



ANNUAL REPORT 2016

Conversations



CONFIDENCE
MUST BE EARNED

Amundi

*“Communication enables **trust**,
and trust enables **communication**.*

*This year, we wanted to make
you a part of the relationship
of trust that we build every
single day with **our clients**,
advising and supporting them
in their investment decisions.*

***We are extremely thankful to**
and honoured by everyone who agreed
to be interviewed for this publication.*

***Earning our clients’ trust**
is what we strive for every day.”*

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“In 2016, Amundi successfully implemented its development strategy.”

Xavier Musca

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



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

These performances reflect well on Amundi's strategy and business model, under which it has continued to grow in a still-uncertain global environment. Its earnings growth combined with a solid financial structure also allows it to offer its shareholders an attractive dividend payout. The dividend submitted this year for shareholder approval at the Annual General Meeting will

be up by more than 7% from the previous year and equivalent to 65% of consolidated net profit.

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

This acquisition is part of Amundi's selective external growth strategy announced upon its November 2015 IPO. It will make Amundi one of the world's top 10 asset managers, with total AuM of €1.3 trillion. Its considerable synergies will also

create significant value for Amundi shareholders.

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

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



“Amundi’s results show that the group has continued to grow profitably since it was created.”

**Yves
Perrier**

Chief Executive Officer
of Amundi

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

Net inflows came to €62 billion, driven by all asset classes and customer segments, with especially strong development coming internationally, with 75% of net inflows. Total assets under management came to almost €1.1 trillion at the end of 2016. Our results are consistent with the objectives that we had set and with the commitments we made to our shareholders when Amundi was first floated in November 2015. Net earnings per share rose by 7.3%. Amundi thus confirmed the relevance of its strategy and the strength and profitability of its business model.

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

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

Italy, Austria and Germany, and by supplementing its capabilities.

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

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

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

The French and European leader with a global scope, *a diversified business model*

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



4,100
employees*



100m
clients



36
entities



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



Amundi in figures

Amundi is the largest European Asset Manager in terms of AUM⁽¹⁾,
with €1.083 trillion worldwide⁽²⁾.

No.1 IN EUROPE⁽¹⁾



€1.083
tn

in assets under management⁽²⁾

€62
bn

in net inflows⁽²⁾

€168
bn

in assets under SRI management

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

(2) Data as of 31 December 2016, Amundi's scope of consolidation – Assets under management include 100% of the assets under management in Asian Joint Ventures: State Bank of India Fund Management (India), ABC CA (China) and

NH CA Asset Management Co Ltd (South Korea), and not the amounts of assets under management that correspond to the equity interest held by Amundi in each of the joint ventures, along with 34% of assets under management at Wafa Gestion (Morocco), i.e., pro rata to Amundi's equity interest in Wafa Gestion, as Amundi has no dedicated employees in Wafa, unlike in other JVs.

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

FINANCIAL FIGURES 2016

€1.677

bn

Net banking income

€828

m

Gross operating income

€568

m

Net income (Group share)

€3.4

bn

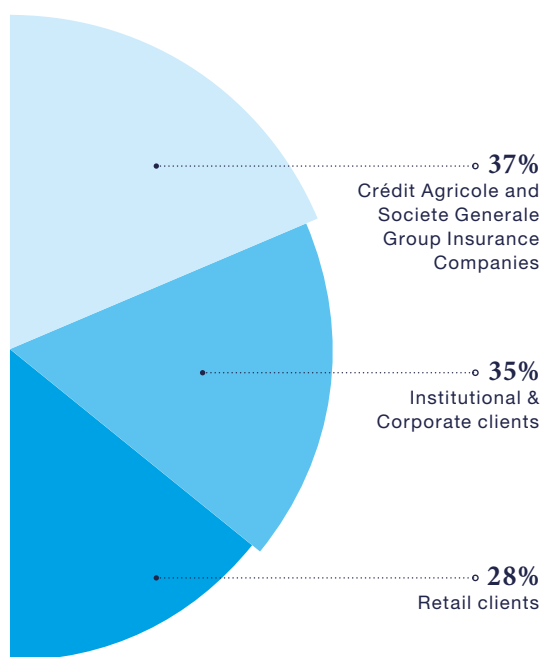
Net tangible equity Group share⁽³⁾

52.3

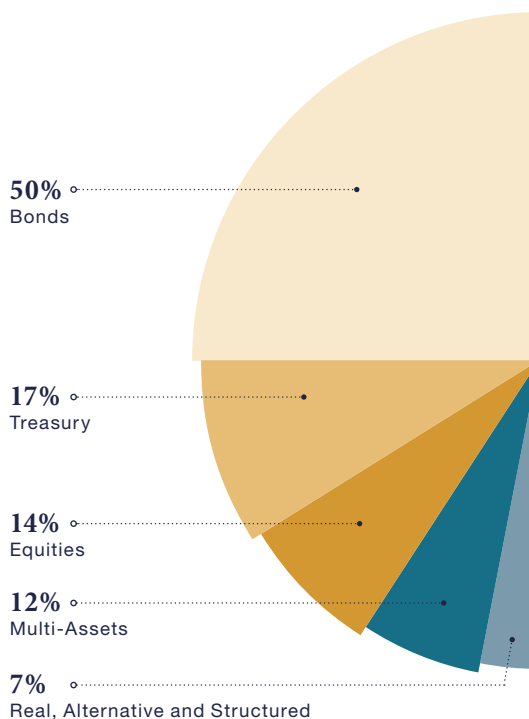
%

Cost-income ratio

BREAKDOWN OF ASSETS

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

BREAKDOWN OF ASSETS

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

2016 Highlights

Inclusion in SBF 120 following the listing

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

Strengthening the equity offering with the acquisition of Kleinwort Benson Investors

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



Amundi Services: Amundi's third business line

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

CREATION OF A PLATFORM DEDICATED TO REAL AND ALTERNATIVE ASSETS

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





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

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

This transforming acquisition will significantly strengthen Amundi's industrial project, buttressing its status as a European leader in asset management⁽¹⁾. This deal, which is expected to close in the first half of 2017, will allow the Group to consolidate its leadership in key European markets (France, Italy, Austria and Germany), give it access to a first-rate American platform, strengthen its leadership as a service provider for Retail networks, develop its base of institutional clients, and diversify its product range at the international level.

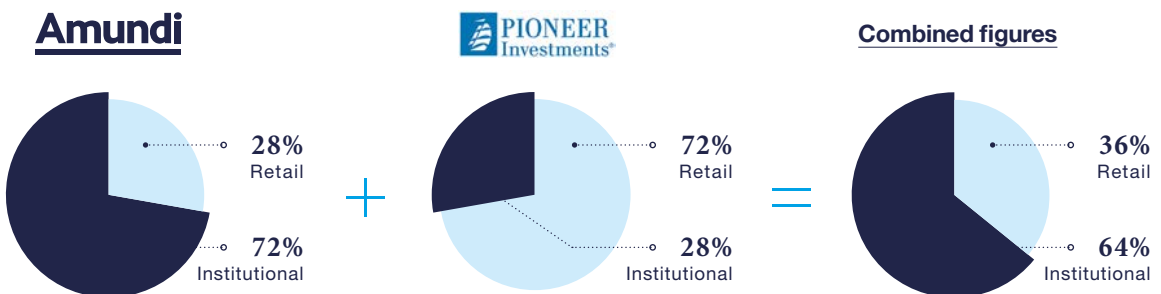
This deal, which will create significant value for Amundi's shareholders thanks to major potential for synergies, is in line with the policy outlined by Amundi at its IPO to deploy excess capital.

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

PIONEER INVESTMENTS IN BRIEF

As an asset manager on a global scale, Pioneer Investments has a profile complementing that of Amundi in terms of investment expertise and geographical presence. With almost €224 billion⁽²⁾ in assets under management, mainly on behalf of Retail clients, Pioneer Investments is a recognised player benefiting from global, proven expertise (European and US equities, emerging debt, multi-asset management and US bonds). Pioneer has close to 1,900 employees in 27 countries⁽²⁾.

A MORE BALANCED CUSTOMER MIX⁽²⁾



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

S T O R I E S A B O U T C O N F I D E N C E



Conversations



CONVERSATION NO. 1

**“A new long-term
partnership
for the distribution
of investment
solutions.”**

Interview

Since 2016, Amundi has been chosen as one of AXA's strategic partners.
**Nicolas Deschamps, Head of Unit-Linked Business Unit at Architas and
CEO Architas France & Belgium and David Benmussa, Head of Distribution
for Amundi in France**, talk about the birth, development and added value
of a mutually beneficial partnership.



CONVERSATION NO. 1

“With Amundi’s support, we will be able to develop the financial education of our networks.”

A quality relationship developed over time

— David Benmussa:

Developing our relationships with AXA, and especially with Architas, the Group’s entity dedicated to their multi-management offering,

had been a goal of ours for a few years. Actually, in 2012, we did answer an Architas request for proposals, however unsuccessfully. But as we knew we would most certainly have to apply again, we decided to try to meet the AXA teams, from all entities, in order to introduce Amundi’s expertise and investment philosophy. The first meetings took place in 2014, and I believe that in between the start of our “lobbying” efforts and August 2016, when we were referenced as partners, a total of over 70 such meetings occurred, with Amundi’s entire management team being involved.

— Nicolas Deschamps: We already had contacts with Amundi’s teams, as several of their funds were distributed by AXA’s networks. The request for proposals David mentioned is one we issue on a regular basis, to select our strategic asset managers, those whose solutions are highlighted in AXA’s service offering. We knew Amundi, we were able to see how they succeeded in developing the assets managed by their funds, we had the opportunity to assess their performance and to exchange with them. So we decided to include them in the new request for proposals we launched in 2016.

“Recognition of the quality of our investment products and support services.”

David Benmussa, Head of Distribution
for Amundi in France

Skills that fit AXA’s expectations

— N.D. When we select strategic partners, we look at three main criteria: quality and stable performance, the growth potential for the

assets under management, and the ability to provide ongoing support to our distribution networks. We had no doubt about the first two criteria. What really made the difference was Amundi’s knowledge, experience and expertise with client networks, and their deep understanding of individual investors’ expectations.

— D.B. Amundi is indeed one of the few asset managers, even globally speaking, that has acquired true expertise in retail distribution and that has developed, for its own partner networks, specific product marketing, sales and training tools. I also believe our international scope and many local offices have helped tip the scales in our favour.

— N.D. AXA’s distribution network spans almost 50 countries. So being able to rely on Amundi’s teams everywhere and in all languages is a real plus. And especially so when it comes to regulations, training or the digitisation of relationship tools. In addition, and beyond the support they provide to our networks, Amundi also brings their ability to think, analyse and exchange on major market issues, and more generally, on all aspects of asset management.

“Amundi’s knowledge, experience and expertise with client networks proved a key point.”

Nicolas Deschamps, Head of Unit-Linked Business Unit at Architas and CEO Architas France & Belgium

The ability to get everyone on board

on what every local distribution structure needs. So we mobilised Amundi’s local teams. They went to meet the country managers for AXA’s local partners, in order to better understand their specific needs.

— **N.D.** AXA is a complex organisational structure, with heterogeneous distribution networks. The levels of maturity, for both advisors and their clients, can vary significantly from one country to the other. David and his teams were able to get a deep understanding of these various expectations and to provide the proper answer. This is another of Amundi’s strengths: the ability to talk to and convince both CIOs and local distribution managers.

A win/win partnership

— **N.D.** We clearly see it as a win/win partnership. With Amundi’s support, we will be able to speed up the huge project of better educating our networks in financial matters, which, in turn, will help us develop our assets under management in units of account. Thanks to their financial and sales agility, Amundi’s teams will

— **D.B.** The main issue was to get all of AXA’s decision-makers on board. Fund selection has indeed been devolved to Architas, but it also partly depends

WHAT
IS AT STAKE

THE PARTNERSHIP

Amundi was selected by Architas, AXA’s entity in charge of the Group’s multi-management solutions, to become one of AXA’s five strategic asset managers.

THE SCOPE

Architas manages close to 30bn euros of assets in funds-of-funds, distributed in more than 50 countries in the world, via AXA’s or partner networks. 15,000 of these distributors are in Europe, including 10,000 in France.

THE CHALLENGE

Grow the partnership and develop the financial education of distribution networks.

also help us boost our ability to innovate and this will hopefully lead us to jointly devise investment solutions that will further fit the needs of our networks.

— **D.B.** For us, this partnership comes as a recognition of the quality of our investment products and support services. It also provides us with exceptional access to the potential of AXA’s networks and partners. And we know success will be shared, since Amundi will, in due proportion, also benefit from the increase in fundraising in units of account.

“Another of Amundi’s strengths is to be able to talk to and convince both CIOs and local distribution managers.”

Nicolas Deschamps

CONVERSATION NO. 2

“Amundi’s
offer was the one
that best fit
our needs and
expectations.”

Interview

Over a year ago, **TMB Bank PCL**, one of Thailand’s largest banks, was looking for professional advice on fund selection and allocation. Amundi answered, and the relationship took the form of a strategic partnership.

Prapatpong Weeramon, Managing Director for Amundi Thailand and **Roel Huisman, Chief Retail Banking Officer at TMB Bank PCL**, explain how it happened.



CONVERSATION NO. 2

“We only started working together a few months ago, but there are many areas of cooperation and we certainly feel the Amundi teams are actively supporting ours.”

From allocation and fund selection to a global partnership

Prapatpong Weeramon: We initially got in touch with TMB Bank PCL towards the end of 2014, shortly after we opened our office in Thailand, with the intention to explore potential fund sales opportunities. As we started talking to them, and listened to what they were looking for, it appeared they aimed at improving quality of service in all areas, from fund selection and allocation, to client relationship and aftersales services. The conversation gradually turned into one of potential strategic partnership.

Roel Huisman: By the end of 2014, we started looking for professional advice on fund selection and allocation. We did consider all potential providers on the Thai market, and the entire process took about a year, because more than a simple provider, we wanted to find a real partner. With this in mind, it turned out Amundi's offer was the most complete, the one that best fit our needs and expectations.

