was also the year in which the Research team developed a key activity for clients: advisory services. This activity enables us to respond to the highly specific concerns of clients, be they companies, pension funds, central banks, or other entities. Diversification is also one of the topics addressed, which can include risk budgeting, low carbon investments, foreign exchange and tail risk hedging<sup>(1)</sup>, stress tests, Smart strategies, macro-hedging<sup>(2)</sup>, strategic asset allocation, etc. The quality of the Research is recognised year after year, in successive Extel surveys, for example (see Highlight opposite). In 2014, the Research team launched a new publication, discussion papers. These are documents positioned between working papers (academic, intended for publication in scientific journals) and topical papers. They aim to examine a specific issue or methodology or to highlight themes that will be structural in the long term. Lastly, the team now publishes an annual compilation of its most representative fundamental papers.

## Highlights

### APPOINTMENT

On 21 January 2014, the French financial markets regulator, AMF, appointed Philippe Ithurbide, Amundi's Head of Research, Strategy and Analysis, among the new members of its Scientific Council. This body, which now comprises 16 prominent members from universities, research centres and financial institutions, enhances the AMF's strategic intelligence and research capabilities. Created in 2004, the Scientific Council has three main assignments: improving the regulator's information on current academic works in the field of finance; identifying any changes that could disrupt the regulator's scope of operations; and initiating research work in connection with the regulator's concerns.

### PARTNERSHIP WITH CREATE RESEARCH

In 2014, Amundi formed a partnership with Create Research CEO Amin Rajan. The partnership produced its first publication, "The Alpha behind Alpha: Rebooting the pension business models", which analyses the behaviour of pension funds in the aftermath of the financial crisis and the major changes in the industry's environment.

### FINANCIAL ANALYSIS RANKING

The 2014 Extel survey<sup>(3)</sup>, which classifies companies based on the quality of their financial analysis departments, ranked Amundi's Equity Research second in Europe for the second consecutive year. The survey reflects the contribution of over 15,000 professionals voting on more than 100 asset managers. Furthermore, all Amundi's analysts moved up in the rankings and 14 of them, all sectors combined, are now part of the top 100 European analysts (out of more than 2,500 analysts rated). All sectors combined, the 12 best French analysts are all in the Amundi Research team (out of 325 analysts rated). These results give us a solid advantage in the eyes of clients. They reward the efforts made by the Research, Strategy and Analysis team, notably those aimed at gaining international recognition.

## AMUNDI'S INVESTMENT MANAGEMENT

## Risk Control

### A GUARANTEE TO RESPECT OUR COMMITMENTS TO OUR CLIENTS

**Managing risk and upholding our commitments are essential to the relation of confidence that Amundi enjoys with its clients. The Group's control mechanism, well structured and independent from the business lines, reinforces the quality of its offer.**

# 01

#### A globally integrated and independent control mechanism

Amundi has created a specific organisation that offers its investor clients a powerful and structured risk management plan and a guarantee to meet their contractual and regulatory commitments. Deployed throughout the activities and entities of the Group and independent from the operating units, the control functions – Risk, Compliance, Audit and Legal – fall under the direct responsibility of the Deputy Chief Executive Officer. They combine several teams with distinct and complementary assignments, sharing a single vocation: analysis, management and control of risk.

# 02

#### A multidisciplinary organisation

The Steering & Control division has five functions: Risk, Legal, Compliance, Audit and Finance. The Risk teams, organised into expertise divisions, guarantee a coherent risk management framework. They help to optimise and secure the decision-making processes prepared by the investment management teams and ensure that the exposure levels permanently stay within the pre-defined limits. The Compliance teams ensure the best interests of Amundi's clients and in particular the quality of information given and the fair treatment of its investors. These teams also play an important role in the training and guidance of employees via appropriate compliance training sessions. The Legal and Compliance teams work closely together to ensure the respect of applicable regulations and protect Amundi from reputational risks. Furthermore, on a daily basis, the legal teams work to apply the legal framework to the functioning of Amundi's

activities and products. The Audit teams give an independent and objective opinion on the functioning and efficiency of processes and procedures implemented at all levels of the Amundi organisation. The Finance teams concentrate mainly on providing Amundi with financial management tools that give the business lines a clear vision of their activities and products and guide their future development.

# 03

#### A proactive and well-structured approach

Risk control is an essential part of the Group's management system. The operating procedures of the Risk teams follow a systematic and structured process. They also help to elaborate internal rules and regulations, specific to each investment strategy, having firstly analysed all the risk factors involved in the construction of its performance. On a daily basis, the Risk teams ensure that all investment decisions respect the pre-defined regulations and objectives. A posteriori, they independently measure the quality of the management processes and the evolution of the funds' performance using proven methodologies. All interventions are carried out in close collaboration with the management teams with a continuous effort to simplify and appropriate rules and regulations and to disseminate a culture of risk control to the whole of the Group's asset management.

# 04

#### Constant anticipation and adaptation

The organisation of control functions is constantly adjusted to follow regulatory changes and the future needs of Amundi's business lines. The desire to adapt is reflected in the continuous improvement of the regulatory monitoring system and in the implementation of new analytical capabilities and specific risk control. For example, in 2014, an Analysis and Credit Control team and a new regulatory framework for the flow of privileged information were implemented to accompany the growth of the Group's debt fund management activities.

\* (1)(2)(3) See methodology and glossary, page 74.

*“Promoting a true culture of compliance and risk control to all our employees.”*

## Interview

**Bernard Carayon,**  
Head of Steering and Control

### What activities had the biggest impact on the Steering and Control Committee in 2014?

**Bernard Carayon** → Innovation, the development of new activities with added value, pushing boundaries... The progress guidelines defined by Amundi require our control functions to be “agile” enough to constantly adapt their procedures and tools. 2014 saw an important rise in debt fund activities, structured EMTN issues and specialised asset management. This incited us to implement dedicated procedures and teams. The Risk department has constituted a team specialising in credit risk which works in close cooperation with asset management. Today, the quality of the assets held in our funds demonstrates the reliability of our newly acquired know-how. 2014 was also marked by the intensification of our sales drives and the reinforcement of Amundi communication, both with our institutional clients and the general public. It was important to support the Marketing and Sales teams by organising dedicated training sessions and reviewing approval procedures for commercial documents to make them more efficient and to strengthen exchanges with our financial regulators.

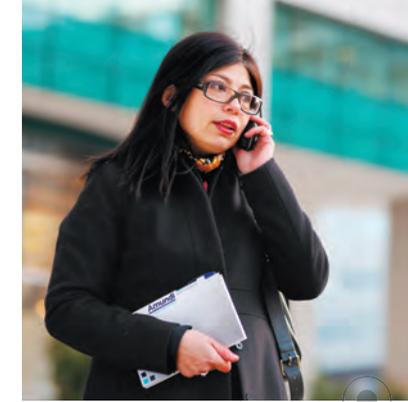
### What other notable trends occurred last year?

**B. C.** → The heavy burden and complexity of the regulatory framework, both in France and internationally, requires more responsiveness from our teams in the monitoring, analysis and operational application of these new regulations. An increase in the international development of Amundi is also a major issue with regard to risk control as it demands an in-depth analysis of the regulatory risks on cross-border transactions. Faced with increasingly strict regulators, protecting

Amundi from all reputational risk has become a major concern for the Legal and Compliance teams who must be vigilant on a daily basis to guarantee the conformity of Amundi’s activities and transactions.

### How did Amundi adapt its organisation to deal with these new restrictions?

**B. C.** → Our approach can be summed up in three points: an improvement of our regulatory monitoring system, a strengthening of support to our employees and the industrialisation, homogenisation and internationalisation of our risk control tools. On the first point, we have strengthened dialogue with our main regulators to present our point of view and to interact in the development, in particular, of new EU directives. The second point is an even more structural evolution of our organisations and consists in promoting a true culture of compliance and risk control to all our employees. Our objective is improved prevention to lighten the day-to-day actions of our business line teams in direct contact with our clientele. Thirdly, following the same rationale of improving our competitiveness, we will continue to develop the industrialisation of our steering tools, in particular via the implementation of a measuring tool for market risk, shared by management and risk, and their internationalisation, adopting the standards and procedures common to all our facilities worldwide.



## Highlights

### ISAE 3402

**AMUNDI CERTIFIED A SECOND TIME**  
For the second year running, Amundi was awarded the ISAE 3402 Type II certification for the institutional scope and third-party distributors for its internal control system. ISAE 3402 (International Standard on Assurance Engagements 3402) certification is the internationally accepted standard used to assess the quality of a risk management policy by measuring the relevance and operational efficiency of key controls on services delivered to clients. The audit reviewed more than 90 key controls in asset management, client services, middle office, reporting and IT processes. Obtaining this certification reflects Amundi’s desire and capacity to control the risks of the operations entrusted by its clients.

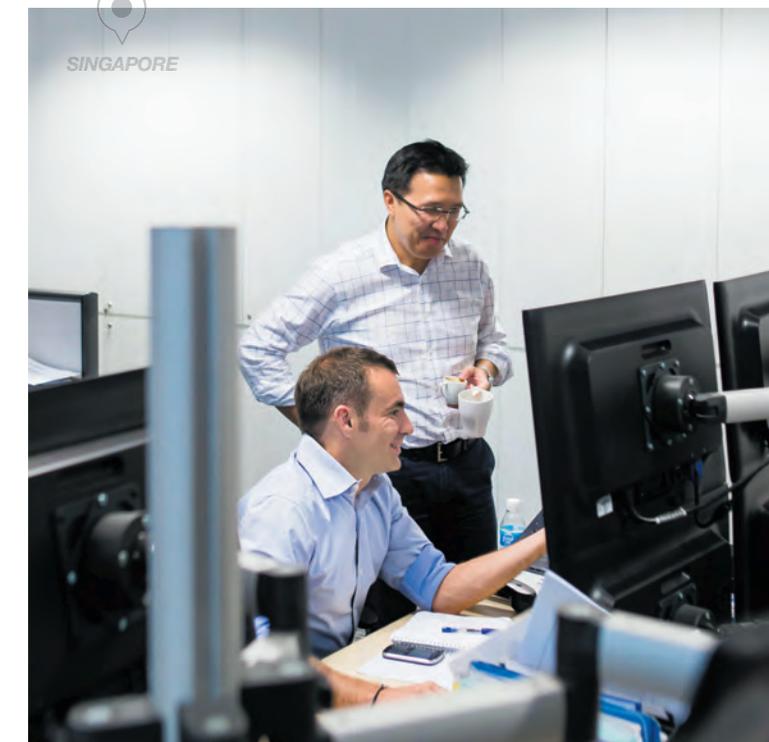
### FATCA, A NEW TAX FRAMEWORK FOR AMUNDI

Amundi has implemented FATCA, a fiscal measure aimed at combating fraud by US citizens and companies, into its organisation. As a non-US financial institution, Amundi must declare once a year, to the competent tax authority, the identity of US taxpayers (from the different entities of the Group) with accounts outside the US.

### AMUNDI AND ITS EUROPEAN SUBSIDIARIES RECEIVE AIFM APPROVAL

With the AIFM directive, non UCITS fund managers can now benefit from an equivalent formal regulatory framework. These funds can obtain a European passport which allows their active promotion throughout the European Union to a “professional” clientele<sup>(1)</sup>. A real marketing opportunity which Amundi Alternative Investments was quick to seize at the end of 2013 by receiving authorisation to act as AIFM manager for the AMF, followed closely by Amundi and the French and European subsidiaries of the Group throughout 2014.