Combining local proximity and the resources of a global player

R.H. The partnership we wanted to establish was limited to the Thai market. So we were looking for a local player, with deep market knowledge and understanding and the required level of expertise in fund selection and allocation, but also with the ability to provide value-adding solutions, such as training and marketing tools or a central management platform. And as I said before, Amundi devised the most complete offer. The other players we looked at focused on funds and allocation. Amundi clearly went a few

steps further and came to us with a proposal that included more than just “technical” elements. This is what convinced us that they were the right choice to make.

P.W. As Roel said, I believe what sealed the deal was our ability to combine local presence and the use of Amundi's global resources, to tailor the best possible solution for TMB Bank PCL. We had acquired a good understanding of TMB Bank PCL's specific needs of the issues they wanted to address, and we were able to capitalise on that knowledge to leverage the appropriate resources and skills at Group level. Indeed, we mobilised resources globally (in Thailand, Paris, Singapore, HK), and across many departments (such as Fund Selection and Asset Allocation, IT, Marketing, Research). Our experience with retail networks also proved to be a strong asset, as did our investment expertise and the state-of-the-art tools our teams use.

Flexibility as a key deal-clincher

R.H. I would like to stress one more key point: flexibility. And by that I mean the ability to adjust to the particularities of the Thai market and to offer tools and solutions in Thai. That too, made the difference!

P.W. Thank you, Roel, for highlighting that aspect of our offer! This is something we worked hard on. Being able to provide Thai translation, or train TMB Bank PCL's network in Thai was paramount to us.

“Amundi clearly went a few steps further [than competition] and came to us with a proposal that included more than just ‘technical’ elements.”

Roel Huisman, Chief Retail Banking Officer at TMB Bank PCL

“We had acquired a good understanding of TMB Bank PCL’s specific needs and of the issues they wanted to address. We were able to capitalise on that knowledge to leverage the appropriate resources and skills within Amundi group, enabling us to meet their requirements.”

Prapatpong Weeramon,
Managing Director Amundi Thailand

Many small partnerships inside a larger one

a few months ago, but there are many areas of cooperation and we certainly feel the Amundi teams are actively supporting ours. They are training our people, our respective product teams exchange on a daily basis and they provide quick answers whenever we have questions or queries. So both from a professionalism perspective and because Amundi is supporting our value proposition, we are very happy with our first few months of working together.

— P.W. We have developed a very close working relationship with TMB Bank PCL at all levels. There is not only one point of contact but many of them, across both organisations, from senior management to on-the-ground sales people. As Roel just said, we interact with the TMB Bank PCL team on a daily basis.

Working together for ongoing improvement

happen. For the time being, we are doing our best to keep TMB Bank PCL satisfied and we look forward to strengthening and deepening our partnership with them.

— R.H. I would say our partnership is actually divided into many smaller ones, all of which are equally close. We only started working together

— P.W. It might be a little too early to already be talking about future developments, but that is certainly something we would like to see

T M B B A N K P C L
I N A N U T S H E L L

TMB BANK PCL & AMUNDI 2016

In 2015, TMB Bank PCL chose Amundi as its advisor for fund selection and allocation.

TMB BANK PCL

Founded in 1957, TMB Bank PCL is one of the largest Thai banks and an industry leader, with the Ministry of Finance of Thailand and ING Bank N.V. as major shareholders.

Driven by a Make THE Difference ethos, TMB Bank PCL aims to enable customers to maximise their lifestyles through its offering of quality products and services which meet real customer needs and are simple and easy to use.

HEADQUARTERED IN BANGKOK,

TMB Bank PCL employs about 9,000 people in the head office and 452 branches across the country.

IN 2016,

TMB Bank PCL posted revenue of 46.09 billion baht (€1.22 billion), and net profit of 9.84 billion baht.

— R.H. We are still in the early stages of our relationship. We are getting to know each other better and better and I think we are on a path of ongoing improvement. The objective is to further tailor the model so it perfectly fits the needs of all users. But as I said before, our first impression is very positive!

CONVERSATION NO. 3

“We choose
our asset managers
very carefully,
and aim to build
long-term
relationships.”

Interview

In March 2016, **NEST**, the UK government-backed pension scheme established to facilitate auto-enrolment, announced that it had picked Amundi to make its first investments in emerging market debt.

A year later, **Frédéric Barthélemy**, Amundi's Head of Institutional Clients in the UK and **Mark Fawcett**, NEST's Chief Investment Officer, look back on the birth and early stages of what already appears to be a successful and promising partnership.



CONVERSATION NO. 3

“We are very happy with the way Amundi has been able to quickly respond to all our queries, especially as the emerging debt portfolio is a complex one to manage.”

From informal talks to the building of a mutually beneficial relationship

—— **Frédéric Barthélemy:** We started talking to NEST a couple of years ago. We were both relatively new entrants to the UK market, and so I hoped there may be opportunities to build a mutually beneficial relationship. We discussed a number of topics, including emerging debt, because we believed we shared a common vision of the investment industry. Over time we intensified our contact with you. There were CIO to CIO talks, between Mark Fawcett and Pascal Blanqué (Amundi's Chief Investment Officer) and multiple exchanges of information. By the time the request for proposal for NEST's first investments in emerging market debt came out, we felt we had the best possible understanding of what NEST were looking for and tried hard to come up with the best possible proposal.

—— **Mark Fawcett:** Whenever we look for a new asset manager, we do a market warming exercise and try to make a first contact with all major managers for the asset class in which we want to invest. For our emerging debt fund, we were looking for an active manager, with

a strong philosophy of active management, and solid ESG experience. We did not seek “star” managers, but a strong team of professionals who could rise to the challenge of delivering high quality at a reasonable cost. So we short-listed three asset managers, spent face-to-face time with each of them, and Amundi clearly stood out.

ESG risks as a key factor

—— **M.F.** As I just mentioned, Amundi did fit our criteria best. You had a very strong team, and a proven track-record in active management. Amundi also demonstrated they knew how to integrate ESG risks, which, to us, was a key element.

—— **F.B.** Thank you for highlighting the quality of our team. I believe that was instrumental in the choice NEST made to work with us. We also mobilised resources across the Group, and at top-management level, to show NEST just how keen we were to build a partnership. And I think that is something you really appreciated.

Quality exchanges and much more...

—— **F.B.** I would say we have frequent exchanges on all subjects and at all levels. There are daily exchanges of information regarding the fund we manage for NEST, but our cooperation goes beyond that; we do not just talk about emerging debt issues. Whenever NEST has a specific request, they have privileged access to our sales, experts, strategy teams and management.

—— **M.F.** We are very happy with the way Amundi has been able to quickly respond to all our queries, all the more as the emerging debt portfolio is a complex one to manage. We really appreciate the quality of the exchanges we have with the Amundi team. One of the challenges is that the fund is more active than

“Amundi did fit our criteria best. They had a very strong team, and a proven track record in active management. They also demonstrated they knew how to integrate ESG risks.”

Mark Fawcett, Chief Investment Officer,
Executive Director, NEST

“Whenever NEST has a specific request, they have access to our sales, management or strategy teams and experts.”

Frédéric Barthélemy, Head of Institutional Business UK & Ireland, Amundi

our other managers and uses more derivative contracts. Therefore ensuring we have an up-to-date picture of the risk profile of the portfolio can be challenging (in terms of integrating with the rest of our portfolio). The relationship team is very responsive to our requests.

— **F.B.** NEST is a reference name in Britain and Mark is a very well-known and highly respected expert in the pension fund industry. The fact that they held a press conference to announce the Amundi / NEST partnership is a genuine sign of the trust you have in us, and we feel very honoured. We hope to also benefit from the ongoing rise in NEST’s assets.

A long-term perspective

— **M.F.** As I said, we are very pleased with the relationship we have established with Amundi, and we are looking to build a long-term partnership. When we choose an asset manager, we do it very carefully and in the hope that we will work with them over a long period of time.

— **F.B.** We obviously do share your very positive view of our relationship. We see NEST as representing the future of the pension fund industry in Britain, and as a strategic partner for our development on this fast-growing and highly promising market segment. Our aim is to be in this relationship for the long term, and we hope further developments will be on the agenda.

NEST IN A NUTSHELL

NEST AND AMUNDI HAVE WORKED TOGETHER SINCE MARCH 2016,

when the former announced it had chosen the latter as the manager for its first emerging debt fund.

NEST (National Employment Savings Trust) has been set up by the British government especially for auto enrolment.

The platform aims at providing every employer with access to a workplace pension scheme that meets the requirements of the new pension rules, which makes it compulsory for each employer to give their workers the opportunity to join a workplace pension scheme that meets certain standards (as defined in the Pensions Act 2008).

The way NEST invests aims to grow the money it receives from members and offer high quality at low cost. In order to do so, NEST uses funds from leading asset managers, such as Amundi. NEST also believes in responsible and sustainable investment as a key lever for return.

As a government-backed scheme, NEST is run by a Trustee, made up of a Chair and up to 14 members. Trustee members are currently chosen by the Secretary of State for Work and Pensions in line with public appointments guidance that promotes selection on the basis of merit, fairness and openness. They’re collectively accountable to Parliament through the Department for Work and Pensions but are generally independent of government in their day-to-day decisions.

— **M.F.** We would certainly welcome new developments, but we are scrupulous about ensuring there is a level playing field for every search so that we can always ensure we get the manager that best meets our needs. We cannot favour Amundi, or anyone else, in an unfair fashion! Each tender is assessed on its own merits.

CONVERSATION NO. 4

“Our relationship
is based on a common
and shared goal:
the co-construction
of innovative
solutions.”

Interview

Danone and Amundi are longtime partners.

They especially share the same desire to put societal issues at the heart of their investment strategies. **Josselin Brassé, European Corporate Sales Representative, Amundi** and **Florence Saliba, Head of Financing and Treasury for Danone**, talk about this common commitment.



CONVERSATION NO. 4

“Through the building and daily management of these common vehicles, we have been able to better understand Danone’s expectations in the area of societal investment.”

Danone and Amundi, a stable relationship

Historically, this relationship had been built around Crédit Agricole’s cash solutions. Over the years, as exchanges between our teams and Danone’s were taking place on an almost daily basis, mutual trust and proximity settled in and we started talking about more strategic topics, especially related to ESG issues.

— **Florence Saliba:** Indeed, I would define the relationship between Danone and Amundi as “stable”. In addition to their irreproachable level of expertise and the know-how of the Crédit Agricole group – a professional prerequisite, as far as we are concerned – Amundi’s teams are very flexible and always available. This is something we really appreciate.

— **J.B.** I would add that Danone’s consistency in their investment choices – as opposed to an opportunistic approach – has greatly contributed to building a long-term, ongoing dialogue. I believe we can say that our respective companies now have a true partnership, which tangibly translates into regular exchanges on potential developments in the scope of our collaboration.

— **E.S.** In most cases, when a project emerges, we ask Amundi to be part of it. We both benefit from these moments of thinking together, as they are unspoiled by short-term requirements. On the contrary, we share a common goal: the co-construction of innovative solutions.

— **Josselin Brassé:** Danone and the Crédit Agricole group have developed a client-provider relationship that goes back several decades.

Danone and Amundi, a shared desire to move forward on societal issues

endowment aimed at financing projects related to the Group’s broad range of activities.

— **E.S.** These are two original vehicles that fully embody Danone and Amundi’s shared desire to support ESG-related projects. Amundi’s technical contribution proved decisive. For Danone.communities, the challenge was to find the fitting regulatory arrangements, so that the SICAV⁽¹⁾ could be made available to several types of investors, including Danone’s employees.

— **J.B.** We also needed to make sure we would be able to offer these socially responsible investors a relatively risk-free investment scheme. So we implemented a specific management solution, thanks to which we can even encourage some of our own clients to invest in Danone.communities, in partnership with Danone.

— **J.B.** Among these jointly built solutions, Danone’s two dedicated funds, both managed by Amundi, must be singled out. Danone.communities*, created in 2007, is the first French social entrepreneurship SICAV⁽¹⁾, and the Danone fund for the ecosystem is an

“Two original vehicles that fully embody Danone and Amundi’s shared desire to support ESG-related projects.”

Florence Saliba, Head of Financing and Treasury for Danone

“We recently received additional proof of Danone’s trust as they chose our cash management solutions to invest the income from bond issue.”

Josselin Brassé, European Corporate Sales Representative, Amundi

— **E.S.** Regarding the fund for the ecosystem, the main issue was to devise and implement a fully secure and entirely-ESG management scheme for the assets that had not yet been invested. We successfully did so, in large part because we were able to use Amundi’s own very transparent and easy to implement ESG methodology.

— **J.B.** Through the building and daily management of these common vehicles, we have been able to better understand Danone’s expectations in the area of societal investment. We actually realised they were very similar to ours...

Amundi, trusted partner for cash management

— **J.B.** We recently received additional proof of Danone’s trust as they chose our cash management solutions to invest the income from a bond issue aimed at pre-funding a major

acquisition project. They were looking for a manager who could provide predictability on expected return and prevent liquidity risks.

— **E.S.** For such an operation, Amundi appeared as a natural partner. They boast a wide range of sizable funds – which was crucial to us, in terms of control ratios – without significant risk. We do choose Amundi’s cash solutions because they fit our expectations and the requirements of our cash management: caution and availability.

— **J.B.** In this particular case, the money needed to be available within 24 hours. That is something we committed to making possible, with the support of the Crédit Agricole group.

WHAT IS AT STAKE

A COMMON HISTORY

Danone and the Amundi group have had a client-provider relationship for over 20 years.

Amundi is one of Danone’s partners of choice for cash management.

As both Danone and Amundi share a common view of responsible investment, they jointly built funds dedicated to social entrepreneurship and to the funding of ESG projects.

THE SCOPE OF THE PARTNERSHIP

► **Cash management:** Amundi manages part of Danone’s short-term cash flow.

► **ESG management:** Danone and Amundi jointly built two specific funds: Danone.communities and the Danone fund for the Ecosystem.

► **Employee Savings and Retirement:** Amundi advises and manages employee savings and retirement plans for Danone and some of its subsidiaries, in France and abroad.

THE FLAGSHIP OPERATION

In 2016, Danone launched a €6.2 billion bond offering, to finance part of the acquisition of White Wave Foods (\$12.5 billion), which is scheduled to be completed within the first quarter of 2017.

Amundi has signed in to part of this offering (€2.7 billion) and was selected by Danone to manage a significant proportion of the money raised, which was fully invested in three of its short-term cash funds.