*(1) Within the meaning of the Markets in Financial Instruments Directive (2004/39/EC, 2014/65/EU).*



PORTFOLIO

**JOURNEY  
TO THE HEART  
OF AMUNDI**

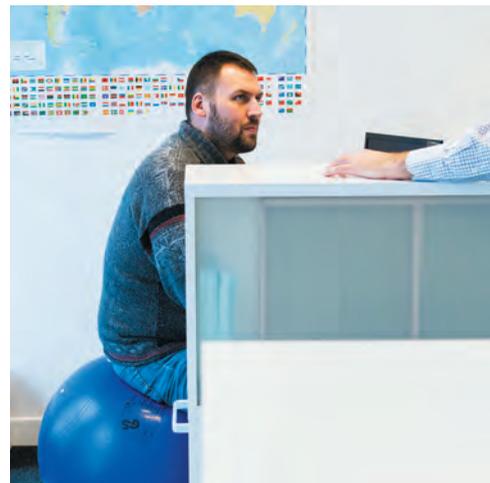
Amundi's heart beats in time with the rhythm created by its entities. Amundi's wealth lies in the women and men who make up the company and help it live and thrive day after day. Take a journey to the core of the Group's operations.



  
KUALA LUMPUR

## Amundi Polska TFI, one of the newest entities, was created in February 2014.

Business here started with the sale of investment solutions to more than 400 branches of *Crédit Agricole Bank Polska*. Distribution was then extended to the Eurobank network, which belongs to *Société Générale* group. At the heart of Europe, Amundi Polska TFI is growing quickly. It recently formed a partnership with the *Warsaw School of Economics*, for which it harbours great ambitions.



Under this partnership, members of Amundi Polska TFI will give classes to students studying for Master's degrees in finance, while the University's professors will provide Amundi Academy courses to the advisors of Amundi Polska TFI's partner networks.



SINGAPORE



The entry point for clients in South Asia, Amundi Singapore is firmly established in the region and is celebrating its 25<sup>th</sup> anniversary in 2015, coinciding with the 50<sup>th</sup> anniversary of Singapore's creation. Amundi Singapore has kept up with the pace of development of the city-state, which has

grown from a developing country into a major developed economy, and has strengthened its local presence to become a regional force. Targeted and collective efforts by employees, as well as the managers' driving role, were instrumental in the company's growth and development.



MILAN

Present in the Italian asset management industry since 1986, **Amundi Italy** is one of the Group's oldest subsidiaries. With more than 110 employees, the entity offers investment solutions to institutional and retail clients.

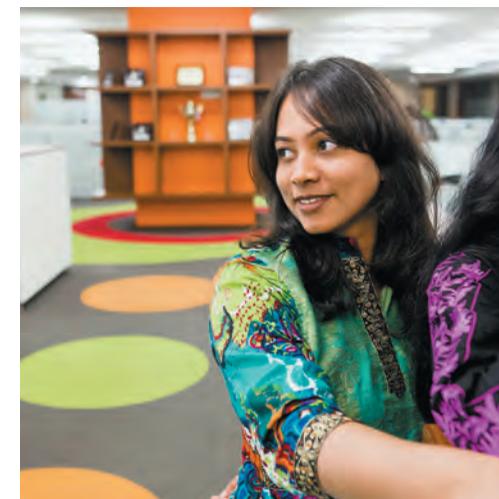
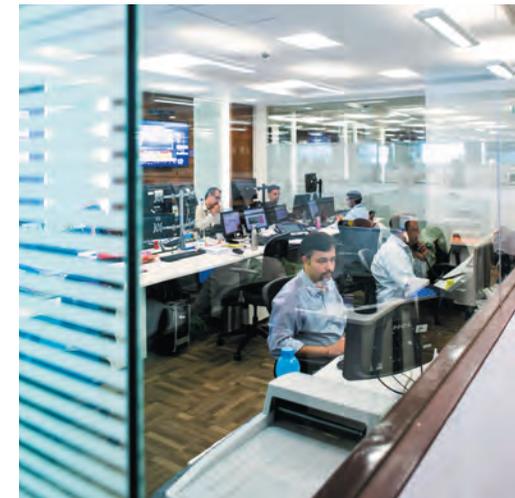
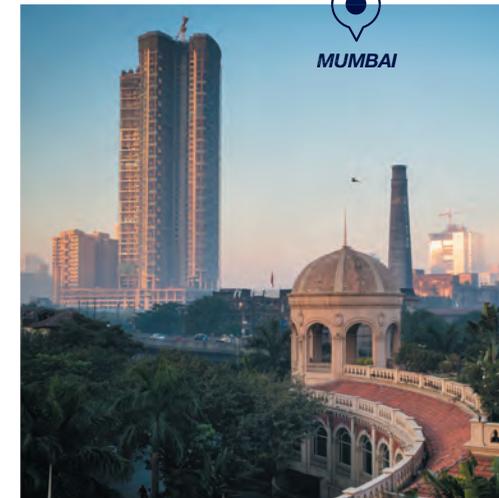


**SBI MF** joined the Amundi Group in 2011. With more than 550 employees, this joint venture between State Bank of India and Amundi is the sixth-largest fund management company in India. SBI MF distributes its fund range via SBI (22,000 agencies) and through its own network of 161 agencies covering the whole of India. SBI MF supports the charity Akanksha, which provides schooling

to children from disadvantaged backgrounds. Akanksha benefits from the active involvement of volunteers from the Group, who help to provide introductory economics and financial courses to the young students supported by the charity. Amundi has naturally taken part in developing Akanksha since 2012 in the Mumbai region, where SBI MF has its headquarters.

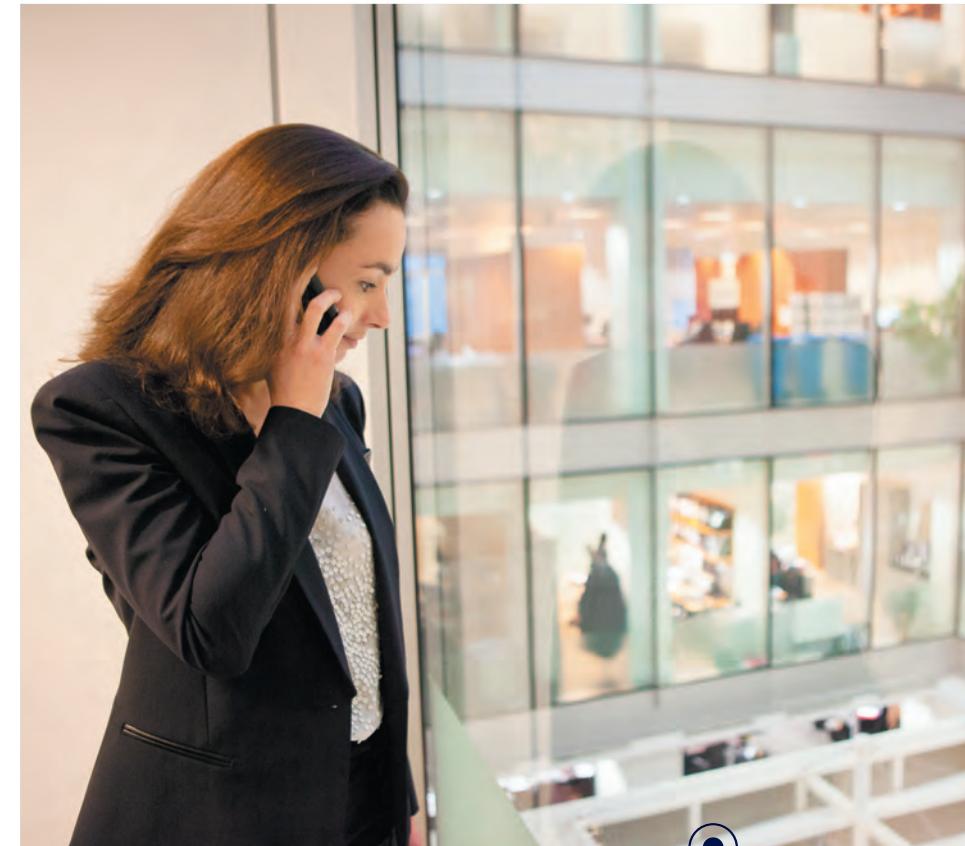


MUMBAI





**In the heart of the City, one of the world's leading financial markets, Amundi London is one of the Group's six management platforms.**

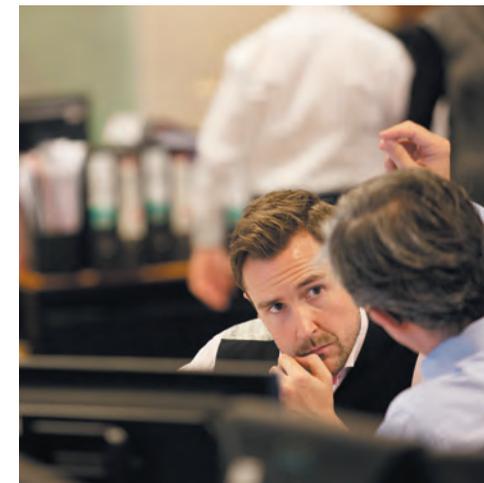


Created in 1999, the entity has more than 120 employees. Amundi London is the Group's benchmark in Global Fixed Income, Global Equity and Alternative Investment management.



Amundi Tokyo employs close to 200 people, working essentially with Japan's leading distributors and banking networks. Amundi Tokyo has distinguished itself through the Flandca initiative, steered by the

Women's Financial Project team, an association bringing together 15 Amundi Japan employees who provide training sessions to the distributors of funds managed by Amundi Japan.





KUALA LUMPUR

**Amundi Malaysia, like the country, is both multi-ethnic and multicultural.**



KUALA LUMPUR



The entity, created in 2008, is enjoying rapid growth in the country, the economic success of which is reflected in the futuristic architecture

of its capital, Kuala Lumpur. Women play a key role in the economic fabric of South East Asia. Amundi Malaysia is no exception to this rule,

having appointed a woman to lead its 25 employees in their continuous drive to provide the best possible service for the region's clients.





## AMUNDI'S CLIENTS

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## Highlights

**DISTRIBUTION WINS SUCCESS IN JAPAN**  
**The Amundi Euro High Yield Bond Fund<sup>(1)</sup> (available in eight currencies) reached €6.35 billion in assets under management at end-2014<sup>(2)</sup>. This success is the result of hard work and cooperation between the sales, investment management and analysis teams in Paris and Tokyo. Designed for retail investors, this European fund is the largest in terms of assets under management in the history of Amundi Japan and is currently marketed by 12 Japanese distributors.**

*(1) See methodology and glossary, page 74.*

*(2) As at 31 December 2014.*



## AMUNDI DEVELOPS IN POLAND

Via its entity Amundi Polska TFI, Amundi aims to become a key player in Poland, the main market for central and eastern Europe. Amundi Polska TFI focuses its marketing activity on the promotion of five traditional sub-funds, including Equities, Fixed Income, Balanced Growth and Liquidity, to the branches of the Crédit Agricole Bank Polska and Eurobank (Société Générale group) networks.

## AUSTRIA,

### AMUNDI ACQUIRES BAWAG PSK INVEST AND OPENS THE DOORS OF AUSTRIA

Amundi has entered the Austrian market with the acquisition of 100% of the capital of the asset management subsidiary of Austrian bank BAWAG PSK<sup>(1)</sup>, together with a ten-year distribution partnership. With 1.6 million clients, BAWAG enjoys an 8% market share in Austria. Amundi is therefore setting foot in a market where per capita assets are as large as in Switzerland, with a savings rate of 16% to 17%, equivalent to that of Germany.