— **E.S.** Indeed, Amundi was able to quickly devise a solution that guaranteed daily liquidity, which was a “tour de force”, when you consider the amount it represented...

CONVERSATION NO. 5

“Amundi was able
to provide truly
customised answers
and solutions.
That’s what made
the difference.”

Interview

In 2014, the **SNCF Group**, while creating its dedicated logistics entity SNCF Logistics, searched for an employee savings plan expert and selected Amundi. **Jean-Louis Vincent, SNCF Logistics’ HR Director**, and **Xavier Collot, Head of Employee Savings and Retirement at Amundi**, tell us about the birth and development of this now firmly established relationship.



CONVERSATION NO. 5

“The ‘railway car’ fund has become a strong communication tool on our activities.”

In the beginning: a social mobilisation issue

company a unifying identity and promote a shared sense of belonging among employees. To this end, we considered bringing all of the teams together in a single location, giving the entity a new name, but also unifying the different employee savings and retirement plans. This was the purpose of the request for proposal in which Amundi participated.

—— **Xavier Collot:** I believe we quickly grasped the issue, which enabled us to come up with answers which truly fit, or even exceeded, SNCF Logistics’ expectations. Among others, we suggested the creation of a specific investment fund open to all employees invested in one original and unifying asset: the railway car. In addition to uniting around SNCF’s core business – railway – it conveyed values of sustainability, strength and respect for the environment.

“We had to convince subsidiaries which weren’t really in favour of the operation. Amundi proved very effective in educating and convincing decision-makers in these entities.”

Jean-Louis Vincent, HR Director,
SNCF Logistics

—— **Jean-Louis Vincent:** SNCF Logistics was created, within the context of the railway reform, to bring together very diverse activities. We were looking to give this new

—— **J.-L.V.** Amundi was able to provide truly customised answers and solutions. That’s what made the difference. In addition to its size and reputation, Amundi can count on its active, responsive and committed employees, who demonstrated their ability to innovate and implement.

Helping implement original solutions for employee savings

—— **X.C.** What started as a strictly business relationship quickly turned into a relationship based on mutual trust, which was all for the best. The outcome of the request for proposal turned out to be only the beginning of a lengthy process. For instance, adapting the “railway car” fund idea we had suggested to SNCF Logistics’ specific environment and rolling it out to hundreds of different legal entities required months and months of discussion and collaboration.

—— **J.-L.V.** Indeed, Amundi helped us carry out two complex projects: building the “railway car” fund, and unifying all the different employee savings and retirement plans. Unifying all these plans was a long process which took nearly two years. We had to convince subsidiaries which weren’t really in favour of the operation. Amundi proved very effective in educating and convincing decision-makers in these entities. The “railway car” fund also required a lot of work. We set up a cross-functional team with the Finance, Legal and HR departments of our subsidiaries and here, again, Amundi’s help proved essential.

“We were also involved in the communication efforts around the product, helping convince both management and employees that they ought to invest in the ‘railway car’ fund.”

Xavier Collot, Head of Employee Savings and Retirement, Amundi

— **X.C.** We had to manage several technical aspects, such as the vehicle’s legal reliability – the fund has been approved by the AMF, the French financial market authority – or liquidity management. But we were also involved in the communication efforts around the product, helping convince both management and employees to invest in the “railway car” fund as part of their employee savings strategy, in the same way as they purchase company shares via their company-wide investment plans. Setting up the “railway car” fund generated buy-in around the valuation of a historical asset, and helped increase awareness of our entity’s various activities.

— **J.-L.V.** The “railway car” fund became a strong communication channel for our various activities, not only within SNCF Logistics but throughout the Group.

A broader partnership with the SNCF Group

— **X.C.** Jean-Louis Vincent refers to our recent win for the management of the SNCF Group’s overall employee savings scheme. In 2016, the SNCF Group launched an RFP to appoint a single administrative manager for all of its employee savings and retirement systems. Amundi was selected, and we have already transferred the accounts of 170,000 SNCF agents onto our own systems, in record time. SNCF Logistics undoubtedly acted as an ambassador for the project...

WHAT WAS AT STAKE?

BACKGROUND

In 2014, SNCF Logistics, the newly created SNCF entity in charge of all logistics activities (€10bn in revenues, 50,000 employees, over 500 subsidiaries) was looking to unite employees around a common HR project.

Amundi, acting as advisor, suggested an original solution based on employee share ownership.

A LANDMARK OPERATION

With the help of Amundi, in 2016 SNCF Logistics set up an employee share purchase plan centred on an original asset: the railway car.

Employees thus co-invest in the vehicles which are still in use and managed by SNCF Logistics. Amundi also suggested and implemented a streamlined and optimised structure for all existing employee savings and retirement systems.

SCOPE

Amundi became the sole provider of employee savings and retirement plans for SNCF Logistics. The Group has also won an RFP to manage the administrative employee savings and retirement systems for the entire SNCF Group.

— **J.-L. V.** I can’t say our partnership with Amundi tipped the scale in their favour to win the SNCF Group RFP. Let me remind you it was a very strictly regulated procedure. But it certainly didn’t hurt...



AMUNDI AND ITS ENVIRONMENT

Every day,
our teams of experts analyse
the ups and downs
of the global economy
and financial markets
to adapt more effectively
to their trends.

34 OVERVIEW OF
THE WORLD ECONOMY

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AROUND THE WORLD
FARED IN 2016

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40 AMUNDI'S
STOCK MARKET
PERFORMANCE

An overview of the world economy

In 2016, China switched to a new exchange rate regime and managed the yuan's gradual depreciation, Brexit laid bare the weaknesses of the UK and Europe (the former had no Plan B and the latter no unity), and the change in leadership in the United States caused interest rates to climb.

China rocked the markets in early 2016

In the summer of 2015 and at the very beginning of 2016, China triggered a period of high volatility and misunderstanding.

Concerns over the possibility of sharp yuan depreciation or a crash landing of the Chinese economy disrupted all financial markets, especially emerging and equity markets. In fact, it "just" marked a major turning point in the renminbi currency regime. We know that the growth model has changed (less

foreign trade, more domestic trade) and that the Chinese authorities are seeking a more dominant role for their currency on the international stage. This has been accompanied by a gradual opening of the capital account and a relaxation of the currency regime. Despite these fears, annualised GDP growth stabilised around 6.7% over the last three quarters, and the central bank is managing the gradual depreciation of the renminbi, which is now a component of the SDR (=Special Drawing Right).

Brexit: a bolt from the blue that was one of the key events of 2016

In June, UK voters decided by referendum that they would leave the European Union (the exit process is expected to officially begin during the first quarter of 2017). In substance, the UK wants five things: no customs duties between the EU and the UK; a return to an independent trade policy; to have an independent immigration policy; to have total access to the single market (goods and services), and to stop contributing to the Union budget. No country has achieved this as yet, not even Switzerland or Norway.

The UK's economic and financial integration with the EU, the difficulty of the upcoming negotiations, the lack of unity within the EU, and the analysis of impacts on the UK economy are all factors that have dragged down financial markets.

In particular, the value of the pound sterling has plunged dramatically.



6.7% **The annualised growth
of China's GDP**

Election of Donald Trump in the United States: A major turning point —

A strong protectionist streak, the determination to renegotiate certain trade agreements,

the plan to deport large numbers of illegal immigrants and a heavy reliance on public spending caused financial markets to drop, at least initially. However, the gradual rebalancing of the policy mix to more active fiscal and tax policies is not a problem in itself. Even though Congress will soften the new president's demands, the expansionist

fiscal policy of the United States will extend the economic cycle. Many proposals/suggestions are also aimed at stimulating the US production engine to the detriment of imports (customs duties, specific taxation, etc.). This was all that was needed to prompt a reassessment of the Fed's monetary policy, growth prospects, inflation expectations and long-term interest rates.

The expansion cycle continued in major advanced economies, but at a slow pace —

For several years, potential global growth has flagged in many places,

due to a combination of factors such as demographic decline, the burden of debt acting as a constraint on economic policies, the decrease in productivity gains, growing inequality, etc. Investment is slowing, and global trade

is no longer driving growth. As such, consumption remains the cornerstone of all economies. This is equally true for advanced and emerging economies. Outside of the United States (due to the upcoming changes in economic policy), in Brazil and Russia (which are gradually emerging from recession), growth forecasts barely changed in 2016.



over 85%

of the world's 120 largest countries had inflation rates that were below the targets set by their Central Banks

Monetary policies remained accommodating —

As a result of this stabilisation in growth, eight of the ten G10 countries further eased their monetary policies in 2016, and in December the ECB decided to extend its bond purchase programme from March 2017 to the end of 2017, which will ensure that long-term interest rates remain low and help indebted market participants improve their solvency. Meanwhile, the Fed continued to cautiously tighten its monetary policy. At end-2016, more than 85% of the 120 largest countries still had an inflation rate below their central bank's target. Nearly 20% of them still had negative inflation, the highest percentage since deflationary fears emerged in 2008.

In other words, the rise of inflation is still more feared or desired than genuine.

How markets around *the world fared* in 2016

Fixed income products (money-market and bond instruments), all-terrain and all-in-one investment solutions and passive investing were favoured by investors in 2016. With a few exceptions, equities are generally experiencing outflows.

France⁽¹⁾

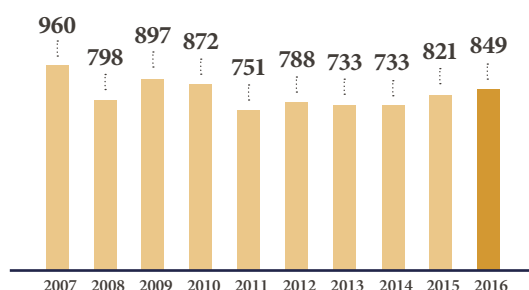
The market for open-ended funds governed by French law ended 2016 with €849bn in assets under management, up 3.3% despite a negative market effect (-1%).

Net inflows amounted to +€35.5bn, with a 76% concentration on money-market funds, primarily enhanced treasury solutions. With +€6.8bn, of which more than one third was in ETFs, interest in bond funds continued unabated, especially in the (very) short-term euro, inflation, buy & hold/target date fund categories, unlike short-term convertibles (-€2.2bn). Real estate hit a new record this year, with +€3.8bn in inflows from retail OPCIs (real estate collective investment undertakings). Absolute Return products benefited from positive inflows (+€2.1bn), primarily for long/short equity strategies, despite redemptions on flexible funds. Diversified products cancelled out some of the impact of 2015 inflows, with outflows of €2.6bn. Outflows on equities amounted to -€0.6bn. This asset class was negatively impacted in all regions except emerging markets (+€2bn), despite an additional +€2.9bn in passive investments. Guaranteed funds experienced near-zero inflows, as demand from investors seeking safe havens continued to shift to EMTNs* (€7.6bn in gross inflows). Finally, Socially Responsible Investments attracted a following, bringing in +€3.5bn.

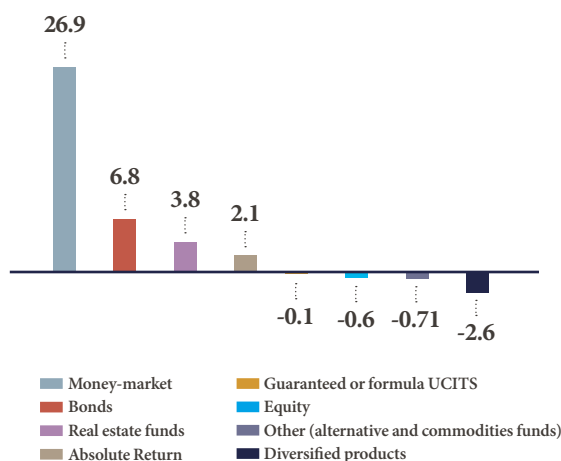
**Ramping up of REITs
confirmed with inflows of**

€3.8 billion

UCITS assets in France⁽¹⁾ (in €bn)



Inflows per asset class in France⁽¹⁾ (in €bn)



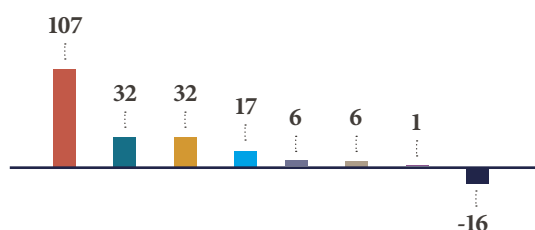
(1) Source: Six Financial Information NMO, December 2016, perimeter of open-ended funds domiciled in France.

Asia-Pacific⁽²⁾

The strength of the Asian market did not falter in 2016: up 5.8% and with inflows of €185bn, it amounted to €3.217tn at end-December 2016.

China alone accounted for 47% of inflows for the region, as Chinese investors were particularly drawn to bond funds (+€86bn) and guaranteed funds (+€29bn). Elsewhere in Asia, treasury products were much sought after (Thailand, India), as were bonds (India, Hong Kong, Singapore, etc.). The only exception was Japan, where equities benefited significantly from the Bank of Japan's ETF purchase programme (+€25bn).

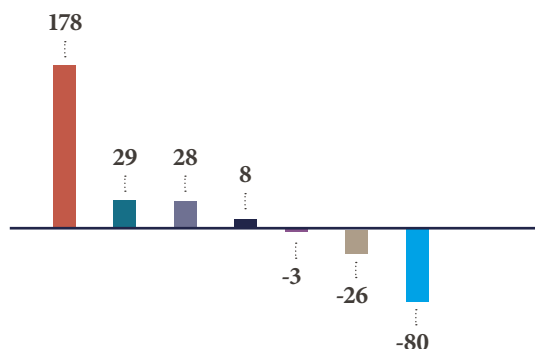
Inflows per asset class in Asia-Pacific⁽¹⁾ (in €bn)



United States⁽³⁾

In the United States, with €17.932tn at end-December 2016, the open-ended fund market represented more than half of global assets and posted an increase of 0.7% over the year. Inflows of +€134bn were primarily driven by bonds (+€178bn), pension/life cycle funds (+€56bn) and dollar-denominated money-market products (+€31bn). Like Europe, despite significant inflows for passive investments (+€247bn), there were substantial outflows on equities (-€80bn).