*(1) Final completion of the acquisition on 9 February 2015.*

## AMUNDI'S CLIENTS

*“We are one of the few asset managers in the world operating for several banking networks...”*

## Interview

**Fathi Jerfel,**  
 Head of Partner Networks  
 & Savings Solutions

### Did banking networks' expectations change in 2014?

**Fathi Jerfel** → The global trend we identified several years ago is being confirmed: a requirement for greater simplicity. Regardless of the requirements of their end client – building a nest egg, preparing for retirement, asset diversification, etc. – bank advisors must be able to put the characteristics of the proposed investment in layman's terms. This is a common requirement for more or less all of our partner networks. They have specific needs, however, depending on their marketing strategy and on local habits. For example, our Belgian distributors only work for high net worth clients. By contrast, in Japan, where Amundi further extended its presence last year, distribution concerns mainly mass market clients.

### How did Amundi's solutions perform in this environment?

**F.J.** → The strategy we have implemented in recent years, consisting in streamlining and segmenting our product range, is perfectly adapted to the expectations I just mentioned. Amundi has shifted from a product rationale to a solution rationale, with clear-cut and high-performing offers combined with a set of services that can be adapted to the specific needs and characteristics of each network and of its advisors. This strategy has been fully vindicated by the successes achieved in 2014 with our partner networks and third-party distributors, and we are going to continue and extend it. In terms of subscriptions, three elements should be underlined. First, in the French market, an inflexion or even a reversal of the trend of outflows seen in recent years. Retail clients, like institutional investors, have discovered a new appetite for potentially

high-yield products provided the promise is clear and the risk is well weighted. This is illustrated by the success met by the Amundi Patrimoine fund at all our distributors. The second important element is the ramping up of subscriptions recorded via third-party distributors. In 2014, these increased to €10.8 billion, up from €2 billion in 2013. Lastly, the growing proportion of international inflows in the Group's total subscriptions: in 2014, distribution outside France accounted for two thirds of the assets under management taken in. This is further evidence of the Group's capacity to act locally while remaining global.

### What is the outlook for 2015?

**F.J.** → Amundi will continue to capitalise on its strengths: we are one of the few asset managers in the world operating for several banking networks. This gives us unique and highly specific knowledge of their expectations and of the tools (technical platform, sales support) needed to meet them. This positioning notably enables us to adapt to other networks the solutions that have already been tested successfully. We will continue to implement this strategy in France and internationally while accentuating our efforts to adapt our fund range and provide sales support to the distribution networks.



# “International reputation drives growth”

**T**he commercial successes achieved in 2014, bolstered by several major international deals, including a mandate with the ECB and Low Carbon indices, have raised Amundi's reputation to new heights. With investment solutions and service offerings increasingly in line with investors' requirements, the Group is now focusing resolutely on a brand strategy and making progress in all its client segments. Subscriptions by retail clients, served by Group and non-Group partner networks, have surged, including in France, driven by a revival of investor interest in medium- to long-term investments. Inflows channelled through third-party distributors rose significantly, particularly in Europe, thanks to new partnerships with prestigious networks. Amundi also increased its market share in the corporate segment, both in cash management and in long-term savings, notably in Employee Savings and Retirement, a market in which Amundi consolidated its leadership in France. Lastly, business with institutional investors and sovereign entities also grew significantly, especially in international markets, where inflows outstripped those in France.

## Highlights

### GROWING SUCCESS FOR AMUNDI RENDEZ-VOUS

The Amundi Rendez-Vous, events designed to promote the Group's various areas of expertise to its clients and distributor partners, are becoming increasingly popular. In Europe, over 300 clients attended the sessions on global bond strategies, while in Asia, the theme “optimising the potential of equity markets” attracted plenty of interest from our partners in Hong Kong and Singapore. This type of event has now been customised for the private wealth clients of our partner networks in France and will be rolled out more extensively in 2015.

### AMUNDI AND ITS PARTNER NETWORKS REAP REWARDS

At the 29<sup>th</sup> annual ceremony of the Corbeille awards, organised in September 2014 by *Mieux Vivre Votre Argent*, a French investment magazine, Amundi was awarded the *Corbeille Épargne Salariale* for its five-year performance for the second consecutive year. The partner networks also did very well: LCL won the *Corbeille d'Or* for its one-year performance, *Crédit Agricole* was second and *Société Générale* was third. CPR AM also received a distinction, coming second for best balanced management over five years<sup>(1)</sup>.



## Network and Third-Party Distributor Clients

### SUCCESS FOR OUR SOLUTIONS-BASED APPROACH

**In 2014, Amundi strengthened and developed its position as a leading supplier of savings and investment solutions to its partner networks in France and abroad. Gross subscriptions rose sharply and were also spread more evenly between the various networks.**

These achievements are attributable partly to a fairly structural market trend: a revival in demand from retail clients for high-yield investment solutions. Above all, they reflect Amundi's efforts in recent years to adapt its offer to this anticipated change in demand. Since 2013, a solutions-oriented culture has been rolled out in the Group, with simpler, more segmented fund ranges and the launch of innovative funds, such as flexible management solutions. This approach paid off in 2014, enabling Amundi to benefit from a “three-way convergence” between end clients' expectations, the networks' needs and an offer tailored to market demand. In fact, the funds launched last year, which are now better known to advisors and their clients, attracted the greatest number of subscriptions in 2014. As well as Amundi Patrimoine<sup>(2)</sup>, a fund combining flexibility with conviction-based management that is now distributed to virtually all the partner networks (both Group and non-Group), delegated management offers in life insurance (discretionary management or advisory management) also proved highly successful. The Alliage Gestion service (simplified discretionary management for mass market clients), launched in 2013 with Société Générale and soon to be adopted by Crédit du Nord, is an excellent example.

This success also bears witness to the flexibility and adaptability of Amundi's teams and to the strong support they provide to their banking partners. On the international front, results were even more convincing. Partner banking networks saw a sharp rise in inflows in both Europe, notably Italy, and Asia, especially South Korea and China. Amundi also reinforced its position with third-party distributors in terms of both numbers and assets under management. In addition to a strong business performance in the Japanese market, net inflows in Europe more than doubled compared with 2013, thanks to new partnerships formed with key global and local distributors and to the new marketing approach adopted by Amundi's teams. By shifting their focus to a more highly concentrated offer, geared more towards advisory services and experience sharing, they are now positioned as providers of simple, powerful solutions. In 2015, these strategies of on-the-spot presence and support will be further enhanced by bolstering Amundi's presence within the networks and developing communication actions to reach out to partners and their clients.

*“Amundi also reinforced its position with third-party distributors in terms of both numbers and assets under management.”*



(1) See methodology and glossary, page 74.

(2) Amundi Patrimoine does not offer a performance guarantee and there is a risk of capital loss.

## Institutional Clients and Sovereign Entities

# GREATER GLOBAL RECOGNITION

### Relations with institutional clients and sovereign entities were stepped up in 2014.

The past year also brought three symbolic achievements: the mandate won from the ECB for the management of its forthcoming asset purchase programme; Amundi's involvement in portfolio "decarbonisation" via its role in the development of new indexing solutions and its commitment, under the aegis of the United Nations, to the reduction of carbon risk; and the setting up of a new platform dedicated to infrastructure management, in partnership with EDF. These three successes bear witness to Amundi's growing reputation with national and international institutions and its ability to respond to global issues in an innovative, responsible manner, attuned to the needs of its clients. They also underscore the pertinence of the business strategy adopted by the Group in 2013. The introduction of the Global Relationship Manager and Senior Investment Manager functions, together with the development of a more dynamic commercial culture, have strengthened Amundi's receptiveness and advisory capabilities.

The Group is now better equipped to anticipate changes in allocations by its institutional and sovereign clients, by sharing investment outlooks with them. During the past year, for example, Amundi's teams have provided simulations allowing investors to identify investment pockets that would be preserved if a given market scenario were to materialise, namely monetary divergence between the dollar zone and the rest of the world. This approach gives Amundi greater credibility in the highly competitive international asset management market and positions it firmly among the very top global players, able to offer not only an extremely wide and diverse range of solutions, but also – precisely because of the extent of its offering – neutral, objective advice. In 2015, this strategy will be pursued with the aim of cementing the achievements of 2014. Internationally, this will mean a stronger marketing drive in the countries and regions where Amundi must strengthen its presence, especially certain parts of Europe. In the regions where the Group is already well established, notably through its Fixed Income strategies in euros and its indexing capabilities, which were both strong drivers in 2014 (Middle East, Asia, etc.), the challenge will be to publicise the new US platform (Amundi Smith Breeden) so as to position Amundi as a global multi-currency player.

## Highlights

### GREECE

Amundi Hellas was one of the main partners of The Economist Events, organised in Greece and Cyprus. These events enhance Amundi's reputation in the region and reinforce its presence in the institutional market. By combining local offices and international presence, Amundi Hellas increased its penetration in the Cypriot market in 2014, becoming a key player in the local institutional market and strengthening its distribution capabilities. At the same time, Amundi Hellas consolidated its position in the Greek market, confirming its status as a leading player in the region.

### SOUTH-EAST ASIA, A HISTORICAL MARKET FOR AMUNDI

In September 2014, the Singapore subsidiary celebrated its first twenty-five years in the city-state. A genuine trusted and long-term partner for its clients, the entity used this anniversary as an opportunity to roll out a large-scale advertising campaign. It also arranged an event for its largest clients in the region, attended notably by Nassim Taleb, who presented his views on the global financial markets.

### SIGNIFICANT INSURANCE MANDATE IN LONDON

Amundi has been awarded a \$250 million discretionary mandate by ANV Syndicates Limited, a London-based insurance company. The mandate is particularly important for Amundi London's institutional and insurance teams, as one of ANV's main shareholders is the Ontario Teachers' Pension Plan, one of the largest institutional investors in the world.

## AMUNDI'S CLIENTS

## Corporate Clients

# STRONG INTERNATIONAL GROWTH

### 2014 saw a reduction in the ECB's key rates, which had a direct impact on the short end of the yield curve and further reduced money market yields.

In this unfavourable context, the cash management activity, the key segment of Amundi's Corporate business line, once again managed to win new market share. This achievement reflects the strategic direction taken in recent years. By focusing its offer on money market investments (from one to three months), less affected by the fall in interest rates than short-term solutions (less than one month), Amundi has not only maintained its assets under management, but has increased them, thus retaining its status as the top cash manager in Europe. For the same reasons (greater relative attractiveness in terms of yield, better risk/reward ratio), the flexible Money Market (from three to six months) and Enhanced Treasury (six to twelve months) fund ranges, in which Amundi is a specialist, have been a hit with Corporate clients. Over 2014 as a whole, the number of clients rose threefold and assets under management reached €4.6 billion by the end of the year, consolidating Amundi's leading position in this niche. Business also flourished internationally. More than twenty new customers – mainly in the United Kingdom, Germany, Switzerland and Benelux – developed relationships with Amundi, and assets under management in cash investment

solutions managed for European clients outside France increased by more than 30%. There again, the Group reaped the benefits of adapting its offer to changes in investor behaviour. In late 2014, given the rise in demand for non-euro-denominated products and the low profitability of constant net asset value funds – the main form of money market funds outside France – Amundi launched shares denominated in dollar, pound sterling and Swiss franc for its treasury funds over six and twelve months. This initiative has already met with great success among foreign clients and in 2015 it should drive the international growth of the cash management activity, which already had close to €3.5 billion in assets under management at end-2014. The outlook for 2015 is very positive. Companies' finance departments have improved their cash flow predictability; their perception of market risk is lower. This allows for better segmentation of investments by maturity and should further enhance the attractiveness of Amundi's solutions, which are ideally positioned to meet the shift in demand towards investments combining security and performance.