Inflows per asset class in the United States⁽¹⁾ (in €bn)

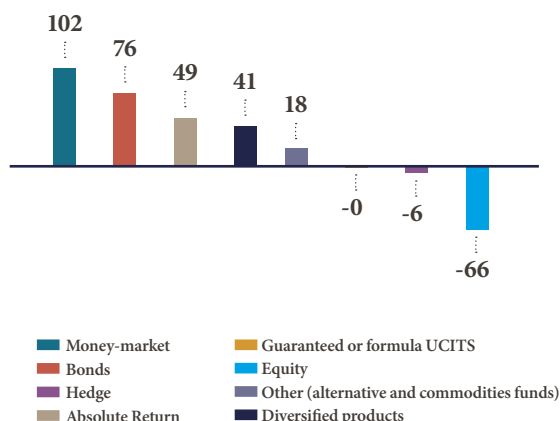


Europe⁽⁴⁾

The European fund market amounted to €9.558tn at end-December 2016, up 4.3% from the start of the year thanks to positive inflows (+€213bn, i.e. 2.2%) and a positive market effect (+€198bn, i.e. 2.1%).

The Brexit environment and the ECB's extension of its corporate bond purchase programme enhanced inflows on fixed income products: +€102bn for money-market funds and +€76bn for bond funds in 2016. The appeal of bond funds resulted in flows split evenly between active and passive investments. As such, investors favoured credit, emerging and international bonds, and more recently inflation products due to expected interest rate hikes. Absolute Return and Diversified funds (+€90bn) were also highly sought after, especially multi-strategy funds (+€54bn). There were significant outflows for equities (-€66bn), especially for active investments on developed markets (Europe and Japan), but they were partially offset by flows on passive investments, emerging markets, thematic products and sector products. Note: +€18bn for other types of funds, especially commodities (+€8bn).

Inflows per asset class in Europe⁽¹⁾ (in €bn)



(2) Source: Broadridge Financial Solutions – December 2016, scope of open-ended funds domiciled in Asia and cross-border funds also sold in the Asian market.

(3) Source: Broadridge Financial Solutions – December 2016, scope of open-ended funds domiciled in the United States and cross-border funds also sold in the US market.

(4) Source: Broadridge Financial Solutions – December 2016, the scope covers open-ended funds registered in Europe and cross-border funds sold in the European market.

Amundi Group's *activity and results* in 2016

In 2016, Amundi once again showed its ability to deliver profitable, steady growth in a mixed environment thanks to its diversified business model, recording a high level of net inflows (+€62 billion), enabling assets under management to increase by 10% year-on-year to €1.083 trillion at end-2016. Net income attributable to the Group reached €568 million, a sharp increase from 2015 (+7.7%⁽¹⁾). The financial situation remained solid with a net debt-free balance sheet and free cash flow of €1.5 billion⁽²⁾, enabling Amundi to offer an attractive dividend policy. These performances exceed the objectives announced at the time of the IPO.

Mixed market environment —

A mixed market environment characterised 2016, which was generally negative for activity. The first half was very volatile given the macroeconomic uncertainties and the United Kingdom's vote in favour of Brexit. The second half saw a gradual improvement. In full-year terms, Amundi's assets under management benefited from the positive market effect to the tune of €21.8 billion.

Activity: record net inflows of €62 billion in 2016 —

In 2016, net inflows remained at a high level of €62.2 billion, or 6.3% of assets under management at the beginning of the period. These net inflows, which exceeded the annual target, were evenly spread across all asset classes, with a majority of medium- to long-term assets⁽³⁾, and were driven by the international markets.

In 2016, Amundi benefited from its development strategy based on the diversity of its retail and institutional markets, its different areas of expertise and its extensive geographical presence. Net inflows were therefore evenly balanced between the Retail (€34.7 billion) and Institutional (€27.5 billion) client segments; they consisted mainly of medium to long-term assets (73%)⁽³⁾; all the areas of expertise contributed to these significant inflows,

more particularly bonds (+€22.7 billion), equities (+€9.6 billion), balanced solutions (+€7.8 billion) as well as real, alternative and structured assets (+€5.4 billion).

Once again, 75% of net inflows were driven by international markets, with Asia accounting for 44% and Europe (outside France) for 28%. It is worth noting the performances of the Asian joint ventures, which attracted subscriptions of €24.8 billion in 2016. The French networks recorded net inflows in medium-long-term assets (+€2 billion) throughout the year.

In 2016, Amundi was the best seller in net terms for open-ended funds domiciled in France⁽⁴⁾ and the second best in net terms for open-ended funds domiciled in Europe⁽⁵⁾.

(1) Compared with 2015, adjusted for IPO costs (€15 million before tax).

(2) Free cash flow: for the principles and details of the calculation of free cash flow at 31 December 2016, please refer to chapter 5 of the Reference Document.

(3) All assets except for cash: Equities, Bonds, Diversified, real, alternative and structured assets.

(4) Source SIX Financial Information NMO, Dec 2016, open-ended funds domiciled in France.

(5) Source Broadridge Financial Solutions, Nov 2016, open-ended funds domiciled in Europe.

Results exceeding objectives: net profit of €568 million —

Further growth in net profit was reported in 2016, to €568 million, an increase of 7.7% ⁽¹⁾ compared with adjusted net profit for 2015.

This increase reflects:

- Strong resilience of net revenues, up 1.2% to €1.677 billion, under the effect of an increase in net fees (+ 3.1%) related to the rise in assets under management.
- Well-controlled in general operating expenses, trending in line with sales (+1.1%⁽⁶⁾). Compared with non-adjusted figures for 2015, general operating expenses decreased. As a result, the cost-to-income ratio was virtually stable (52.3%) and remained at a very moderate level, while gross operating income rose 1.4%⁽⁶⁾.
- It should be noted that, in connection with the strong increase in their assets under management, the share of net income of equity-accounted entities, mainly reflecting the result of joint ventures in Asia, stood at €28 million in 2016, up 13%.
- Significant increase in net income attributable to the Group, up 7.7%⁽⁶⁾ with notably a significant reduction in the tax rate. Earnings per share (€3.40 per share) rose 7.3%⁽⁶⁾.

Financial structure remains robust —

Amundi's financial structure remained robust in 2016. Tangible net equity⁽⁷⁾ amounted to €3.4 billion, net financial debt was nil and free cash flow⁽⁸⁾, after taking into account regulatory needs and after deduction of non-monetary seed money* and equity holdings, came to €1.5 billion⁽⁹⁾.

An attractive dividend policy —

The Board of Directors has decided to propose to the General Meeting of Shareholders, which will be held on Thursday 18 May 2017, a dividend of €2.20 per share in cash. This dividend corresponds to a payout ratio of 65% of net income attributable to the Group⁽⁹⁾. It represents a return of 4.4% on the share price on 31 December 2016 and of 4.2% on the closing price on 8 February 2017, the day before the date of publication of the 2016 results.

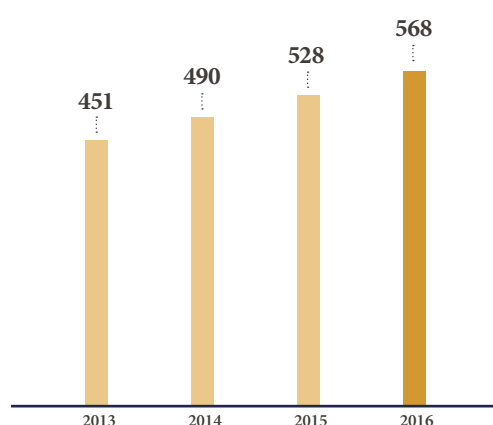
(6) Compared with 2015 adjusted: excluding IPO costs of €15 million before tax.

(7) After deduction of goodwill and other intangible assets.

(8) Free cash flow: for the principles and details of the calculation of free cash flow at 31 December 2016, please refer to chapter 5 of the Reference Document.

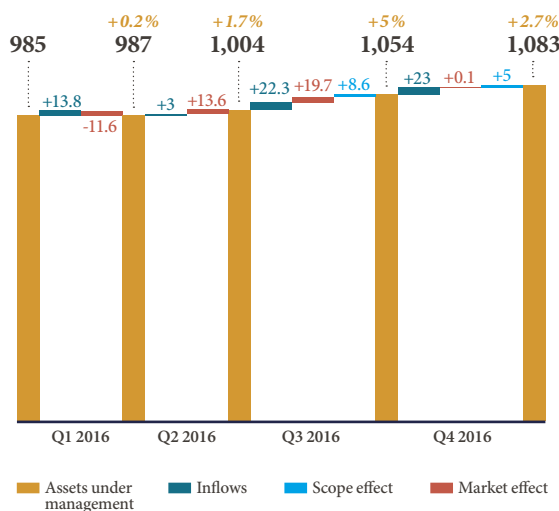
(9) Rate calculated by taking into account the number of shares at 31 December 2016.

Change in net profit attributable to the Group, 2013-2016** (in €m)



** 2015: excluding IPO costs (€9 million after tax);
2014: adjusted for the IFRIC 21 interpretation effective 1 January 2015.

Assets under management and net inflows in 2016 (in €bn)



Amundi's stock market *performance*

In 2016, the market trajectory of Amundi shares was outstanding: +15.2%, and +10.5% since its IPO, outperforming the French market as well as its closest peers on the stock market (European asset managers). This rise was linked to a solid operating performance that met declared targets, as well as the announcement of the planned acquisition of Pioneer Investments, which was welcomed by the markets. This transaction demonstrates Amundi's ability to use its free capital to create value.

Amundi shares

Amundi shares were first listed on the stock market on 11 November 2015 at a price of €45. They ended 2016 at €49.73, up 15.2% for 2016 and 10.5% since their IPO. In addition, an ordinary dividend of €2.05 was paid in May 2016. As a result, in 2016, Amundi outperformed the major indices on the Paris stock exchange – the CAC 40 (+4.9%) and the SBF 120 (+4.7%) – as well as its benchmark index for the sector, the Stoxx 600 Financial Services, which fell by 7.4%.

Stock markets posted uneven returns in 2016. The first part of the year was marked by macroeconomic concerns and significant volatility in June following the Brexit vote. In this context, Amundi shares benefited from the Group's solid operating performance, as well as the announcement on 12 December of the planned acquisition of Pioneer Investments.

Investor relations

Since its IPO, Amundi has established a policy for shareholder information and financial disclosure that is in line with market practices.

As a result, the Group provides its investors with complete financial disclosures on a regular basis and ensures that they are easily accessible on its website.

In addition, Amundi regularly meets with its shareholders. In 2016, more than 350 investors attended 18 roadshows in Europe, North America and Asia. The Group also took part in four sector-specific conferences in Paris and London. Finally, close relationships were maintained with financial analysts, especially during quarterly earnings releases.

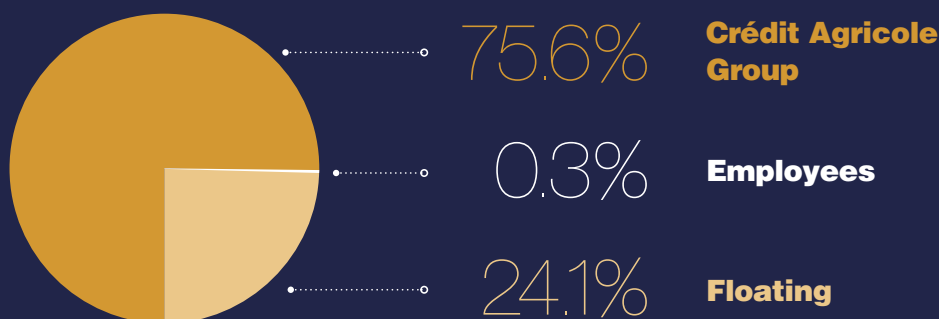
Change in Amundi's share price (in € from 1 January to 31 December 2016)

Comparison with SBF 120 (recalculated based on the Amundi share price)



Allocation of share capital

at 31 December 2016 ⁽¹⁾



Financial calendar

28 April 2017: publication of first-quarter 2017 results

28 July 2017: publication of first-half 2017 results

27 October 2017: publication of results for the first nine months of 2017

Stock market capitalisation

at 31 December 2016

€8.3
billion

Dividends

paid on 17 May 2016
for the 2015 financial year

€2.05

or a yield of
4.12% ⁽²⁾



⁽¹⁾ There are 61,045 treasury shares.

⁽²⁾ Dividends/share price at 31 December 2016.

T R E N D



**80% OF INVESTORS WHO CHOOSE
TO INCREASE THE PROPORTION
OF ETF SOLUTIONS IN THEIR
PORTFOLIOS DO SO PRIMARILY IT
FOR COST REASONS.**

This is what the latest EDHEC European ETF survey highlights. The survey was conducted on a panel of 219 European investors, 180 of them being ETF users. Cost is by far the first selection criterion, followed by performance (50%), transparency (46%) and liquidity (45%).

(Source: The EDHEC European ETF Survey 2015)

*Amundi's ETFs
offer very competitive
prices and lower
management fees
than other European
ETFs on average.*

On average, Amundi's ETFs boast management fees (TER)⁽¹⁾ that do not exceed 0.25%, compared to 0.31% for other European ETFs⁽²⁾.

Amundi ETF's emerging equity range, in particular, is the most competitive in the world⁽³⁾.

(1) Total Expense Ratio.

(2) Based on the comparison between Amundi ETF's asset-weighted TER (0.25% – source: Amundi ETF) and the asset-weighted TER of all other European ETFs (0.31% – source: DB ETF Research). As of 30/09/2016.

(3) Source: Calculated by Amundi using data as of 30/12/2016 from source: DB ETF Research. The average asset-weighted Total Expense Ratios (TERs) of all Amundi ETF Funds: 0.25%, against global average TERs of other European ETFs (incl. the Funds): 0.30% as per DB ETF Research. Important: some individual Funds may not be cheaper than their European peers or may not have an equivalent European peer group to compare with and vice versa. The TER corresponds to the ongoing charges disclosed in the KIID. Analysis excluding third party commissions/costs incurred directly by investors when trading.



AMUNDI'S INVESTMENT MANAGEMENT

**Our number-one
commitment is**
*to support you with
high-performing,
transparent savings
and investment solutions
as part of a long-term
relationship.*

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INTERVIEW

An asset manager must now be capable of *embracing all of its value-adding services in a holistic manner,* and monetising them.

Pascal Blanqué

Global Head of
Institutional and
Third Party
Distribution Division
& Chief Investment
Officer



What would you say about the market events and trends we have seen in 2016?

Pascal Blanqué: They actually come as a confirmation of what we have been saying over the last few years. We are in a low rate environment, which has now become a very volatile one, due to the occurrence of multiple geostrategic events. This obviously fosters the changes we anticipated in our clients' expectations. They are reorganising their portfolios and their allocation strategies, and, more broadly, their value chains, and, this, in turn, is transforming the nature of the relationships they want to maintain or develop with their asset managers.

Two simultaneous forces are at play with professional investors. The first one is "vertical", and leads them to choose to work with fewer financial solution providers, and to favour more formalised relationships, in the form of partnerships. The second force is "horizontal" and pushes them to look at their asset managers' entire range of expertise. They go beyond "traditional" services – i.e. investment products – and now seek services of an intellectual nature upstream (advice on selection and

allocation, assets/liabilities simulation, etc.) and of an industrial nature downstream (execution, hosting, risk management, etc.). In other words, asset managers must now be able to embrace all of their value-adding services in a holistic manner, i.e. globally, and to monetise them. With the launch and deployment of its two new Amundi Advisory and Amundi Services business lines, our Group has already made the necessary moves to adjust to this new trend.

Are these new offers not a way to offset the increased pressure on asset managers' margins?

— **P.B.:** Indeed, they are. These services, which others will soon come to complement – if only because of the growing regulatory requirements our clients face – are both a lever for growth, which will generate new revenue, and a way to reinforce our positioning as a “partner”. We clearly want to monetise our entire value chain to cover our clients' growing needs. We are talking about a cultural revolution. It has already started with the restructuring and refocusing of

our sales approach, the results of which are now measured both in terms of volumes and in terms of revenue.

What were Amundi's other noteworthy developments in 2016?

— **P.B.:** Amundi has further increased its robust matrix model, structured around three main axes for diversification: increased geographic coverage, diversification of its client base, and a broader array of expertise. In addition to expanding our activities into new territories and further segmenting our client-base – with a view to building “individual” partnerships – we have once again broadened the range of our expertise. This has been achieved either through external growth operations, such as the acquisition of KBI*, which makes us stronger in the promising global equity sector, or through organic growth, especially in our real and alternative asset, smart beta, and factor investing business lines. In 2016, we have also accelerated the development and marketing of our ESG expertise, for which, as a longstanding SRI player, we have acquired strong recognition and visibility.

“Amundi has further increased its robust matrix model, structured around three main axes for diversification: increased geographic coverage, diversification of its client base, and a broader array of expertise.”

* See Methodology and Glossary page 86.

Fundraising driven by *long-term management strategies*

In 2016, Amundi achieved net positive fundraising, with new assets under management being equally spread between all classes and mostly comprised of international medium/long-term assets.

Active management

In spite of a market environment which did not favour active management, Amundi achieved positive fundraising on all of its management strategies.

Fixed Income

Fixed Income remains dynamic despite rising risks —

Market conditions have, once again, been made difficult for bond management, due to the overall economic environment and the international geopolitical situation. Major events, such as the Brexit vote, the US elections and the referendum in Italy have come on top of anticipations on rate hikes and the return of inflation, to increase uncertainty and trigger a rise in volatility. In this somewhat tense environment, Amundi's fixed income management did efficiently answer its clients' growing need for support. Performance has been more contrasted than in 2015, but has overall remained satisfactory, and this translates through the emergence of new flagship strategies, such as *Global Emerging Bond*, *Global Corporate*, or *Global Hedge* – yen-denominated bonds – which have all neared or surpassed the billion euro threshold in assets under management. Amundi also launched several new innovative solutions – including two Green Bond funds – and continued to develop its regulatory offers, especially the Liquid Coverage Ratio – LCR – strategy. 2017 will see the launch of additional new products, while the Asian Fixed Income range will be further enriched.

Cash solutions

Cash solutions enjoyed strong growth in assets under management —

With interest rates remaining low, and sometimes going below zero, in 2016, money-market funds have gradually and increasingly posted negative returns as well. In such a challenging context, Amundi's cash solutions, with their better gain and risk/return profiles, have kept attracting new clients and increasing in volume.

With € 186 billion inflows at the end of 2016, compared to €181 billion twelve months earlier, net fundraising totaled €16.8 billion, thus breaking a new record. All products did benefit from this large increase, even though long-term – e.g. with an investment horizon from three months to two years – solutions, now also offered in dollars and pounds sterling, were particularly successful. Treasury solutions have been a key component of Amundi's offer for a few years now, and the Group intends to further enhance its range in 2017, with the launch of a two-year maturity solution.



€ **16.8**bn

**fundraising in 2016
in cash solutions**



A trailblazer in flexible and diversified solutions for multi-asset management

Equity

Developing global equity solutions —

Investors' appetite for equity solutions was confirmed in 2016. This switch to more risky assets is partly due to low returns on rate-based investments and often comes with increasing sensitivity to risks of capital loss. Investors' expectations are becoming more complex, as they are now commonly raising the question of how to make sure their assets are managed in order to ensure performance regardless of market conditions.

In a context where severe sector rotations have occurred and active management has not been favoured, Amundi's equity management did well, with €9.6 billion in positive fundraising at the end of 2016. Two compartments in particular benefit from this increase in assets under management: emerging equity funds, which have been regaining the interest of investors, and the so-called "volatility" funds, which are Absolute Return solutions developed by Amundi over the last ten years and for which the Group is recognised as the asset manager of reference.

On a broader scale, thematic solutions also enjoyed growing success. The Silver Age funds, distributed in France and abroad, now have over €1.5 billion in AUM. Amundi's dedicated range – pooled into CPR AM – will actually soon be complemented with a new "disruptive" solution for companies specialising in technological and behavioural disruptions. In addition, in May 2016, the Group became the majority shareholder of KBI – *Kleinwort Benson Investors* – an expert in global management, and will keep developing its global equity solutions, while continuing to localise them in the form of management strategies and thematic solutions.

Structured solutions

Structured solutions enjoyed significant success in 2016 —

Structured solutions are another range of products which investors have favoured in a decreasing rate environment. Amundi is the French and European number one asset manager for formula funds and the leader in retail structured products in France. In 2016, Amundi further increased its presence with all types of clients both in Europe and Asia. The French networks have stabilised their level of fundraising, notably thanks to the systematic deployment of a protected funds offering. Outside of France, inflows have also increased, in particular thanks to the global development of the Protect 90 Funds⁽¹⁾ range, which has experienced significant success both in Europe and Japan. Structured products are also growing with institutional clients, especially regulation-based solutions, such as Solvency II solutions for insurance companies which Amundi has tailored to fit their balance sheet requirements.

Multi-asset management

Strong growth for multi-asset solutions —

As risk-free investments keep delivering ever lower returns, multi-asset solutions have enjoyed growing success. With increasingly complex market conditions, as shown in the changes in the traditional correlation between asset classes seen in 2016, investors tend to favour outsourcing the management of their exposure. As a pioneer in the development of flexible and diversified solutions, Amundi has taken advantage of this environment to conquer new market shares, in France and abroad, in Italy and South-East Asia mainly. Its multi-asset funds totalled €126 billion in assets under management at the end of 2016.

2016 also saw the launch of several innovative solutions, such as Amundi Convictions ESR⁽¹⁾, a partly real asset-based retirement savings fund, or the *Diversified Growth Fund*, which has already been localised as a discretionary management vehicle for a Korean investor. In 2017, the Group intends to increase the number of underlying asset classes available, and to continue to develop new technology-based multi-asset strategies, including, for example, multi-factorial management of the degree of exposure.

(1) Funds aiming to participate to capture trends in the financial markets via a flexible diversified management while providing a capital protection of 90%.

Passive management

Passive management grew again significantly in 2016. Amundi successfully leveraged its assets – quality of replication, attractive cost and innovation – to strengthen its foothold in this promising market segment.

ETF, Indexing and Smart Beta solutions keep growing

The Group now manages over €12bn in Smart Beta* assets⁽¹⁾

Passive solutions represent close to 15% of global assets under management⁽²⁾, and are expected to keep growing. Amundi's passive strategies were able to leverage their positioning – high quality replication, attractive cost structure and investor-oriented innovation – to gain further traction.

With €64bn in AUM at the end of 2016 (+19% versus 2015), Amundi ETF, Indexing & Smart Beta conquered new market shares, by innovating further in the ETF field, strengthening its foothold in the traditional indexing segment notably in the fixed income area and broadening its Smart Beta offering.

2016 was indeed a very positive year for Amundi's ETF business, which attracted record inflows of over €4bn. Investors searching for yield selected Amundi ETF's innovative fixed income solutions, notably its pioneering range of floating rate notes and BBB-denominated ETFs. On the equity side, Amundi captured 40% of total European market inflows on Global

and Regional emerging equity ETFs over the year. To meet distributors' rising demand for ETF-based solutions, Amundi ETF also broadened its physical ETF range, with a series of equity and fixed income core exposures. 2016 was also a landmark year in the international development of the business line, with the Group's new Hong Kong-based ETF platform listing its first two local ETFs.

Alongside bargaining power, customisation capabilities have been a strong driver of success for the Indexing solutions, enabling the Fixed Income platform to win large mandates in Europe and Asia on traditional but also very specific bond segments. Overall, Amundi Indexing solutions gathered close to €3bn in net new assets in 2016.

Smart Beta has become one of Amundi's key pillars of growth as well. This expertise gathered significant net new assets and is now managing more than €12bn⁽¹⁾. Amundi has established itself as a reference partner in Smart Beta solutions, with a holistic approach to offer investors innovative and robust solutions to better manage and capture risks, and renowned customisation capabilities in active and passive management. Amundi notably launched new mono and multi-factor Smart Beta ETFs in 2016, and will keep on developing its offering.

(1) Amundi as of 31/12/2016. Smart Beta solutions managed by Amundi, including assets under both active and passive management.

(2) "Global Asset Management 2016 – Doubling Down on Data" – BCG (The Boston Consulting Group).

Passive management accounts for close to



of assets under management worldwide ⁽²⁾

* See Methodology and Glossary page 87.



Amundi creates Global Advisory Board

Implemented in the wake of the Group's IPO in 2015, the Global Advisory Board meets several times a year.

Its members are internationally-renowned experts who each bring their insight on the world's economic and political trends and challenges, and on the impact they will have on financial markets.



OPCIMMO* crosses the €4bn threshold

OPCIMMO, Amundi's flagship mutual fund, has gained additional traction with French and now European savers. With net fundraising of over €2bn in 2016, this diversification solution which mixes European real estate and financial assets (especially real estate bonds and equities) now boasts close to €4.4bn in assets under management.

Thematic management

Amundi is benefiting from investors' rising interest in emerging markets —

“Amundi’s active management strategies, structured around the 70-person team Emerging Group platform which operates on three continents, have been able to significantly increase fundraising for its Global Emerging solution.”

In 2016, investors returned to emerging markets. As mature economies have offered few growth perspectives and have been subject to rising political uncertainties, emerging countries have appeared as relatively more promising and safe in terms of risk/return profile. In addition, after years of relatively weak performance, listings on their stock exchanges showed attractive valuations in 2016. And in spite of somewhat low exchange rates of local currencies, fixed income markets also provided interesting opportunities.

These developments led investors to increase their exposure to emerging assets, both for tactical reasons – diversification in response to events affecting Western markets – and for strategic purposes, as a way to complete their global allocation. Having anticipated rising interest in emerging markets, Amundi – an already large and credible player in these markets – was able to fully benefit from this movement. Amundi’s active management strategies, structured around the 70 person-strong Emerging Group platform which operates on three continents and covers both equity and bond markets, were able to significantly increase fundraising for its Global Emerging solution, a global allocation solution with strong country biases.

The ETF business line saw several of its emerging market funds rewarded for their replication performance⁽¹⁾, and increased more than €4bn in 2016, including €1.9bn on emerging equities, i.e. 40% of overall funds raised globally on this segment.

Developing solutions to fight global warming —

An increasing number of market players are now fully realising that global warming is having a significant impact on investment strategies. In most countries, issuers and investors have to abide by new national regulations, act in an increasingly responsible manner and anticipate the upcoming negative impact of climate-related risks on the valuation of their assets. Against this backdrop which favours the development of environmentally responsible management, Amundi, co-founder of the “Portfolio Decarbonisation Coalition”⁽²⁾, and signatory of various climate-friendly international initiatives, such as the “Carbon Disclosure Project” and the Montreal Pledge, has been a pioneer in designing tools for the management of carbon risk and has launched a number of innovations in 2016 to promote the financing of the energy transition.

Financing the energy transition. Following the launch of the first Green Bond in 2015. The Group’s range of solutions was enriched in 2016 to fight against global warming. The former has mainly been invested in the “Green Bonds” market and helps fund companies specialised in developing green technologies. The latter is entirely invested in green bonds and aims to help investors measure the environmental impact of their investment. It measures tons of CO₂ avoided and is available in the fund’s monthly reporting that combines standard financial indicators as well as “traditional” ESG and impact indicators.

The Group also aims to reduce portfolios’ carbon footprint by applying a risk-management approach and has been ahead of curve in implementing Low Carbon index solutions – index funds launched in 2014 and ETFs in 2015 – which have been rolled out at an accelerated rate in 2016.

Amundi is now able to offer investors both active management of their carbon footprint and the option to increase their exposure to green activities. Both items can obviously be combined, and even include broader ESG requirements, in order to provide custom-made investment solutions with added societal impact.

(1) Amundi ETF MSCI Emerging Markets has received the award for Best Emerging Market Equity ETF for its replication performance at the TrackInsight ETF Awards 2016. Amundi ETF MSCI Eastern Europe Ex Russia and Amundi ETF MSCI EM Asia have respectively won the Tracking Difference Award and the Net Inflow Award in the Global Emerging Markets Equity category, at the *Grands Prix des ETF* held by Agefi.

(2) A coalition of investors committed to decarbonising their portfolios.

Becoming one of Europe's leading global managers for real assets and alternatives

In 2016, Amundi reinforced its positioning on the real assets and alternative segment. A longstanding player on the real estate and private equity markets, as well as on the private debt and infrastructure segment, Amundi pooled all of the aforementioned sets of expertise into one single platform, in September 2016. Thanks to its higher sales efficiency, this new hub managed €36 billion worth of assets by the end of 2016, thus ranking among Europe's top ten global managers⁽³⁾. On a fast-growing market – which is expected to grow by 8 to 10% in the next four years⁽⁴⁾ – the Amundi Real and Alternative Assets platform boasts a close to 20% increase in assets under management.