*“The Group reaped the benefits of adapting its offer to changes in investor behaviour.”*

### What the experts say

Realitní Fond KB<sup>(1)</sup> is the first fund investing in real estate for IKS KB as a fund manager and for Komerční Banka as a partner distribution network, namely their Private Banking arm. We have been able to convince them that real estate assets are an excellent investment opportunity for Czech HNWI clients, who naturally seek capital preservation and who want to add diversification to their bond portfolios exposed to interest rate risk and yielding less and less.

→ Albert Reculeau / Chairman of the Board of Directors and Chief Executive Officer, IKS KB



(1) See methodology and glossary, page 74.



“To bring together and breathe new life into the shopping centres adjacent to its hypermarkets in Europe, Carrefour carried out a large-scale real estate transaction with the acquisition of 126 commercial galleries from Klépierre. Amundi, together with seven co-investors, supported us throughout the acquisition process and will manage the various investment vehicles made available to each investor.”

→ Jacques Ehrmann / Executive Director of Assets, Development and New Ventures, Carrefour



“In July 2013, Coface entrusted Amundi with an advisory mandate (asset allocation, reporting, etc.) for its investment portfolio after a long request for proposals procedure carried out on a global scale. We selected Amundi mainly for its ability to fully understand all our needs and because we were put in contact with people motivated to support us and to develop extremely tailored solutions. The real clincher for us was the fact that besides the RFP team, several highly-committed operational teams were at our side, able to produce fast responses for all the processes and truly involved in our project. Amundi provided us with competent specialists capable of coming up with dedicated solutions and implementing several different services simultaneously. In this way, we gradually established a confident relationship and partnership.”

→ Jean-Philippe Olivier / Group Investment & Financing Director, Coface Group



### Key figures

Data as at 31 December 2014



# No.1 in France and in Europe

in Employee and Retirement Savings, with a market share of 41.5% in France and 25% in Europe.

25 years  
in Singapore

# €400 bn managed

on behalf of insurance clients. Amundi has extensive experience in asset management for insurance companies and has been meeting the requirements of this client segment for more than 25 years. The Group is one of the leading asset management companies for insurers, with almost one hundred non-Group clients in around 15 countries.

## Employee Savings and Retirement

# OUR ADVISORY APPROACH IS A POWERFUL ENGINE OF CHANGE FOR CORPORATE CLIENTS

In 2014, Amundi consolidated its position as the leading French and European specialist in Employee Savings and Retirement (ESR). The reinvention of its client approach further improved its reputation, including in European markets.

# 01

### A confirmed European leader

The ESR activity has more than doubled its assets under management since 2009. In 2014, Amundi consolidated its position as the French leader in Employee Savings and Retirement (41.5% market share) and the European leader in employee shareholder schemes (25% of the market). The successes achieved last year include more than €2 billion in capital raised with French and international employees in companies with an international dimension.

# 02

### A pioneer in pan-European pension solutions

Amundi is the first player to offer a pan-European defined contribution retirement solution. The innovative offer, Amundi Retirement Solutions, approved by the Luxembourg authorities in May 2014, is now marketed to companies based in Europe. Its objective is to provide a core platform for the management of their retirement savings plans, regardless of the number and diversity of their local offices. Completely flexible and adaptable to the specific requirements of each company and of national regulations, the administrative management platform provides a comprehensive, standardised view of their various schemes. Multi-currency, multi-country and multi-company, the platform also provides value-added services (reporting, consolidation, digital tools, etc.) to enable user companies to reduce their overall risks and management costs (savings of 30% on average).

# 03

### A new client approach

Amundi ESR has reinvented its relations with end clients. Launched in late 2013 and implemented in 2014, the new approach places clients and their concerns at the centre of Amundi's organisation. Harnessing the expertise of its teams and their cross-cutting vision of corporate issues in the areas of Employee Savings and Retirement management, the Group focuses on advising, creating added value and sharing experience with clients. Providing clients with benchmarking tools (such as the collective retirement statement, statement of employee assets, and digital services report) allows them to position their schemes more effectively in relation to the best market practices. Innovative digital services (dedicated intranet, interactive knowledge base, coaching, etc.) and training courses (creation of Amundi ESR Formation, led by experts in corporate savings, destined for internal audiences) reinforce the support and service quality provided. These initiatives have already significantly improved Amundi's image among its clients, with a satisfaction index of 89% at end-2014<sup>(1)</sup>, and they will be stepped up in 2015.

# 04

### Specific actions for mid-sized companies

By targeting, upstream, companies with the financial and economic means to implement Employee Savings and Retirement solutions, the ESR teams set about improving commercial efficiency with the partner networks on the basis of a common roadmap. New communication tools (including the ETI Club and Barometer<sup>(2)</sup>), bolstered its reputation among mid-sized companies, a segment whose vitality is one of the Group's major concerns.

\* (1) Satisfaction survey conducted between July and August 2014 with 183 clients (large and mid-sized companies).  
(2) See methodology and glossary, page 74.

## Client Servicing

# THE CLIENT IS AT THE CENTRE OF AMUNDI'S ORGANISATION

**Client Servicing is a strategic asset for the Group, providing an interface between the sales and management teams throughout Amundi's value chain. Eager to provide a service that meets its clients' needs, Amundi has put in place a dedicated organisational structure and strives to improve its quality and operational efficiency through ongoing investment in human and IT resources.**

The Client Servicing teams are multidisciplinary and organised by customer segment. They are involved in all the Group's processes, from the implementation of investment solutions to day-to-day relationship management.

Their responsibilities are therefore adapted and tailored to the expectations and specific needs of each of Amundi's client segments. Upstream, this involves steering, controlling and coordinating the development of the relationship and the corresponding investment solutions, in close collaboration with all of Amundi's business lines, for all administrative, legal, operational, technical and regulatory aspects. Downstream, the teams handle all aspects of day-to-day relationship management, including changes in contracts based on guidelines provided by the client or driven by Amundi, and the management of all the related technical and operational aspects, adapted to the specific needs of corporate and institutional clients (relationships with custodians/valuation agents, frequency and type of reporting, management of financial flows, etc.), distributors (management of financial relations, adaptation to local regulations, etc.) and corporate treasurers (monitoring of execution).

Client Servicing is also the guarantor of service quality, responsiveness and compliance with Amundi's commitments to its customers. In 2014, the Group continued to invest in improving its organisation, enabling it to process large volumes while maintaining the flexibility to respond to clients' specific and evolving needs: investment in information systems to provide new services; investments made to simplify its processes and guarantee high quality service; human resources investments, with the recruitment of multicultural and multilingual teams to support the Group's international growth. These efforts will continue over the next two years, with the launch of two new services: the ongoing redesign of our websites, showcasing Amundi's fund ranges for all local client bases, and a new extranet, which will give the Group's clients more interactive access to their information.

## Highlights

### NH-CA REWARDED FOR ITS CLIENT SERVICING

In March 2014, NH-CA, the Group's South Korean joint venture, won consulting company KG Zeroin's first prize for investor protection. The entity successfully implemented regular and readily-understandable communication through fund performance reports and educational material on the subject of investment. This award demonstrates NH-CA's commitment to offering its clients top quality services.

### AMUNDI LAUNCHES THE ETI CLUB AND BAROMETER<sup>(2)</sup>

To strengthen its reputation and promote its expertise and commitment to mid-sized companies (*Entreprises de Taille Intermédiaire*, or ETIs), Amundi introduced two specific communication initiatives in late 2014. The *Baromètre de la Compétitivité des ETI Amundi* (Amundi barometer of mid-sized companies' competitiveness), which will be published three times a year, measures how more than 300 leaders perceive their company's competitiveness. The ETI Clubs are think-tanks and forums for exchange with treasurers and financial managers (*Club de Cocréation*) or platforms aiming to foster and develop relations with mid-sized companies (*Club ETI 2020*).

*“We now have the capabilities to collate, consolidate, restate and deliver all the information our clients need.”*

## Interview

**Bernard De Wit,**  
Head of Support and Business  
Development

### What changes have you seen in your clients' expectations, notably among institutional clients?

**Bernard De Wit** → The financial crisis weathered in recent years has changed both the behaviour of institutional investors and the nature of their expectations vis-à-vis asset managers. The crisis has made them more cautious and they are now looking for more than performance alone. Other expectations have arisen or gained in importance, including risk control, better investment management and improved visibility on their assets. With the emergence of new regulations, institutional investors are facing more complex investment management issues. Asset managers must fully understand these constraints and adapt their offer accordingly. Beyond asset management in the strict sense, these client segments now seek advice and services spanning a much broader spectrum. They need to be sure that their investments comply with regulatory requirements and are financially in tune with their future commitments. Their demands are also more complex: they still expect us to deliver performance, while at the same time helping them make decisions, notably by improving access to information and the way it is processed. They also want more interactive and more regular monitoring of performance and of their investments' compliance with the guidelines set.

### How has Amundi organised its structure to respond to these new needs?

**B. De W.** → These new demands from investors create at least two new challenges for asset managers: adapting their resources, both human and technological, to the new 'advisory' component of their services, and greater

responsiveness coupled with closer client relationships so as to respond more efficiently to increasingly specific requests. Amundi is already fully prepared. We now have the capabilities to collate, consolidate, restate and deliver all the information our clients need to optimise the allocation of their international financial assets. Our reporting system was previously based on a set schedule covering our investment management alone. Now we have upgraded to a much broader, interactive reporting system, using computer models. We have also reorganised our Client Servicing so as to provide investors with fast, simple responses to their requests and deliver high-quality operational information.

### What are your priorities for 2015?

**B. De W.** → We have to address several topical issues, notably continuing to adapt our offer and resources to our clients' changing needs. However, I believe our top priority is international business development, since the strongest growth prospects lie outside France. As such, we have to combine the industrial, and therefore global, aspect of our investments, notably in technology, with services delivered on-the-spot to our clients.



## Highlights

### JAPAN

#### AMUNDI'S GIPS DIVISION ROLLS OUT CALCULATION TOOL AT AMUNDI JAPAN

The calculation tool designed especially for GIPS composites was rolled out successfully at Amundi in Tokyo. This suite is the result of a long-term project which required close cooperation between the Performance Measurement team in Paris, the Risk team in Tokyo, the Paris Database team and the IT Database teams in Tokyo and Paris. The GIPS composite calculation tool has been successfully adapted to the needs of Amundi Japan's clients, producing reports in Japanese and using the Japanese fiscal calendar.

### FUND CHANNEL AMONG THE LEADERS IN EUROPE

For the second straight year, Fund Channel was ranked among the top 10 fund distribution platforms in Europe, with €40 billion in assets distributed to 350 global asset managers at end-2013<sup>(1)</sup>. This ranking bears witness to the efforts made by Fund Channel's teams in recent years to significantly improve the quality and efficiency of services to distributor clients.

(1) See methodology and glossary, page 74.