As for the Group's Real Estate department, the year has once again been nothing short of exceptional. Global fundraising reached around €3 billion, mainly thanks to SCPIs (with €770 million raised) and the OCPI* solution (€2 billion raised), which has become a growing component of life insurance policies. The Group clearly reaffirms its leadership in terms of fundraising and management of real estate products for individual clients in France. The alliance with Crédit Agricole Immobilier Investors, effective since September 2016, further strengthened Amundi Real Estate's management coverage – with an additional €5 billion – and raised its level of expertise on large transactions and with institutional clients. With €21 billion in assets under management at the end of 2016 and over €4.8 billion worth of transactions completed in Europe, Amundi Real Estate is clearly becoming one of the world's leaders for European real estate. In 2017, the entity will further market its OPCI solutions to its partner networks in France – Societe Generale – and in Europe – Austria, Italy, etc. – and enrich its institutional offering for European clients.

The Private Debt platform, launched in 2014, also enjoyed continued growth. Now a tier-one player on this market in the Eurozone, Amundi financed €550m in senior debt in 2016, particularly on the midcap enterprise segment. The real asset business, which was started in 2015, was structured around a first fund dedicated to the aeronautic sector and which will soon be managing €2.7 billion.

The direct management private equity expertise, which had long targeted the network client-base in the form of collective products such as FCPI*, FIP* or FCPR*, now also attracts institutional clients. As a recognised expert in French midsize companies with high-growth potential, Amundi successfully launched a dedicated fund, which has already raised €125 million. As for the fund manager selection business – €10 billion

“Thanks to its higher sales efficiency, this new hub managed €36 billion worth of assets by the end of 2016, thus ranking among Europe's top ten global managers.”⁽³⁾



in AUM at the end of 2016 – it did strengthen its unlisted asset activity, while fundraising for alternative management remained flat.

Last but not least, 2016 saw Amundi's Infrastructure platform truly take off, two years after it was initiated. Amundi Transition Energétique, a management company co-owned by Amundi and EDF has indeed been in operation since March 2016, and launched its first institutional fund dedicated to cogeneration assets, which has already raised €50 million. Another such partnership, similar to the one established in 2015 with the Chinese bank ABC, was been brokered with the CEA (French Alternative Energies and Atomic Energy Commission), and led to the creation of Super Nova, in December 2016. The joint-venture (60% owned by the CEA) will be dedicated to innovation capital investments.

(3) Estimated ranking based on the Willis Towers Watson/FT, Global Alternatives Survey 2016 data. This ranking excludes managers specialising in alternative assets.

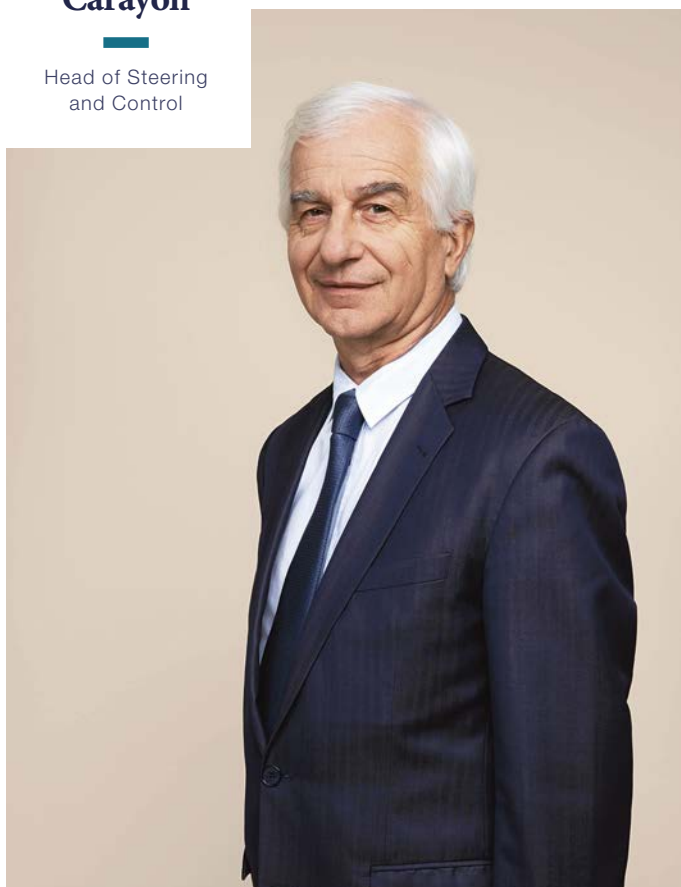
(4) PwC survey – June 2015: “Alternative Asset Management 2020 – Fast forward to centre stage”.

INTERVIEW

Turning regulatory constraints *into opportunities*

**Bernard
Carayon**

Head of Steering
and Control

**How has Steering and Control evolved in 2016?**

— **Bernard Carayon:** We have become even more demanding in terms of risk control. The inclusion and development of new “alternative” asset classes in our management strategies has led us to implement dedicated procedures and teams – especially for the credit analysis of unlisted issuers – and also to assess the global quality of our investments even more closely.

In a low-yield environment, searching for added performance should not be done at the expense of investors’ interests. So we want to make sure increasing liquidity or asset overvaluation risks do not impact the reliability and the robustness of the investment solutions we implement for our clients. In 2016, we also continued to adapt our corporate governance to our new status as a listed company. We strengthened our financial information capabilities, with the creation of a dedicated team, in order to make sure the information we issue quantitatively and qualitatively complies with market standards.

**In 2016, a lot happened
in the area of regulations.
Has this impacted
Amundi's business?**

— **B.C.:** Over the last few years, we focused on intensifying our exchanges with the main regulators, in order to make our voice heard and to have a say in the development of these new regulations. We are able to assess the impact these rules will have on our clients, be they institutional, distributors or retail. We focus on trying to turn regulatory changes into business opportunities. This is what we have been doing in 2016.

As an example, regarding the implementation of the MiFID 2* Directive, we adopted an approach that was both practical and operational. It was practical for our clients, as we shared our view of how these new standards would affect their business. And it was operational as well, because the thorough analysis we conducted has already translated into new client solutions that ensure compliance with the new regulatory environment. We do adopt the same approach for each new piece of European legislation.

What is at stake in 2017?

— **B.C.:** From a regulatory standpoint, we will have to issue hypotheses for the future performance of investment products. This will be a major challenge in terms of modelling. As a leader in the implementation of COP21* – related requirements, we will also increase our visibility in this particular area. Actually, as of next year, we should be able to publish full reports that will include the measurement of the carbon footprint of all our investment products. Finally, we also need to actively pursue with our “upstream” analysis of the impacts of new and future regulations, so we can identify them, on both our and our clients’ business, for enhanced efficiency.

“In a low-yield environment, searching for added performance should not be done at the expense of investors’ interests.”

* See Methodology and Glossary page 88.

Cohesive risk control *strongly supports* Amundi's commitments

**A fully independent and integrated risk control team is key
to the Group's ability to fulfill its commitments.**

The Risk department's organisation and assignments constantly adapt to regulatory changes and to the evolutions in Amundi's scope of activities.

Risk control and the respect of management commitments are at the heart of the relationship of trust Amundi has built with its clients. A strong and well-structured Risk department is a key component of the reliability of the Group's offering. As an independent and fully integrated department at Group level, the Risk department is made up

of four distinct and interfaced business lines that guarantee multiple, cohesive and complete controls. Risk management teams strictly follow structured and systematic processes. Their missions are carried out in full cooperation with management teams and operational teams, in order to ensure rules are kept simple and fully adhered to and risk culture is shared by everyone.

Risk control assignments constantly adapt to regulatory changes and to the evolution of Amundi's scope of activities. In 2016, specific emphasis was put on management rules for risks related to liquidity and the potential overvaluation of assets.



For the fourth year in a row, Amundi received the ISAE 3402 type II certification for the institutional scope of its internal control system, as well as the ISAE 3402 type I certification for Solvency 2

The ISAE 3402 (International Standard on Assurance Engagements 3402) certification, effective since 2011, is the internationally recognised standard to assess the quality of a risk management policy, through the measure of the reliability and operational effectiveness of the key control processes for client services.



The Extel 2016 ranking distinguishes Amundi

In 2016 again, Amundi's expertise in financial analysis remained the number one in France and was ranked third among European asset managers. With 21.3% of the votes in France, Amundi was Extel 2016's leading asset manager in the country.



First Eagle Amundi International Fund* celebrates its 20th anniversary

On this occasion, First Eagle and Amundi went on a European roadshow, in Zurich, Milan, Madrid, Brussels and Paris. This provided internal and external distributors with a golden opportunity to exchange with First Eagle managers and to better understand the fund's history and potential for the next 20 years.

* See Methodology and Glossary page 88.

T R E N D



**OF EMPLOYEES FAVOUR
THEIR EMPLOYERS' COLLECTIVE
RETIREMENT SAVINGS PLANS
FOR THE FINANCIAL PREPARATION
OF THEIR OWN RETIREMENT.**

This was a key finding from the “Are you ready for retirement?” survey carried out by Amundi and Audirep in September 2016. Close to 14,000 savers answered the survey, and companies clearly appear as key players in the preparation of retirement. Three out of four respondents favour collective retirement savings plans.

*Amundi is
the partner of choice
in helping employers
create and implement
their employee
savings and retirement
solutions.*

With a 42.5% market share and over 100,000 corporate clients, Amundi is the French leader on the employee savings and retirement market segment. The Group offers innovative solutions and educational interactive modules that make retirement savings simpler and more accessible to employees.



AMUNDI'S CLIENTS

Relevant advice.
Paying close and detailed
attention **to the precise**
needs of our clients...
That's how *we strive*
to earn and retain the trust
of all our clients on
a daily basis.

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INTERVIEW

A successful partnership approach with *distribution networks*

**Fathi
Jerfel**

Global Head of
Retail Division



Which trend has had the biggest impact on distribution networks in 2016?

— **Fathi Jerfel:** What characterised 2016 was a widely shared aversion to risky investments.

“The Amundi platform, which can deliver all of these services and related advice – this is our Amundi Advisory offer – fits perfectly within this partnership approach.”

Both advisors and their clients massively favoured safer solutions, at the expense of equity products – notably – which had been relatively successful in 2015. All European markets, except for Italy and Benelux, as well as most Asian markets, especially Japan, have been impacted. So fundraising in 2016 was structurally very different from what it was the year before, but still remained historically high, thanks in particular to the very strong growth in assets managed by our third party distributors – +€12 billion in net inflows in 2016 – and by our joint ventures with key banking institutions in China, South Korea, India and Morocco – +€25 billion in net inflows raised in 2016.

It seems Amundi also attracted new partners...

F.J.: Indeed, our Retail platform is enjoying growing success. The technical and sales infrastructure we originally implemented for the Group's own traditional networks has been developed, in a cross-network perspective. Its governance, technology, tools and services, and even savings

solutions, have been devised so as to be shared with all our partners worldwide, current or future. This is an approach that precisely meets the needs of distribution players. They now want to work with fewer suppliers and increasingly favour genuine partnerships. This can be explained by the fact that they want to have tighter control over their providers, to streamline costs and to obtain services that better meet the needs of their networks, especially in the area of training. Amundi's platform can deliver all of these services and related advice – this is our Amundi Advisory* offer – and perfectly fits within this partnership approach. This is why we add new distribution partners to our network at a steady pace.

What is in store for 2017?

F.J.: We will accelerate the development of our platform, with the launch of new simulation and advisory tools. We also expect a strong fundraising recovery for our traditional French networks, that have posted positive fundraising results in 2016. We will also launch new products and solutions in the areas of

“The technical and sales infrastructure we originally implemented for the Group's own traditional networks has been developed in a cross-network perspective.”

structured multi-asset and advisory-based management. On a broader scale, we will continue to localise our investment solutions for our networks, in and outside of France. Regarding investment choices, we hope risky products will enjoy renewed interest in 2017, but we will keep capitalising on other assets, especially real-estate – with OPCI* leading the way – which we have now started to roll-out on European markets.

* See Methodology and Glossary page 88.

An increasingly international client base

In 2016, Amundi kept reinforcing its positions on all client segments. International networks continued to step up, while new offers and custom-made services strengthened the Group's claim to be a genuine partner for its clients.

Networks & Third Party Distributors

Ever closer to meeting our distribution networks' expectations —

“All of these achievements clearly vindicate the strategy implemented since 2013, with a sales pitch that mixes both distribution and network approaches and the creation of a modular global retail offer.”

In 2016, retail clients in the different Amundi partner networks and third party distributors erred on the side of caution. Despite this widespread trend of risk aversion, which globally benefited cash, secure or diversified solutions, fundraising increased massively. As of the end of 2016, the amount of assets managed by Amundi for retail clients totalled €306 billion, which represents a €43 billion increase from December 2015.

In France, Amundi's historical networks boast positive net fundraising, confirming the recovery seen which began in 2015 and vindicates the simpler offering and segmentation strategy implemented by Amundi in 2013. Similar to last year, the €4 billion – in gross

inflows was focused on OPCV* solutions, which are now also distributed by the Societe Generale networks, and on risk adverse diversified strategies, such as Amundi Vie⁽¹⁾. Structured products also enjoyed an increasing interest, as they meet private/retail

clients' need for capital preservation, as well as discretionary and advisory management, which is now available in all networks.

Outside of France, partner networks are also gaining traction. The local implementation of Amundi's different expertise and solutions largely explains this progress. The Group was notably allowed to market its OPCV in Austria, which was a first in Europe. Other management strategies were adapted to local demand, such as discretionary management in the Czech Republic, advisory-based management in Italy or protected products in Japan. The Group's joint ventures in South Korea, India, China and Morocco also benefited from this technology transfer and enjoyed spectacular new inflows of €25 billion in 2016. Distributors outside the Amundi group have also enjoyed significant progress. Assets managed by Amundi on behalf of external networks have grown by €12 million, with appetite for money market and index-based solutions being the main driver of this increase but also active solutions in the Absolute Return and multi-asset space. Also bringing a significant contribution to the 2016 success is the creation of a modular global retail offer. The Advisory business line, the new solutions and service platform for networks, have already been selected by TMB Bank PCL* – Thailand's seventh-largest bank – to provide advice and training for fund selection and asset allocation.

All of these achievements clearly vindicate the strategy implemented since 2013, with a sales pitch that mixes both distribution and network approaches and the creation of a modular global retail offer.

(1) Amundi Vie does not guarantee performance and poses a risk of capital loss.

Institutional & Sovereign Entities

A partnership approach with institutional clients and sovereign entities —

With net fundraising of about €28 billion in 2016, all asset classes included, Amundi reinforced its position with institutional clients and sovereign entities. The Group gained ground on Asian (especially in Japan) and Middle Eastern markets and made significant inroads in Australia and South-America, as well as with new European institutional clients, mainly in Benelux and in the UK. These achievements can be explained by a reinforced discipline in terms of commercial coverage and the international recognition Amundi has been able to gain over the last few years, and that has further grown in the last several months (with last year's successful IPO spreading this image around the planet).

Furthermore, over the years Amundi has built a very wide range of investment products (FI, Equity, Real Assets, etc.) in either active or passive management capabilities. It has enabled Amundi to promote over the past few years an advisory approach and tailor-made solutions. This is very timely with clients that are increasingly looking for partners to help them address the complex challenges they are facing (low yield environment, complicated regulatory environment, exploration of competitive advantages like long-term investment horizons, etc.).

So the Group increasingly appears as a robust, reliable and sustainably performing partner of choice for international investors.



€110bn

The amount raised by the Institutional Client division over the last five years.

Corporate

Development of a dedicated offer for Corporates and Corporate Pension Funds —

In 2016, Amundi's Treasury business line has had an increasing success among French and European corporate clients. On average, assets under management have grown, on a per client basis, and the Group on boarded several renowned international organisations as new clients. Successes have been especially

significant in Germany, Benelux, Scandinavia and the UK. In France, Amundi remains the main partner for liquidity solutions of large to mid and small corporate companies. This can be partially explained by the growing interest in standard treasury solutions with variable NAV, a segment on which Amundi has been a precursor, the renewed clients' appetite for the long end of the product range, given the excess return these instruments can provide, as well as the development of our foreign currency-denominated products (in USD and GBP*) on both treasury and enhanced treasury product lines.

Amundi has also enjoyed significant wins on the European Corporate pension funds market. The Group is now able to provide corporate companies with optimised solutions and global strategic advisory services for both defined contribution and defined benefit pension schemes. This positioning will be further strengthened in 2017.

“Amundi is now able to provide corporations with optimised solutions and global strategic advisory services.”

* See Methodology and Glossary page 86.

The market leader for employee savings and retirement in France

A fast-growing market in France

Employee savings and retirement plans are increasingly successful with savers. In 2016, these plans received twice as much money as in 2015, as they enable investors to build up long-term savings and plan for their retirement, while benefiting from favourable social and fiscal conditions.

11
million

Savers

#1

+40%

Amundi's market share in 2016

17
million

Visits to Amundi's Employee Savings website in 2016

#5

High added-value digital services

Amundi is one of the only players that can offer employees 100% digital reporting solutions and educational modules. Amundi Tenue de Comptes, the entity in charge of employee savings management, is a leading player on the employee savings and retirement market segment.

60%

Of all management operations were paperless in 2016

#2

106,500

Corporate clients

Amundi's
clients include
60%
of all SBF-listed
companies

A fitting answer to companies' expectations

Employee saving plans also meet employers' requirements, as they help retain talent. As the market leader, Amundi is the trusted partner of HR departments, to which it brings custom-made solutions and innovative support services.

#3

7

European countries are
now covered by the
Amundi Retirement
Solutions
offering*

500,000
Employees benefit
from an Amundi-
implemented plan

Solutions for employees worldwide

Amundi has exported its know-how outside of France. With Amundi Retirement Solutions, the Group is among the very few European asset managers that can offer a retirement solution with pan-European preset contributions.

#4

€13_{bn}

Assets under management
by collective retirement plans
at the end of June 2016
(source: AFG)

+50%

Increase in the number
of employees who chose
guided management
schemes for their
collective retirement
plans in 2016

A solution for retirement-related issues

Amundi has devised management solutions that are especially adapted to retirement planning. Manager-guided funds are personalised in accordance with each saver's retirement timeframe and profile.

INTERVIEW

Offering financial management services only *is no longer enough...*

**Bernard
De Wit**

Chief Operating
Officer



Have investor expectations further changed in 2016 ?

Bernard De Wit: 2016 came as the confirmation that investors are moving towards a new frame of reference. Due to the monetary environment that has prevailed recently, the risk/return ratio has grown increasingly unfavourable. One needs to take more risks to hopefully generate performance, while the traditional hierarchy of asset classes, regarding the risk/return profile, is being called into question. Investors' expectations – and this is particularly true for institutional investors – mirror these rising market uncertainties. Not only do investors need reassurance – in other words, education and advice – but they have also adopted a risk avoidance approach. This translates into two major trends: investors need to be able to measure risk acceptability and its consequences, and they now increasingly favour passive management.

How has Amundi adapted to these new trends?

— **B.De W.:** The Group has fully incorporated the consequences of these changes which are altering the very nature of the manager/client relationship. Offering financial management services only is no longer enough. Investors also now expect the ability to deliver services, engineering or optimised access to market infrastructures. They want services that

“Investors also now expect the ability to deliver services, engineering or optimised access to market infrastructures.”

will help them consolidate their multi-country, multi-currency and multi-manager positions; they want advice that will help them optimise their asset allocation, taking into account new regulatory constraints. And they want execution capabilities that will give them easier, reliable and financially attractive access to new asset classes. All this expertise, which Amundi has developed and integrated into its technical platform, has been progressively made accessible to our clients, since 2015. In 2016, Amundi Services, the Group's new offering for asset managers and institutional investors, has become fully operational, and is enjoying growing success.

And how about your offering for distribution networks?

— **B.De W.:** Their expectations are changing too. They do care about market conditions, but what really matters to them is the regulatory environment. There is more and more oversight of their advisory role. With the new MIF2* Directive, which will come into effect as of 1 January 2018, they will have to prove

“With Amundi Advisory, we are able to provide turnkey solutions and solutions that can be adapted to client needs. This is another clear development focus for the Group in 2017.”

– and not just certify – that they offer their clients solutions which actually meet their needs. To comply with these new requirements, distribution networks must acquire analysis and product classification tools, and implement real-time alert and reporting systems. With Amundi Advisory*, we are able to provide turnkey solutions and solutions that can be adapted to client needs. This is another clear development focus for the Group in 2017.

* See Methodology and Glossary page 86.

Services are now fully part of Amundi's offering

Since inception, Amundi has developed a fully integrated operational platform, based on proprietary tools. This platform is now interconnected with over 40 international contributors, boasts a 98% automated direct response rate, for two million transactions every year, and manages over 6,000 portfolios. Thanks to the Group's financial backing – €1.083 trillion managed at the end of 2016 – the Amundi platform has substantial capabilities for the negotiation and execution of market orders, and benefits from unrivalled financial conditions. The amount of know-how and power available on the Amundi platform is now accessible to two types of clients: midsize asset managers and institutional investors.

A fully-fledged business

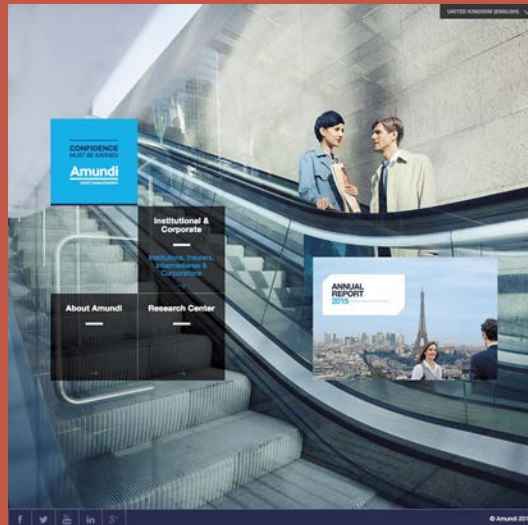
Amundi Services was launched in 2016 and became a fully-fledged business in 2016. Among its users are close to 30 internal or external asset management structures. The services provided cover the platform's entire range of technical and intellectual operations. They include advisory, research, execution and fiduciary management, as well as tools and infrastructures, and the development of digital offers.

Amundi Services offers investors upstream services such as research and consolidation tools, portfolio simulations, or the assessment of the impact of their investments on regulatory compliance requirements. It also covers the execution of sales orders and the operational and accounting management of operations (execution verification, reconciliation, settlement systems...). Finally, downstream services, such as control and reporting, adapted to the specific regulatory requirements and to the needs of investors, are offered as well.

A specific offer for midsize asset managers and institutional investors

Amundi Services is tailored to institutional investors who seek to monitor their investment in a more targeted manner and to efficiently comply with growing regulatory requirements. With returns being persistently low and high volatility on traditional asset classes, institutional investors increasingly look for asset allocation strategies which best fit their own engagements. Advice on allocation, the ongoing monitoring of positions and risks, the consolidation of their portfolios' positions, and the quality of order execution become key factors in implementing such strategies.

Amundi Services also aims at meeting the needs of midsize asset managers, that must constantly adapt to increasingly numerous, complex and costly regulatory constraints. As they might not be able to make the necessary compliance investments, these tier two players can now outsource part of their value chain to Amundi.



Amundi prepares for digital transformation

Major projects have been initiated and completed since the beginning of 2015.

They include the launch of the new Amundi.fr website, the overhaul of all country sites and the creation of new specific private areas for clients. All of these digital tools are built around one common platform, in order to project a single cohesive image of Amundi everywhere in the world, and to make it easier to customise information, and adapt it to the needs of individual or professional clients. They will now be able to benefit from an entirely adaptable and requirement-oriented service, that will, in particular, fit the needs of institutional investors regarding regulatory constraints. All clients will have the possibility to securely choose the nature, frequency and format of the information they are provided with in their dedicated private spaces. The development of such digital tools and services testifies to the Group's growing digital culture. All Amundi employees can now progressively access digital devices which foster exchanges, both within the company and with external stakeholders. This digital culture also permeates the Group's communication strategy and practices. Amundi has been active on social media since 2012 and is now ranked the number one asset manager in France – and number four in Europe – for social media presence and activity, according to the May 2016 CACEIS and PWC rankings⁽¹⁾.

The Group is also working on the digitisation of its offering. In the years to come, digital will become the prime distribution channel for financial products and services. This is why Amundi invested in Anatec, a French fintech⁽²⁾ aiming to simplify and digitise access to financial products and investment advisory services for individuals. This clearly shows the Group is committed to achieving its own digital transformation and actively supporting innovation in the distribution of financial products.

(1) "Social Media Studies: Asset Management in the Social Area".

(2) "Fintech" is a combination of the words "finance" and "technology".



**THE TOTAL VALUE OF
ASSETS MANAGED BY INTERNATIONAL
INVESTORS WHO COMMITTED TO
MEASURING THE CARBON FOOTPRINT
OF THEIR PORTFOLIOS.**

In less than two years, the Montréal Carbon Pledge – launched in September 2014 – has mobilised over 120 investors who manage over \$10tn on all continents. Their commitment has now become a reality, as 80% of them disclose the carbon footprint of their portfolios.

*A signatory of
the Principles for Responsible
Investment and a founding
member of the Portfolio
Decarbonisation Coalition,
Amundi actively contributes
to the fight against
global warming.*

Amundi is a pioneer in devising tools to manage carbon risk and in supporting initiatives to counter global warming. As an active and committed player, the Group has launched a series of initiatives for the integration of climate-related risks into investment management and for the funding of the energy and environmental transition.



AMUNDI, A RESPONSIBLE FINANCIAL PLAYER

Being responsible is
a continual and non-negotiable
requirement **that applies**
equally to assets and the way
they are managed.
It's about *making choices.*
Explaining and discussing.
Sharing the value. For ever
greater transparency.

Social Responsibility for sustainable growth

Based on its firm belief that environmental, social and governance (ESG) issues must, more than ever, be taken into account, Amundi has made societal responsibility one of its fundamental values. As a pioneer in SRI, the Group has fully integrated ESG criteria into its investment processes.

Socially Responsible Investments

“The Group applies strict normative exclusion rules on all asset classes in the area of active management.”

With SRI-based assets under management totalling over €168 billion, Amundi is a leading player on the market segment. The Group has often been recognised for the quality and transparency of its analysis and selection methodology, and its commitment to fostering dialogue with issuers. In 2013, Amundi became the first asset manager to receive the Afnor* certification for its SRI approach. In 2016, four of its SRI funds received the first

SRI French State Labels⁽¹⁾ and the Group was once again ranked the number one SRI manager in both the “SRI & Sustainability”⁽²⁾ Extel survey and the yearly Amadéis rankings.

As a responsible financial player, Amundi has fully integrated ESG criteria into its investment processes. Today, out of a global roster of over 4,000 ESG-rated issuers, around 200 issuers (companies and states) have been excluded from Amundi’s management scope. Amundi’s teams also help issuers improve their ESG practices, through ongoing dialogue. In 2015, the Group published a specific brochure providing comprehensive information about its “best-in-class” management approach to Socially Responsible Investment, and every year,

its teams exchange information with over 300 companies on ESG questions. In 2016, Amundi engaged with 240 issuers and exercised its voting rights in over 2,500 Annual General Meetings. For several years now, the Group has applied strict normative exclusion rules in the area of active management, for all asset classes, including real and alternative assets. In 2016, exclusion criteria – which include the manufacturing of controversial weapons, the violation of Human Rights or of the Global Compact principles – were expanded to issuers generating more than 50% of their revenue in coal extraction.

Throughout the past year, Amundi also continued to support various initiatives to promote responsible finance. The Group is a long-time member of the Principles for Responsible Investment and a founding member of the Portfolio Decarbonisation Coalition. Amundi plays an active role in the fight against global warming, and keeps developing innovative solutions to fund energy transition. In addition, at the end of 2016, Amundi also managed close to €1.8 billion in socially impactful assets.

(1) Issued by AFNOR Certification.

(2) Amundi ranked first in the “SRI & Sustainability” survey, released by WeConvene Extel and the UKSIF, in 2015 and 2016, in the “Asset Management best firms for SRI/ESG” category.