### AMUNDI STRENGTHENS ITS POSITION AS A GLOBAL PLAYER

Amundi is continuing to develop by extending its presence and reach, with new offices in Poland, Thailand, Mexico, Switzerland and the Netherlands, and acquisitions or equity interests in Austria with BAWAG PSK Invest, in Malaysia with KAF Fund Management and in France with Tikehau. The Group is intent on working closely with its clients and best meeting their needs.



KUALA LUMPUR



FRANKFURT

ABU DHABI

# AMUNDI, A RESPONSIBLE FINANCIAL PLAYER

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ATHENS

## Socially Responsible Investment

# A RESOLUTELY MOTIVATIONAL AND TRANSPARENT APPROACH

### Amundi considers SRI as one of its four founding pillars.

**This position reflects not only the importance given to the general interest by its management and employees but also a response to growing demand from investors, who are also increasingly concerned about exercising their societal responsibility.**

With more than €70 billion invested in this strategy and aiming to grow these assets significantly in the years ahead, the Group is already one of the most committed players at European level. Amundi has decided to factor environmental, social and governance (ESG) criteria into its investment policies, with a clear conviction: a company that respects the environment, capitalises on its workforce and has good governance clearly has more chances of achieving strong economic and financial performance than less virtuous competitors. Far from being inconsistent with financial performance, integrating ESG criteria strengthens a company's performance. Amundi's SRI approach is also resolutely motivational. Its methodology has always been communicated to issuers in a fully open and transparent manner, embracing a spirit of dialogue aimed at sharing its conviction and encouraging companies to take extra-financial criteria on board. The robustness of this approach has now been officially recognised: Amundi is the first management company to have obtained Afnor certification for its SRI approach. In 2015, Amundi will enter into a new stage with the publication of a brochure intended for issuers, describing in detail how it rates companies. This initiative once again reflects the Group's determination to achieve transparency and engage in dialogue with companies so as to maximise the number of players using ESG criteria and foster global, positive and progressive momentum<sup>(1)</sup>.

### A specific ESG analysis methodology

Amundi bases its SRI strategy on a "best-in-class" approach. In order to rate more than 4,000 issuers worldwide, Amundi's ESG rating, ranging from A to G, is initially based on a consensus of agencies. It then factors in the internal analysis of companies' ESG behaviour. It examines their ability to control their direct and indirect environmental impact, their policies related to human capital and human rights in general, their organisation of a collaborative process that guarantees the achievement of long-term objectives, and the cultural aspect of development. SRI portfolio management is based on exclusion criteria for the securities with the lowest ratings and on the portfolio's overall ESG rating in absolute and relative terms against its benchmark. Issuers eligible to SRI are then over- or underweighted based on their rating.

*“Amundi has put in place significant resources to implement SRI within the Group.”*

## AMUNDI, A RESPONSIBLE FINANCIAL PLAYER

### Dedicated governance

Amundi believes that 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. Amundi has thus created a Steering Committee, chaired by its Chief Executive Officer, the Medici Committee – a think tank dedicated to responsible finance and social issues – a Rating Committee to validate and disseminate extra-financial ratings, and a Consultative Committee, comprised mainly of external experts, to alert and advise.

### The means to fulfil an ambition

Amundi has put in place significant resources to implement SRI within the Group. A department dedicated to responsible investing, comprising 20 specialists, fulfils three essential tasks: the extra-financial analysis of issuers, impact investing, and the marketing, promotion and communication functions for these areas. Amundi's quantitative research and corporate governance teams also focus on these issues. They are notably involved in defining the Group's voting policy at general meetings. Amundi also refers to analyses carried out by its partners, notably Vigeo, a reference in Europe, MSCI, a North American agency with a global reach, and other entities specialising in given themes. In addition, it has developed a proprietary tool enabling all Amundi's fund managers to have real-time access to ESG ratings.

### Afnor-certified approach

Amundi decided to have its SRI approach certified by an independent third party to provide evidence of the robustness of its process. In July 2013, Amundi obtained the first 'SRI approach' certification delivered by Afnor. This certification recognises the Group's compliance with a set of internal reference values that describe service commitments to all clients, from distribution networks to institutional and retail investors. Each of the seven engagements listed in the internal reference values is reflected in a series of criteria to be respected, and control points to be set up, while constantly striving to improve the process. Certification is renewable every year and therefore subject to permanent control and an annual on-site audit by external auditors. It is a token of confidence for all clients.

### Constructive dialogue

Amundi considers that in order to carry out a fair and objective extra-financial analysis, the process needs to be formalised so as to avoid subjective judgements and errors. It has therefore published 11 principles underpinning the implementation of its SRI approach and formalised its engagement policy vis-à-vis issuers. Our constructive dialogue approach is based on transparency and fairness. Transparency, because issuers must understand what motivates the analyst's requests, and fairness, because the final rating does not result from a unilateral decision, but rather from a process in which the partners strive to define strategies to meet common goals.

## Highlights

### THE MEDICI COMMITTEE

— This think tank has a dual objective: to enlighten Amundi in defining its responsible investment policy and to contribute to social debate. Chaired by Amundi's Chief Executive Officer, the Medici Committee comprises high-profile professionals, including scientists, economists, sociologists, philosophers, chief executives and representatives from the charity sector. In 2014, the Medici Committee met three times to review basic principles for the analysis and study of environmental, social and corporate governance issues.

### ENGAGEMENT REPORT

— Published for the first time in early 2014, this report provides an account of Amundi's 'dialogue for influence' with issuers, conducted by extra-financial and corporate governance analysts. Published annually, the Engagement Report reflects Amundi's determination to accelerate companies' recognition of their social responsibility and ensure that our activities, and those of the issuers we invest in, are fully sustainable. The first edition focused on two themes: respect for human rights in the oil and mining sector, and access to food and fighting food waste in the agri-food and retail sectors.

### AMADEIS RANKS AMUNDI NO.1 IN SRI MANAGEMENT<sup>(2)</sup>

— Amundi ranked top for SRI management in the 2014 survey carried out by Amadeis, an investment consulting firm. The survey examined a sample of around 60 institutional investors representative of the French market to identify the most recognised and trusted management companies. They were assessed based on the quality of their management, the skill and stability of their management teams, the rigour of their investment processes, the efficiency of risk control and the quality and consistency of their performance. 29% of the institutional investors surveyed plan to invest responsibly in 2014, up slightly from the previous years.

\* (1) Available upon request.  
(2) See methodology and glossary, page 74.



*“A true sense of national and European belonging is a real marker which distinguishes us positively from our international competitors.”*

## Highlights



Odyssee

**LAUNCH OF THE ODYSSEE PROGRAMME**  
Amundi launched an initiative involving the recruitment of 12 young people, already working for the Group as trainees under apprenticeship or work/study contracts. These young people, graduates from the top French schools or universities, were recruited for our international subsidiaries as part of the Group's development outside France.

## GIVE A HAND

### A HELPING HAND TO THE SOLIDARITY INITIATIVES OF OUR EMPLOYEES

Give a Hand encourages and promotes employee initiatives, outside their professional life, in environment, solidarity, social or humanitarian sectors.

For its second edition, 14 projects were chosen via three criteria: the employee's involvement in the association and the project, the quality of the project in terms of feasibility and clarity of objectives, and the environmental, social or humanitarian impacts. Physical exercise for children hospitalised in Montpellier's University Hospital (CHU), the development of microcredits for Togolese mothers, the construction of a *Cabane aux Z'enfants* hut in a shared garden in Paris, the creation of a school canteen in Chad, the organisation of the *Anniv'pop'* in Choisy-le-Roi, and much more. All of these initiatives share a common theme: solidarity. For the first time, employees were even asked to vote for their favourite Give a Hand 2014 project.



### Interview

Isabelle Sénéterre,  
Head of Human Resources

### What are the challenges the human resources of Amundi have to face today?

**I.S.** → The Human Resources policy is obviously closely linked to the company's strategy. Amundi is today a developing group, so our mission is to support its growth in all its components, both human and functional. This objective is reflected in the respect of all the commitments of our "HR consciousness": developing employment and adapting our resources to the changes in our company. This first commitment is already quantifiable. In 2014, we recruited more than 150 employees – 50 of whom in France – and we forecast a further 500 new posts in the next three years, with two priorities: young people, chosen from our pool of trainees (apprentices and work/study contracts) and international. The internationalisation of our employees is also a part of our objective to adapt our resources: Amundi is establishing itself in new territories, so we have to support and anticipate this geographical growth. Another part of this commitment is obviously internal mobility, geographical of course, but also functional.

### What are the specific support actions you propose?

**I.S.** → The aim of Amundi, through its training and support actions, is to ensure that each employee can evolve within the Group and hold a position that makes the most of his/her experience and which corresponds to his/her personal objectives and those of the company. This policy is based on the individual and collective management of talent. Detecting and developing individual skills is a key success factor in an industry such as ours, where 'brainpower' is an essential component of value-added. We dedicate significant

resources to talent development and have a special team dedicated to career management. Developing collective talent is more complex, but just as essential for an international group like Amundi. Using a matrix organisation, we work on setting cross-functional objectives, training courses that are intentionally collective, in order to develop this culture of cross-cutting and collegiate practices.

### What do you see as the values of the Amundi employer brand?

**I.S.** → The image we are trying to project, corresponding to an operational reality, can be summed up in two points: Amundi is a French company with a European culture and an international vocation; Amundi is a large group – with all that that implies in terms of size, strength, organisation and security – striving to promote its entrepreneurial qualities. A true sense of national and European belonging is a real marker which distinguishes us positively from our international competitors and makes us attractive when recruiting, both in France and abroad. Our capacity to adapt, to generate growth while preserving employability and its potential for the career development for all our employees, is also a value that contributes to promoting the Amundi brand positively.

## AMUNDI OBTAINS THE 2014-2015 HAPPY TRAINEES LABEL

With a recommendation rate of 82.8% from its work/study employees and trainees, Amundi was, in September 2014, awarded the Happy Trainees label for the period 2014-2015, which recognises the quality of the warm reception and support given to trainees at the company. The ranking is based on the Happy Trainees study conducted by *meilleures-entreprises.com* with 12,000 trainees and apprentices present in more than 800 companies.



## Corporate Social Responsibility

# ACTING AS A DEDICATED EMPLOYER

Acting for employment, promoting equal opportunities and solidarity initiatives: Amundi is a dedicated employer fully aware of its societal responsibilities.

## 01

### An active policy for the employment of young people

Amundi has made the employment of young people a priority. In 2014, it actively contributed to the training of more than 300 young people via internships, work/study contracts, VIE programmes (French International Volunteers in Business), CIFRE doctorate programmes (industrial research training agreements), and summer jobs. The Group benefits in this way from the enthusiasm and fresh perspectives provided by this pool of talents and in return the young people are supported by employees, voluntary tutors or apprenticeship teachers. As the purpose of these trainees is to get a job, Amundi also accompanies them in their professional search. In addition to the workshops to be organised in 2015 by the Human Resources department to prepare them in their job search and to show them how best to capitalise on their Amundi experience, the Group also encourages sponsorships through the NQT association, with 15 sponsors in 2014. Amundi also recruited 12 former trainees with high potential in 2014 to assist in international development (see Highlight p.62).