Amundi, ranked number one SRI & ESG asset manager

For the second year in a row, Amundi ranks first⁽¹⁾ in the “SRI & Sustainability” survey conducted by Extel and UKSIF⁽²⁾. This number one ranking comes as a reward for Amundi’s commitment towards SRI and ESG.



Vigeo and Oekom Ratings

Following its initial public offering, Amundi was assigned two non-financial ratings, one by VIGEO in May 2016, and another by OEKOM in September 2016, both of which rank the Group among the best in its sector. VIGEO gave Amundi a score of 66/100, which affords it “Advanced” status. OEKOM issued a C+ rating, which corresponds to “Prime” status.



Amundi obtains the government’s first SRI labels

Amundi was the first investment management company to be awarded the French government’s new SRI Label, for four of its SRI funds. This label aims to enhance the visibility of SRI among savers.

(1) Asset Management best firms for SRI/ESG category.

(2) UK Sustainable Investment and Finance Association.

Supporting growth and fostering change

In 2016, as in the years before, the Human Resources department supported Amundi's growth. As a socially responsible employer, Amundi has made the development of individual and collective talent a strategic priority.

In 2016, headcount increased moderately, with both the addition of new hires and the integration of people and teams who previously worked for entities acquired by the Group. With the recruitment of specific profiles and the management of international and functional mobility, the global headcount was maintained, while reinforcing the level of expertise in certain targeted areas. Real and alternative asset management teams were strengthened, through the alliance with Crédit Agricole Immobilier in particular. At the end of 2016, the global headcount reached 3,167 people⁽¹⁾, with 85% of them in Europe, 12% in Asia and 3% in the Middle East and America. All in all, the headcount grew by 43 in 2016.

The Group's training and employee development policy aims at protecting employment and employability and at adapting resources to a fast-changing job landscape. It is central to Amundi's strategy. In 2016, close to 34,000 hours of training⁽²⁾ were delivered, which represents an average of 25 hours for each employee. 61% of employees who are changing jobs have benefited from a specific training programme. Several existing schemes have been reinforced or expanded. In 2016, the Group focused on employee-held and hosted sessions, thus showing its ability to transfer expertise and to train its own people. They can now also take advantage of a new digital e-learning platform, called Phileas, to acquire new skills through flexible and open modules, dedicated to the company's business lines.

In addition to its training and internal mobility schemes, Amundi also focused on enhancing its employees' management skills and reinforcing collective efficiency and occupational well-being. This translated into the development of a performance culture – fostering entrepreneurship, rewarding achievements, promoting employee feedback, sanctioning unprofessional conduct, etc. – but also into the improvement of the Group's internal modes of operation. Several optimisation projects were successfully carried out in 2016, leading to an innovative agreement on working hours that takes into account the impact of new technologies on employees' overall quality of life.

Renewed emphasis was also put on promoting youth training and employment – with 310 young trainees or apprentices in 2016, and 34 hires through the Odyssée programme – and on favouring employment for people with disabilities, with 29 new hires over the last three years. In 2016, people with disabilities accounted for 3.1% of French staff. Amundi encourages employees to lead and contribute to solidarity-based projects, and provides corporate sponsorship to cultural, educational or solidarity-based players and programmes.

⁽¹⁾ Excluding Joint Ventures.

⁽²⁾ In France.



Give a Hand, fourth edition

Amundi has long encouraged its employees to engage in associative activities. In 2013, the Group launched the Give a Hand programme, which aims at providing financial support to employee-led projects in the areas of solidarity, humanitarian assistance and the environment. In 2016, four such innovative projects were chosen by Amundi's in-house selection committee and submitted to all employees for approval by vote.



Happy Trainees

Amundi once again received the Happy Trainees label, which rewards companies that provide trainees with the best experience. The awards is based on the results of a survey carried out with students. Amundi obtained an overall grade of 4.07 on a 0 to 5 scale.



Amundi launches new collaborative platform Phileas

Phileas, the new training platform for Group employees, has been operational since December 2016. It aims at developing skills and employability, through innovative and educational e-learning modules, gradually changing working habits and promoting digital culture. Phileas has been designed to become a truly collaborative platform that values internal expertise.

GOVERNANCE

**Amundi successfully
implemented *its development
strategy* in 2016.**
**The acquisition of Pioneer
Investments consolidates
the group's position as
a European leader with
*a global reach.***

Members of *the Executive Committee*

at 15/02/2017



01 Yves Perrier

CEO of Amundi

02 Bernard De Wit

Head of the Steering & Control Division

03 Pascal Blanqué

Global Head of Institutional and Corporate Division and Chief Investment Officer

04 Fathi Jerfel

Head of Retail Division

05 Guillaume Lesage

Head of Support and Business Development

06 Bernard Carayon

Advisor to Amundi's General Management

07 Pedro Antonio Arias

Global Head of Real and Alternative Assets Business Line

08 Jean-Jacques Barbéris

Global Head of Central Banks and Sovereign Wealth Funds

09 Valérie Baudson

Chief Executive Officer of CPR AM, Global Head of ETF, Indexing Funds and Smart Beta

10 Alain Berry

Head of Communication

11 Laurent Bertiau

Deputy Global Head of Institutional and Corporate Clients

12 Romain Boscher

Global Head of Equity



13 *Éric Brard*

Global Head of Fixed Income

14 *Nicolas Calcoen*

Chief Financial Officer

15 *Dominique Carrel-Billiard*

Deputy Director to the General Management in charge of coordinating the Amundi/Pioneer merger.

16 *Xavier Collot*

Head of Employee Savings and Retirement Schemes

17 *Christophe Lemarié*

Head of Retail Marketing

18 *Vincent Mortier*

Global Head of Multi-Asset and Deputy Chief Investment Officer

19 *André Pasquié*

Head of French Retail Networks

20 *Christian Pellis*

Global Head of Distribution

21 *Frédéric Samama*

Deputy Global Head of Institutional Clients

22 *Pierre Schereck*

Head of Relations with Social Security Bodies

23 *Isabelle Senéterre*

Head of Human Resources

24 *Éric Vandamme*

Chief Risk Officer

25 *Laurence Laplane-Rigal*

Secretary to the Executive Committee

Members of *the Board of Directors*

Xavier Musca _____

MEMBER OF THE BOARD OF DIRECTORS

Deputy CEO, member of the Board of Directors and of the Executive Committee of Crédit Agricole S.A.

Yves Perrier _____

CEO AND MEMBER OF THE BOARD OF DIRECTORS

Deputy CEO in charge of the Savings, Insurance and Real Estate division of the Crédit Agricole Group Chairman of the AFG, Member of the Executive Committee of Crédit Agricole S.A.

Virginie Cayatte _____

MEMBER OF THE BOARD OF DIRECTORS

Financial Director in charge of Finance, Real Estate and Purchases within the Solocal Group

Laurence Danon-Arnaud _____

MEMBER OF THE BOARD OF DIRECTORS

Director of Cordial Investment & Consulting Ltd

Rémi Garuz _____

MEMBER OF THE BOARD OF DIRECTORS

Chairman of the Board of Directors of the Regional Bank of Crédit Agricole d'Aquitaine

Laurent Goutard _____

MEMBER OF THE BOARD OF DIRECTORS

Director of the French Retail Banking of Societe Generale

Robert Leblanc _____

MEMBER OF THE BOARD OF DIRECTORS

Chairman and CEO of Aon France

Michel Mathieu _____

MEMBER OF THE BOARD OF DIRECTORS

Deputy CEO, Subsidiaries and Retail Banking, Crédit Agricole S.A. CEO of LCL Director at Crédit Agricole Italia

Hélène Molinari _____

MEMBER OF THE BOARD OF DIRECTORS

Manager AHM Conseil

Christian Rouchon _____

MEMBER OF THE BOARD OF DIRECTORS

CEO of the Sud Rhône Alpes Regional Bank of Crédit Agricole

Andrée Samat _____

MEMBER OF THE BOARD OF DIRECTORS

Chairperson of the Board of Directors of the Provence Côte d'Azur Regional Bank of Crédit Agricole

Renée Talamona _____

MEMBER OF THE BOARD OF DIRECTORS

CEO of the Regional Bank of Crédit Agricole Mutuel de Lorraine S.C.

Éric Tazé-Bernard _____

MEMBER OF THE BOARD OF DIRECTORS

Director representing employees

Jean-Michel Forest _____

NON-VOTING MEMBER, PERMANENT GUEST ON THE AUDIT AND RISK MANAGEMENT COMMITTEES

Chairperson of the Board of Directors of the Loire Haute-Loire Regional Bank of Crédit Agricole

François Veverka _____

NON-VOTING MEMBER, PERMANENT GUEST ON THE AUDIT AND RISK MANAGEMENT COMMITTEES

Company Director

Members of *the Advisory Board*

Mr. Hubert Védrine _____

PRESIDENT

Former French Minister of Foreign Affairs

Dame Helen Alexander _____

Former President of the Confederation
of British Industry (CBI)

Sir Simon Fraser _____

Former Permanent Under-Secretary at the Foreign
and Commonwealth Office (FCO)

Mr. Enrico Letta _____

Former Prime Minister of the Italian Government

Mr. Maurice Levy _____

President and Chief Executive Officer of Publicis group

Mr Christian Noyer _____

Former Governor at Banque de France

Mr. Patrick Ponsolle _____

Former vice-president of Morgan Stanley
International

Dr. Jürgen Stark _____

Former member of the Executive Board
and Governing Council of the European
Central Bank

Ms. Isabel Tocino Biscarolasaga _____

Former Environment Minister of
the Spanish Government

Mr. Tatsuo Yamasaki _____

Former Vice Minister of Finance of
the Japanese Government

Mrs Yanlai Zhu _____

Advisor Bank of China Hong Kong

Methodology and Glossary

P.26 SICAV:

A *Société d'Investissement à Capital Variable* or French open-ended investment company.

P.26 Danone Communities:

P.27 The *Danone Communities* and *Danone pour l'Écosystème* funds do not guarantee performance and pose a risk of capital loss.

P.36 Buy & hold:

A financial term that means an investor buys equities and holds them for the long term in a portfolio, regardless of market fluctuations.

P.36 OPCI:

P.53 **P.63** An *Organisme de Placement Collectif Immobilier* or French Real Estate Investment fund.

P.36 Long/short equity:

A long/short equity strategy involves taking long positions in stocks that are expected to appreciate and short positions in stocks that are expected to decline, in order to limit market exposure risks.

P.36 EMTN:

Euro Medium Term Notes, debt securities issued by corporate and investment banks.

P.39 Seed money:

Capital invested when a fund is launched.

P.47 Hosting:

A hosting service covers a variety of financial services, from reporting to risk management, recording transactions or regulatory checks on an investment, for example.

P.47 KBI:

Kleinwort Benson Investors Global Investors: KBI Global Investors Ltd is regulated by the Central Bank of Ireland and subject to limited regulation by the United Kingdom's *Financial Conduct Authority*. KBI Global Investors Ltd (North America) is an investment advisor approved by the SEC and regulated by the Central Bank of Ireland. KBI Global Investors Ltd (North America) is a wholly-owned subsidiary of KBI Global Investors Ltd.

P.48 LCR offer:

Liquidity Coverage Ratio. A fund that aims to optimise the short-term liquidity ratio.

P.49 Silver Age:

This fund does not guarantee performance and poses a risk of capital loss.

P.49 CPR AM:

A limited company (société anonyme) with share capital of €53,445,705 Portfolio Management Company operating under AMF approval no. GP 01.056. Paris Trade and Companies Register No. 399 392 141.

P.49 Protect 90:

This fund does not guarantee performance and poses a risk of capital loss.

P.49 Solvency II Efficient:

Compatible with Solvency II regulations.
Solvency II: European regulatory reform that aims to better tailor the capital requirements of insurance companies to the risks that they incur in conducting business.

P.49 Amundi Convictions ESR:

This fund does not guarantee performance and poses a risk of capital loss.

P.49 Diversified Growth Fund:

This fund does not guarantee performance and poses a risk of capital loss.

P.50 Smart Beta:

A stock market investment strategy that moves away from holding a segment of a market portfolio in order to concentrate on individual subsets of securities that are expected to outperform the market.

P.51 OPCIMMO:

The OPCIMMO fund does not guarantee performance and poses a risk of capital loss.

P.53 SCPI:

A *Société Civile de Placement Immobilier* or French real estate investment company.

P.53 Amundi Immobilier:

A limited company (*société anonyme*) with share capital of €16,684,660.
Portfolio Management Company operating under AMF approval no. GP 07000033
Paris Trade and Companies Register
No. 315 429 837

P.53 FCPI:

A *Fonds Commun de Placement dans l'Innovation* or French retail venture capital fund

P.53 FIP:

A *Fonds d'Investissement de Proximité* – a French investment fund that stipulates that at least 70% of investments are to be in local SMEs.

P.53 FCPR:

A *Fonds Commun de Placement à Risque* or French retail private equity investment fund

P.53 ABC:

Agricultural Bank of China.

P.55 MiFID II:

A European directive that governs the conditions under which investment services can be provided and how the regulated markets function.

P.55 COP21:

The 21st edition of the United Nations Climate Change Conference, held in Paris in 2015.

P.57 First Eagle Amundi International Fund:

This fund does not guarantee performance and poses a risk of capital loss.

P.63 Amundi Advisory:

P.64 An investment advisory service that does not guarantee the performance of Amundi funds, which pose a risk of capital loss.

P.64 TMB Bank PCL:

Thai Military Bank, currently known as TMB Bank Public Company Limited.

P.65 USD and GBP:

US dollar and pound sterling.

P.67 Amundi Retirement Solutions:

Amundi Retirement Solutions does not guarantee performance and poses a risk of capital loss.

P.67 PERCO:

A *Plan d'Épargne Retraite Collectif* or French group retirement savings plan

P.76 SRI Management:

Socially Responsible Investment Management.

P.76 Afnor:

The *Association Française de Normalisation* (French Standardisation Association).

P.76 “Best-in-Class” Approach:

An ESG stock picking strategy that favours the best-rated companies in a given sector from a non-financial standpoint.

P.78 Crédit Agricole Immobilier:

A limited company (*société anonyme*) with share capital of €125,112,255. Nanterre Trade and Companies Register No. 380 867 978.

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Amundi

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