## 02

### Supporting social integration and promoting employment for people with disabilities

In 2014, Amundi continued its policy of assisting people with disabilities. Made official by an agreement between the Crédit Agricole SA Group and social partners, this policy applies to four areas: assistance with professional integration and the training of students with disabilities; support and assistance for employees with disabilities; the development and support of a protected and adapted sector; awareness

training for all employees on this priority. This policy has in recent months shown an increase in employment for people with disabilities in the Group, from 2.5% in 2013 to 3%<sup>(1)</sup> in 2014 – ten students with disabilities, representing 8.5% of work/study contract staff, are currently carrying out their work/study contracts with Amundi. The Group has also continued its efforts to support its employees with disabilities in a number of fields (adapting work conditions, relocation, transport, telework, etc.). Amundi has also focused on working with the protected sector and has developed purchasing from adapted enterprises (EA – *Entreprises Adaptées*) and sheltered workshops (ESAT – *Etablissements et Services d'Aide par le Travail*), whose revenue has doubled since 2013.

## 03

### Encouraging internal mobility

Amundi considers internal mobility to be an important factor of development, employability and motivation for its employees, a factor that must be organised dynamically by taking into account changes in the Group's activities and growth areas. Amundi has therefore agreed that in the case of changes to or the discontinuation of a position, the employee will be supported by internal mobility to preserve his/her job. This commitment requires individual employee management and vocational training. In 2014, 93.5% of people opting for mobility benefited from specific vocational training, with an average of 44 hours per person per year. This policy will be continued and improved over the next few months under three target objectives: strengthen managerial involvement in the support of employee development; better identify training sessions; provide greater support to employees changing their activity or whose activity is undergoing transformation.

## AMUNDI, A RESPONSIBLE FINANCIAL PLAYER



KUALA LUMPUR

## 04

### Social patronage

In 2014, Amundi continued its policy of patronage for players in cultural, educational and social sectors. A long-standing partner of the Villa Medici and the philharmonic orchestra of Radio France (cultural patronage), Amundi has worked for a number of years with organisations aimed at promoting access to education in the broadest sense of the term. It once again supported the actions of the *Maîtrise de Radio France*, a musical training course with a fully-fledged educational structure that offers studies of excellence to children often alienated from the universe of classical music. Amundi has also renewed its commitments with SBI MF concerning Akanksha, an Indian charity association whose principal objective is to offer schooling to children from the slums of Mumbai and Pune. Solidarity, the third pillar of Amundi's societal commitment, is manifested in numerous actions taken in favour of associations or charity projects. In June 2014, our employees joined forces for the ACF (*Action Contre la Faim*) challenge. Amundi has been a partner of the ACF charity since 2004. 110 Amundi employees participated in the challenge which raised €32,500 for ACF. In a further effort to encourage and promote its employees' involvement in the voluntary sector, Amundi also continued the Give a Hand programme last year (see Highlight p.62).

### Highlights

#### HR RENDEZ-VOUS

In 2014, for the prevention of psychosocial risks, a series of conferences on cultural, intellectual and human issues was organised for the employees. These conferences, provided by experts in their fields and detached from the professional world (psychiatrists, philosophers, researchers, ethnologists, etc.), were open to everyone and aimed to heighten awareness among employees of good practices that impact how people work together and the quality of life at work. The discussion topics included: Self-esteem and work performance; Our feelings, memories and decisions: understanding our brain to put it to better use; Assertiveness: self-expression and respect for others.

#### LAUNCH OF THE "AMUNDI CAREER CAMPUSES"

Launched in September 2014, the Amundi Career Campuses have two main objectives: to present the different activities of Amundi to the Group's employees so as to provide them with a better understanding of the operational reality and of internal and external interactions; to shed new and more interactive light on career management and internal mobility. These sessions of mutual exchange between employees and the operational executives, attended by representatives from the Human Resources department, are relayed by video testimonials available online on the Group's intranet site, at [amundi.com](http://amundi.com) and on the Group's LinkedIn page.

\* (1) Direct and indirect employment rate of people with disabilities.



  
BRUSSELS

  
SEOUL

## CORPORATE GOVERNANCE AND FINANCIAL STATEMENTS

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SIDNEY

**Governance at the service of performance**

**MEMBERS OF THE  
EXECUTIVE COMMITTEE<sup>(1)</sup>**



09 15 06 10 18 14 17 19 05 04 01 02 03 11 21 07 20 08 13 16 12

**01 → Yves Perrier**

Chief Executive Officer of Amundi,  
Head of Asset Management and  
Institutional Services at Crédit Agricole S.A.

**02 → Pascal Blanqué**

Head of Institutional Clients  
and Third-Party Distributors  
and Chief Investment Officer

**03 → Bernard Carayon**

Head of Steering and Control

**04 → Fathi Jerfel**

Head of Partner Networks  
and Savings Solutions

**05 → Bernard De Wit**

Chief Operating Officer

**06 → Pedro Antonio Arias**

Head of Specialised Investment  
(Private Equity and Real Estate)

**07 → Xavier Barrois**

Head of Information Systems  
and Operations

**08 → Valérie Baudson**

Global Head of ETF  
and Index Management

**09 → Alain Berry**

Head of Communication

**10 → Laurent Bertiau**

Deputy Head of Institutional Clients  
and Third-Party Distributors  
and Global Head of Sales

**11 → Romain Boscher**

Global Head of Equities

**12 → Éric Brard**

Global Head of Fixed Income

**13 → Pierre Gailleteau**

Head of Institutional Clients  
and Sovereign Entities

**14 → Nicolas Calcoen**

Chief Financial Officer

**15 → Christophe Lemarié**

Chief Executive Officer of Société Générale  
Gestion and of Wealth Management and  
Asset Preservation Solutions for Partner  
Networks

**16 → Jean-Éric Mercier**

Chief Executive Officer of CPR AM

**17 → André Pasquié**

Deputy Head of Partner Networks  
and Savings Solutions

**18 → Pierre Schreck**

Deputy Head of Partner Networks  
and Savings Solutions

**19 → Isabelle Senéterre**

Head of Human Resources

**20 → Éric Vandamme**

Head of Risk Management

**21 → Laurence Laplane-Rigal**

Secretary of the Executive Committee

**AMUNDI GROUP'S  
BOARD OF DIRECTORS<sup>(1)</sup>**

**→ Jean-Paul Chifflet**

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

**→ Séverin Cabannes**

Vice Chairman of the Board of Directors  
Deputy Chief Executive Officer of  
Société Générale

**→ Yves Perrier**

Chief Executive Officer and Board Member  
Head of Asset Management, Securities  
and Institutional Investor Services  
Member of the Management Committee  
and of the Crédit Agricole S.A.  
Group Executive Committee

**→ Raphaël Appert**

Board Member  
Chief Executive Officer of the Crédit Agricole  
Centre Est Regional Bank

**→ Xavier Musca**

Board Member  
Deputy Chief Executive Officer of  
Crédit Agricole S.A.

**→ Yves Nanquette**

Board Member  
Chief Executive Officer of LCL  
Member of the Crédit Agricole S.A.  
Group Executive Committee

**→ Luc Jeanneau**

Board Member  
President of the Crédit Agricole  
Atlantique Vendée Regional Bank

**→ Marc Pouzet**

Board Member  
President of the Crédit Agricole  
Alpes Provence Regional Bank

**→ Rémi Garuz**

Board Member  
President of the Credit Agricole  
Aquitaine Regional Bank

**→ William Kadoush-Chassaing**

Board Member  
Deputy Chief Financial Officer  
and Head of Strategy of the  
Société Générale Group

**→ Christian Rouchon**

Board Member  
Chief Executive Officer of the Crédit Agricole  
Sud Rhône Alpes Regional Bank

**→ Jean-François Sammarcelli**

Board Member  
Deputy Chief Executive Officer  
of Société Générale

**→ Philippe Aymerich**

Board Member  
Chief Executive Officer of Crédit du Nord

**→ Jean-François Mazaud**

Board Member  
Joint Head of Global Finance  
at Société Générale

**→ François Veverka**

Observer  
Consultant in banking  
and finance activities  
(Banque Finance Associés)

# Consolidated Financial Statements



## Scope of consolidation

| CONSOLIDATED COMPANIES                                       | CHANGES IN THE SCOPE OF CONSOLIDATION (A) | METHOD | % CONTROL 31/12/2014 | % INTEREST 31/12/2014 | % CONTROL 31/12/2013 | % INTEREST 31/12/2013 | COUNTRY    |
|--|---|--------|----------------------|-----------------------|----------------------|-----------------------|------------|
| <b>FRENCH COMPANIES</b>                                      |   |        |                      |                       |                      |                       |            |
| AMUNDI GROUP   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI AI SAS  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI IMMOBILIER  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| BFT GESTION  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| CPR AM   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI PRIVATE EQUITY FUNDS                                  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI TENUE DE COMPTES                                      |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI FINANCE   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI FINANCE EMISSIONS                                     |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI INTERMEDIATION  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI IT SERVICES   |   | FULL   | 83.1                 | 83.1                  | 83.1                 | 83.1                  | FRANCE     |
| SOCIÉTÉ GÉNÉRALE GESTION                                     |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| ETOILE GESTION   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| CLAM PHILADELPHIA  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI INDIA HOLDING   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| LCL EMISSIONS  | A   | FULL   | 100.0                | 100.0                 | -                    | -                     | FRANCE     |
| AMUNDI VENTURES  | A   | FULL   | 100.0                | 100.0                 | -                    | -                     | FRANCE     |
| <b>UCITS AND UCIS</b>  |   |        |                      |                       |                      |                       |            |
| ACAJOU   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| ACACIA   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE     |
| AMUNDI ABSOLUTE CREDIT                                       | A   | FULL   | 29.8                 | 29.8                  | 45.4                 | 45.4                  | FRANCE     |
| AMUNDI FUNDS EQUITY GLOBAL MINIMUM VARIANCE                  | A   | FULL   | 23.0                 | 23.0                  | -                    | -                     | LUXEMBOURG |
| AMUNDI HK - GREEN PLANET FUND                                |   | FULL   | 99.0                 | 99.0                  | 98.3                 | 98.3                  | HONG KONG  |
| AMUNDI MONEY MARKET FUND - SHORT TERM (GBP)                  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | LUXEMBOURG |
| AMUNDI MONEY MARKET FUND - SHORT TERM (USD) - OC SHARE CLASS |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | LUXEMBOURG |

## CORPORATE GOVERNANCE AND FINANCIAL STATEMENTS

| CONSOLIDATED COMPANIES                                       | CHANGES IN THE SCOPE OF CONSOLIDATION (A) | METHOD | % CONTROL 31/12/2014 | % INTEREST 31/12/2014 | % CONTROL 31/12/2013 | % INTEREST 31/12/2013 | COUNTRY        |
|--|---|--------|----------------------|-----------------------|----------------------|-----------------------|----------------|
| AMUNDI MONEY MARKET FUND - SHORT TERM (USD) - OV SHARE CLASS |   | FULL   | 53.2                 | 53.2                  | 52.5                 | 52.5                  | LUXEMBOURG     |
| AMUNDI PERFORMANCE ABSOLUE EQUILIBRE                         |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE         |
| CHORIAL ALLOCATION   |   | FULL   | 99.9                 | 99.9                  | 99.9                 | 99.9                  | FRANCE         |
| GENAVENT   |   | FULL   | 52.3                 | 52.3                  | 52.1                 | 52.1                  | FRANCE         |
| GENAVENT PARTNERS LP   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED STATES  |
| LONDRES CROISSANCE 16  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE         |
| OPCI IMMANENS  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE         |
| OPCI IMMO EMISSIONS  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | FRANCE         |
| PEG - PORTFOLIO EONIA GARANTI                                |   | FULL   | 89.3                 | 89.3                  | 85.2                 | 85.2                  | FRANCE         |
| <b>FOREIGN COMPANIES</b>                                     |   |        |                      |                       |                      |                       |                |
| AMUNDI MALAYSIA SDN BHD                                      |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | MALAYSIA       |
| Wafa GESTION   |   | EQUITY | 34.0                 | 34.0                  | 34.0                 | 34.0                  | MOROCCO        |
| AMUNDI LONDON BRANCH <sup>(1)</sup>                          |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED KINGDOM |
| AMUNDI LTD   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED KINGDOM |
| AMUNDI AI SAS LONDON BRANCH <sup>(2)</sup>                   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED KINGDOM |
| AMUNDI BELGIUM <sup>(1)</sup>                                |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | BELGIUM        |
| AMUNDI DEUTSCHLAND <sup>(1)</sup>                            |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | GERMANY        |
| AMUNDI NEDERLAND <sup>(1)</sup>                              |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | NETHERLANDS    |
| NH-CA (EX-NONGHYUP-CA)                                       |   | EQUITY | 40.0                 | 40.0                  | 40.0                 | 40.0                  | SOUTH KOREA    |
| AMUNDI IBERIA SGIIC SA                                       |   | FULL   | 55.0                 | 55.0                  | 55.0                 | 55.0                  | SPAIN          |
| AMUNDI SUISSE  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | SWITZERLAND    |
| AMUNDI POLSKA  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | POLAND         |
| IKS KB   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | CZECH REPUBLIC |
| AMUNDI HELLAS  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | GREECE         |
| AMUNDI HONG KONG BRANCH <sup>(1)</sup>                       |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | HONG KONG      |
| AMUNDI HONG KONG LTD   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | HONG KONG      |
| AMUNDI SGR SPA   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | ITALY          |
| AMUNDI REAL ESTATE ITALIA SGR SPA                            |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | ITALY          |
| AMUNDI JAPAN SECURITIES                                      |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | JAPAN          |
| AMUNDI JAPAN HOLDING   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | JAPAN          |
| AMUNDI JAPAN   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | JAPAN          |
| AMUNDI LUXEMBOURG  |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | LUXEMBOURG     |
| AMUNDI GLOBAL SERVICING                                      | A   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | LUXEMBOURG     |
| FUND CHANNEL   |   | EQUITY | 50.0                 | 50.0                  | 50.0                 | 50.0                  | LUXEMBOURG     |
| AMUNDI SINGAPORE LTD   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | SINGAPORE      |
| ABC-CA FUND MANAGEMENT                                       |   | EQUITY | 33.3                 | 33.3                  | 33.3                 | 33.3                  | CHINA          |
| SBI FM PRIVATE LIMITED                                       |   | EQUITY | 37.0                 | 37.0                  | 37.0                 | 37.0                  | INDIA          |
| AMUNDI USA INC   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED STATES  |
| AMUNDI INVESTMENTS USA LLC                                   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED STATES  |
| AMUNDI DISTRIBUTORS USA LLC                                  | A   | FULL   | 100.0                | 100.0                 | -                    | -                     | UNITED STATES  |
| AMUNDI SMITH BREEDEN   |   | FULL   | 100.0                | 100.0                 | 100.0                | 100.0                 | UNITED STATES  |

\* (A) Added to (A) the scope of consolidation during the year.  
 (1) Amundi branches.  
 (2) Amundi AI SAS branch.

## Income statement

| IN THOUSANDS OF EUROS  |           | DECEMBER-14      | DECEMBER-13      |
|--|-----------|------------------|------------------|
| INTEREST AND SIMILAR INCOME  | A         | 20,342           | 22,629           |
| INTEREST AND SIMILAR EXPENSES  | B         | -17,453          | -21,157          |
| FEE AND COMMISSION INCOME  |           | 2,557,990        | 2,347,287        |
| FEE AND COMMISSION EXPENSES  |           | -1,100,430       | -971,400         |
| NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS               | C         | 36,773           | 11,206           |
| NET GAINS (LOSSES) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS                                      | D         | 38,765           | 41,144           |
| INCOME ON OTHER ACTIVITIES   |           | 20,179           | 30,360           |
| EXPENSES ON OTHER ACTIVITIES   |           | -15,945          | -22,026          |
| NET FEE AND COMMISSION INCOME  |           | 1,457,560        | 1,375,887        |
| NET FINANCIAL INCOME   | (A+B+C+D) | 78,427           | 53,822           |
| OTHER NET INCOME   |           | 4,234            | 8,335            |
| <b>NET BANKING INCOME</b>  |           | <b>1,540,222</b> | <b>1,438,044</b> |
| OPERATING EXPENSES   |           | -795,207         | -756,173         |
| DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS |           | -14,801          | -16,802          |
| <b>GROSS OPERATING INCOME</b>  |           | <b>730,213</b>   | <b>665,070</b>   |
| COST OF RISK   |           | -4,754           | -7,465           |
| <b>OPERATING INCOME</b>  |           | <b>725,459</b>   | <b>657,605</b>   |
| SHARE OF NET INCOME OF EQUITY-ACCOUNTED COMPANIES  |           | 16,908           | 15,862           |
| NET GAINS (LOSSES) ON OTHER ASSETS   |           | 7                | -152             |
| CHANGE IN VALUE OF GOODWILL  |           | -                | -                |
| <b>PRE-TAX INCOME</b>  |           | <b>742,374</b>   | <b>673,315</b>   |
| INCOME TAX CHARGE  |           | -253,153         | -222,207         |
| <b>NET INCOME FOR THE YEAR</b>   |           | <b>489,221</b>   | <b>451,107</b>   |
| NON-CONTROLLING INTERESTS  |           | 900              | 423              |
| <b>NET INCOME - GROUP SHARE</b>  |           | <b>488,321</b>   | <b>450,684</b>   |
| EARNINGS PER SHARE (IN EUROS)  |           | 2.93             | 2.70             |

## Transition from statutory results to aggregate results

| IN THOUSANDS OF EUROS  | CONSOLIDATED ACCOUNTING RESULT | MANAGEMENT RECLASSIFICATION | CONSOLIDATED MANAGEMENT RESULT |
|--|--------------------------------|-----------------------------|--------------------------------|
| NET COMMISSION INCOME  | 1,457.6                        | 26.9                        | 1,484.5                        |
| NET FINANCIAL INCOME   | 78.4                           | -10.1                       | 68.4                           |
| OTHER NET INCOME   | 4.2                            |                             | 4.2                            |
| <b>NET BANKING INCOME</b>  | <b>1,540.2</b>                 | <b>16.9</b>                 | <b>1,557.1</b>                 |
| GENERAL OPERATING EXPENSES   | -795.2                         |                             | -795.2                         |
| DEPRECIATION, AMORTISATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS | -14.8                          |                             | -14.8                          |
| <b>TOTAL OPERATING EXPENSES</b>  | <b>-810.0</b>                  | <b>0.0</b>                  | <b>-810.0</b>                  |
| <b>GROSS OPERATING INCOME</b>  | <b>730.2</b>                   | <b>16.9</b>                 | <b>747.1</b>                   |
| COST OF RISK   | -4.8                           |                             | -4.8                           |
| <b>OPERATING INCOME</b>  | <b>725.5</b>                   | <b>16.9</b>                 | <b>742.3</b>                   |
| SHARE OF NET INCOME OF EQUITY-ACCOUNTED ENTITIES   | 16.9                           |                             | 16.9                           |
| NET GAINS OR (LOSSES) ON OTHER ASSETS  | 0.0                            |                             | 0.0                            |
| CHANGES IN VALUE OF GOODWILL   | 0.0                            | -16.9                       | -16.9                          |
| EXTRAORDINARY INCOME (CHARGES)   | 0.0                            |                             | 0.0                            |
| <b>PRE-TAX INCOME</b>  | <b>742.4</b>                   | <b>0.0</b>                  | <b>742.4</b>                   |
| INCOME TAX   | -253.2                         |                             | -253.2                         |
| <b>NET INCOME FOR THE YEAR</b>   | <b>489.2</b>                   | <b>0.0</b>                  | <b>489.2</b>                   |
| NON-CONTROLLING INTERESTS  | 0.9                            |                             | 0.9                            |
| <b>NET INCOME (GROUP SHARE)</b>  | <b>488.3</b>                   | <b>0.0</b>                  | <b>488.3</b>                   |

## CORPORATE GOVERNANCE AND FINANCIAL STATEMENTS

## Balance sheet

| IN THOUSANDS OF EUROS                                 | DECEMBER-14       | DECEMBER-13       | IN THOUSANDS OF EUROS                                      | DECEMBER-14       | DECEMBER-13       |
|---|-------------------|-------------------|--|-------------------|-------------------|
| CASH AND CENTRAL BANKS                                | 26                | 20                | FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS | 3,478,658         | 3,184,102         |
| FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | 5,507,448         | 5,347,897         | HEDGING DERIVATIVE INSTRUMENTS                             | -                 | -                 |
| AVAILABLE-FOR-SALE FINANCIAL ASSETS                   | 1,394,575         | 1,069,590         | DUE TO CREDIT INSTITUTIONS                                 | 959,937           | 1,165,967         |
| LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS    | 1,264,961         | 1,228,518         | DUE TO CUSTOMERS   | -                 | -                 |
| LOANS AND RECEIVABLES DUE FROM CUSTOMERS              | 2,853             | 2,726             | CURRENT AND DEFERRED TAX LIABILITIES                       | 116,039           | 71,000            |
| CURRENT AND DEFERRED TAX ASSETS                       | 94,506            | 94,471            | ACCRUALS, DEFERRED INCOME AND SUNDRY LIABILITIES           | 2,494,473         | 2,305,401         |
| ACCRUALS, PREPAYMENTS AND SUNDRY ASSETS               | 1,815,092         | 1,706,818         | PROVISIONS   | 76,278            | 71,930            |
| INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES             | 104,027           | 86,571            | <b>TOTAL LIABILITIES</b>                                   | <b>7,125,384</b>  | <b>6,798,401</b>  |
| PROPERTY, PLANT AND EQUIPMENT                         | 55,440            | 55,040            | <b>EQUITY, GROUP SHARE</b>                                 | <b>6,117,702</b>  | <b>5,816,018</b>  |
| INTANGIBLE ASSETS                                     | 96,473            | 134,526           | SHARE CAPITAL AND RESERVES                                 | 1,526,928         | 1,526,928         |
| GOODWILL  | 2,913,876         | 2,894,179         | CONSOLIDATED RESERVES                                      | 4,052,520         | 3,826,983         |
| <b>TOTAL ASSETS</b>                                   | <b>13,249,276</b> | <b>12,620,356</b> | OTHER COMPREHENSIVE INCOME                                 | 49,933            | 11,423            |
|   |                   |                   | NET INCOME FOR THE YEAR                                    | 488,321           | 450,684           |
|   |                   |                   | NON-CONTROLLING INTERESTS                                  | 6,190             | 5,937             |
|   |                   |                   | <b>TOTAL EQUITY</b>  | <b>6,123,893</b>  | <b>5,821,955</b>  |
|   |                   |                   | <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>13,249,276</b> | <b>12,620,356</b> |

## Statement of changes in equity

|   | GROUP SHARE                |                            |   |   |  | NET INCOME     | EQUITY, GROUP SHARE | NON-CONTROLLING INTERESTS | TOTAL CONSOLIDATED EQUITY |
|---|----------------------------|----------------------------|---|---|--|----------------|---------------------|---------------------------|---------------------------|
|   | SHARE CAPITAL AND RESERVES |                            |   | OTHER COMPREHENSIVE INCOME                                |  |                |                     |                           |                           |
|   | SHARE CAPITAL              | SHARE PREMIUM AND RESERVES | TOTAL CAPITAL AND CONSOLIDATED RESERVES | ON ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS | ON ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS |                |                     |                           |                           |
| <b>EQUITY AT 1 JANUARY 2013</b>                               | <b>416,979</b>             | <b>5,203,351</b>           | <b>5,620,330</b>                        | <b>-3,222</b>   | <b>69,987</b>  |                | <b>5,687,097</b>    | <b>6,811</b>              | <b>5,693,907</b>          |
| CAPITAL INCREASE  |                            |                            |   |   |  |                |                     |                           |                           |
| DIVIDENDS PAID IN 2013  |                            | -266,867                   | -266,867                                |   |  |                | -266,867            | -1,248                    | -268,115                  |
| IMPACT OF ACQUISITIONS/DISPOSALS ON NON-CONTROLLING INTERESTS |                            | 9                          | 9                                       |   |  |                | 9                   | -19                       | -10                       |
| CHANGES DUE TO SHARE-BASED PAYMENTS                           |                            | 444                        | 444                                     |   |  |                | 444                 |                           | 444                       |
| <b>CHANGES DUE TO TRANSACTIONS WITH SHAREHOLDERS</b>          |                            | <b>-266,414</b>            | <b>-266,414</b>                         |   |  |                | <b>-266,414</b>     | <b>-1,267</b>             | <b>-267,681</b>           |
| CHANGES IN OTHER COMPREHENSIVE INCOME                         |                            |                            |   | 688   | -47,545  |                | -46,857             | -33                       | -46,890                   |
| SHARE OF CHANGES IN EQUITY OF EQUITY-ACCOUNTED ENTITIES       |                            |                            |   |   | -8,484   |                | -8,484              |                           | -8,484                    |
| NET INCOME AT 31 DECEMBER 2013                                |                            |                            |   |   |  | 450,684        | 450,684             | 423                       | 451,107                   |
| OTHER CHANGES   |                            | -6                         | -6                                      |   |  |                | -6                  | 1                         | -5                        |
| <b>EQUITY AT 31 DECEMBER 2013</b>                             | <b>416,979</b>             | <b>4,936,932</b>           | <b>5,353,911</b>                        | <b>-2,534</b>   | <b>13,958</b>  | <b>450,684</b> | <b>5,816,019</b>    | <b>5,937</b>              | <b>5,821,955</b>          |
| APPROPRIATION OF 2013 INCOME                                  |                            | 450,684                    | 450,684                                 |   |  | -450,684       |                     |                           |                           |
| <b>EQUITY AT 1 JANUARY 2014</b>                               | <b>416,979</b>             | <b>5,387,616</b>           | <b>5,804,595</b>                        | <b>-2,534</b>   | <b>13,958</b>  |                | <b>5,816,019</b>    | <b>5,937</b>              | <b>5,821,955</b>          |
| CAPITAL INCREASE  |                            |                            |   |   |  |                |                     |                           |                           |
| DIVIDENDS PAID IN 2014  |                            | -225,169                   | -225,169                                |   |  |                | -225,169            | -616                      | -225,785                  |
| IMPACT OF ACQUISITIONS/DISPOSALS ON NON-CONTROLLING INTERESTS |                            |                            |   |   |  |                |                     |                           |                           |
| CHANGES DUE TO SHARE-BASED PAYMENTS                           |                            | 16                         | 16                                      |   |  |                | 16                  |                           | 16                        |
| <b>CHANGES DUE TO TRANSACTIONS WITH SHAREHOLDERS</b>          |                            | <b>-225,153</b>            | <b>-225,153</b>                         |   |  |                | <b>-225,153</b>     | <b>-616</b>               | <b>-225,769</b>           |
| CHANGES IN OTHER COMPREHENSIVE INCOME                         |                            |                            |   | -6,309  | 36,293   |                | 29,984              | -31                       | 29,953                    |
| SHARE OF CHANGES IN EQUITY OF EQUITY-ACCOUNTED ENTITIES       |                            |                            |   |   |  | 8,527          | 8,527               |                           | 8,527                     |
| NET INCOME AT 31 DECEMBER 2014                                |                            |                            |   |   |  | 488,321        | 488,321             | 900                       | 489,221                   |
| OTHER CHANGES   |                            | 5                          | 5                                       |   |  |                | 5                   |                           | 5                         |
| <b>EQUITY AT 31 DECEMBER 2014</b>                             | <b>416,979</b>             | <b>5,162,469</b>           | <b>5,579,448</b>                        | <b>-8,843</b>   | <b>58,777</b>  | <b>488,321</b> | <b>6,117,702</b>    | <b>6,190</b>              | <b>6,123,893</b>          |

# Methodology and glossary

## Methodology

### Page 14

(2) CPR Asset Management, a French *Société Anonyme* (joint stock company) with share capital of €46,155,465, with its head office at 90, boulevard Pasteur, 75015 Paris, France. CPR Asset Management, registered under no. 399 392 141 RCS Paris (Paris Trade and Companies Register), is authorised as a portfolio management company by the AMF under no. GP 01-056. BFT Gestion, a French *Société Anonyme* (joint stock company) with share capital of €1,600,000. Head office: 90, boulevard Pasteur, 75015 Paris, France, 334 316 965 RCS Paris. Portfolio management company authorised by the AMF under no. GP 98026.

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(1) The risk level of this sub-fund mainly reflects the risk of the high yield bond market in which it is invested. The sub-fund does not offer any performance or capital guarantee. For more details related to the investment policy, eligible assets and risks of the sub-funds, please refer to the Key Investor Information Documents (KIID) and prospectuses.  
 (3) Amundi Actions PME presents a risk of capital loss and a liquidity risk: in the event of very low trading volumes in the financial markets, any purchase or sale transaction can result in significant variations in share prices.

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(3) Source: Institutional Investors Alpha 2014. Top FoHF 50.  
 (4) Award for balanced management from the French investment press: *Actifs d'Or de la Distribution* for Network Balanced Funds, awarded to the Amundi Patrimoine fund. Source: *Les Actifs du Patrimoine, Grands Prix de l'Innovation et de la Distribution de L'Agefi Actifs*, 2014 edition. The *Actifs d'Or de la Distribution* is an award for the best inflows in France for financial products intended for private wealth clients. The funds do not offer a performance guarantee and there is a risk of capital loss.  
 (8) "*Le Comptoir par CPR*" is an activity of CPR Asset Management. Its purpose is to distribute the funds of the Amundi Group's management companies to Independent Financial Advisors, primarily through securities and insurance platforms. *Le Comptoir par CPR* is a trademark (brand) registered by CPR Asset Management, a portfolio management company authorised by the AMF under no. GP 01-056 and an active member of the French Asset Management Association (AFG).

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(1) Source: Amundi ETF. Based on a comparison between the average asset-weighted Total Expense Ratios (TER) for all Amundi ETF funds (the "Funds") and the average for all European ETFs (including the Funds) according to the Deutsche Bank Europe Monthly ETF Market Reviews published in 2014. Please note that some Funds can be more expensive individually than similar European funds, or may not have equivalents for comparison purposes, and vice versa. This analysis does not take into account the fees and transaction charges deducted by financial intermediaries, which are borne directly by the investor. The TER corresponds to the operating expenses detailed in the KIID.

(2) Source: Amundi ETF/Bloomberg as at 31 December 2014, comparison with the TERs of equivalent European ETFs replicating the performance of equity indices of emerging countries or regions, not taking into account the fees and transaction charges deducted by financial intermediaries, which are borne directly by the investor.

### Page 30

(3) Survey of sell-side and buy-side entities and of companies between March and May 2014. The survey was completed by 532 brokerage houses and 881 companies. Participants included 167 sell-side entities and 479 companies voting on buy-side companies and individual employees. The methodology and complete results of the survey can be consulted on the Extel website: [www.extelsurveys.com](http://www.extelsurveys.com).

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(1) The risk level of this sub-fund mainly reflects the risk of the high yield bond market in which it is invested. The sub-fund does not offer any performance or capital guarantee. For more details related to the investment policy, eligible assets and risks of the sub-funds, please refer to the Key Investor Information Documents (KIID) and prospectuses.

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(1) *Corbeilles Mieux Vivre Votre Argent 2014: Mieux Vivre Votre Argent* ranking based on the performances over one year of more than 3,000 SICAV, FCP (mutual funds) and FCPE (employee mutual funds) as at 30 June 2014 (source: Europerformance).

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(1) Any investment in shares of the Realitní Fond Komerční Banky fund is exposed to the risk of fluctuations in the value of the underlying investments and, therefore, there is no guarantee that the investor will recover the amount originally invested. Past investment performance does not guarantee future performance. Past performance figures reflect fees, commissions and taxes related to the management of the fund. However, they do not include subscription or redemption fees related to distribution. For more detailed information, we invite you to systematically consult the Realitní Fond Komerční Banky fund prospectus before investing.

### Page 54

(2) Competitiveness barometer for French mid-sized companies. Phone survey by Atoa Consulting between 25 August and 12 September 2014 of a sample of 301 mid-sized companies representative of this category. Representativeness was ensured by the quota method (figures provided by ASMEP-ETI on the basis of reference studies), based on the following variables: business sector (Industry-Construction vs. Services), consolidated sales (€50-74 million - €75-99 million - €200 million plus) and location (head office): Paris and Greater Paris area/French regions. Respondents are exclusively the chief executives of these mid-sized companies, essentially Chairmen, Chief Executive Officers and Chief Financial Officers.

### Page 57

(1) Fund Channel in the Top 10 fund distribution platforms in Europe. Classification based on a study by specialised UK consultant The Platforum, entitled *European Platforms and Open Architecture 2014*.

### Page 61

(2) Amadeis ranked Amundi no.1 in SRI management in 2014. Survey by Amadeis, an independent asset management advisory firm, in December 2013 and January 2014, of a sample of 61 French institutional investors, which rated 81 management companies. These companies were assessed based on the quality of their management, the skill and stability of the management teams, the rigour of the investment process, the efficiency of risk control and the quality and consistency of performance for the following investment strategies: Money Market, Euro Fixed Income, Balanced, Convertible Bonds, Euro Equities, Global Equities, SRI. The survey also covered the Marketing/Sales theme.

## Glossary

### Page 10

(1) Abenomics, formed by "Abe" and "economics", refers to the economic policy advocated by Shinzo Abe, Prime Minister of Japan since 26 December 2012.  
 (2) Covered bonds are simple securitisation instruments.

### Page 21

(1) Smart Beta is an investment strategy whereby, rather than holding a fraction of a market capitalisation-based portfolio, the focus is on specific subsets of securities (e.g. those with low price/earnings ratios, small capitalisations, high payout rates, low volatility, etc.) that are expected to outperform the market.

### Pages 24 / 25

(2) AIFM directive: European Directive 2011/61/EU of the European Parliament and Council of 8 June 2011 on alternative investment fund managers.  
 (5) Overlay means the centralisation of a company's cash in several countries.

### Page 29

(4) Pricing power: a company's ability to determine its selling prices based on its costs, while retaining its clientele.

### Page 30

(1) Tail risk: a form of portfolio risk that arises when the possibility that an investment will move more than three standard deviations from the mean is greater than what is shown by a normal distribution.  
 (2) Macro hedging: an investment technique used to eliminate the risk of a portfolio of assets.

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