

# Achieving a fair transition, together



**2021  
INTEGRATED  
ANNUAL  
REPORT**

**Confidence  
must be earned**

**Amundi**  
CRÉDIT AGRICOLE GROUP

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Glossary

Words defined in our glossary are identified by an asterisk \*

OUR RAISON D'ÊTRE\*

# Amundi, a trusted partner working every day in the interest of its clients and society

## Being a trusted partner

### means being attentive to our clients' needs

Confidence cannot be given on demand, it must be earned every day by delivering concrete results. This is the guiding principle we have embodied since 2010, and which has led us to develop savings and investment solutions that meet our clients' expectations. We offer all of our clients, whether they are banking networks, third-party distributors, Institutional investors or Corporates, a full range of investment solutions thanks to our six investment platforms operating in all financial markets.

## Being a trusted partner

### means being a long-term partner

Together with our 5,300<sup>(1)</sup> employees based in more than 35 countries, we believe that our relationship with our clients should be based on confidence. We provide them with support on a daily basis to build an enduring relationship based on sound advice, long-term performance and a commitment to social responsibility. Our advice to clients is supported by our unique research capabilities, our proven track record in asset management, as well as our high standards of service and technological tools.

## Being a trusted partner

### means being a responsible partner

Responsible investment is one of Amundi's cornerstones. We have always believed that companies and financial actors have the responsibility to face today's major challenges, and specifically in environmental transition and social inclusion.

We believe that taking public interest into account strengthens financial performance. That is why we integrate both financial and non-financial analysis into our investment decisions.

(1) Consolidated internal Amundi and Lyxor workforce as of 01/01/2022.

# Editorial

In 2021, Amundi continued on a trajectory of profitable growth that continues to benefit from strategic initiatives the company has brought to fruition over the past years. Newly signed partnerships and newly launched subsidiaries – notably in China, alongside Bank of China – as well as acquisitions like that of Sabadell Asset Management in Spain, have increased the geographical diversity of Amundi’s activities. Further examples of the Group’s ability to combine organic and external growth can be found in the successful launch of Amundi Technology, a new business line positioned on a high potential market, and in the integration of Lyxor, which catapults Amundi’s passive management platform into first place among European ETF providers.

This dynamic growth goes hand in hand with sustaining a high level of operational efficiency, reflected in a cost/income ratio of 48%. As a result, Amundi’s net income rose considerably (+37%). Together with demonstrated financial strength, these results have prompted the Board of Directors to propose dividend of 4.10 euros per share to the Annual General Meeting. This represents a 41% increase compared to 2020 and remains, as always, in line with the policy announced when Amundi went public, namely 65% of net income.

Amundi has diligently shouldered its societal commitments. The targets of our 2018-2021 ESG plan have been fully met. 100% of open-ended funds<sup>(1)</sup> managed by Amundi now boast an ESG score better than that of their reference universe. Shareholder engagement has been generalised, and we systematically take into account companies’ contributions to environmental and societal

“Amundi will continue along a path fully aligned with the project of the Crédit Agricole Group, enhancing its trajectory in the years ahead.”

**Yves Perrier**

Chair of the Board of Directors of Amundi

challenges in our exchanges with management and the exercise of voting rights. Amundi has thus established its leadership in this area. Fully aligned with the societal commitments of the Crédit Agricole Group in support of environmental transition and social cohesion, Amundi will continue along this path, further enhancing its trajectory in the years ahead.

The economic environment for 2022 is likely to prove highly uncertain due to fallout from the conflict in Ukraine. Nonetheless, Amundi holds all the cards necessary to continue along the path of profitable growth that the company has featured since it was created, now helmed by Valérie Baudson, who succeeded me as CEO on 10 May 2021. I would like to take this opportunity to reiterate my confidence in her leadership.

*(1) Where it is technically possible to apply an ESG methodology.*



“Increasing commitments across environmental and social issues will be Amundi’s number one lever for growth in every geography.”

**Valérie Baudson**

Chief Executive Officer of Amundi

The strength and efficacy of the model built by Yves Perrier over the past 12 years have positioned our Group amongst the world’s leading asset managers and at the forefront of European firms. In 2021, Amundi passed the milestone of 2 trillion euros in assets under management. Above and beyond the acquisition of Lyxor, Amundi demonstrated strong momentum, in particular due to its strong commitment to more responsible finance. This is an area where the company is today showing true leadership. Amundi’s adjusted net income<sup>(2)</sup> increased by +37% versus 2020, meaning we have more than achieved the targets of our medium-long term strategic plan for 2018-2022.

To continue on the path of profitable growth, Amundi has set itself ambitious new goals. The first of these is already part of the firm’s DNA: to continue and amplify its commitment to a fair environmental transition. The “2025 Ambition” plan aims to increase our ESG involvement in multiple ways, from the savings and investment solutions we offer our clients and the engagement we undertake with companies to our own internal commitments. This plan rests on a conviction as well: that increasing commitments across environmental and social issues will be Amundi’s number one lever for growth in the coming years, in every geography.

Amundi, furthermore, aims to continue its international expansion. In Europe, for one. But also

in Asia, our second-largest domestic market, and one with tremendous potential for growth.

Lastly, in order to continue responding effectively to the changing needs of global investors and, more broadly, to serve all the players that make up its ecosystem, Amundi intends to strengthen its traditional business lines while adding new areas of expertise.

In its asset management business, Amundi has established two priorities. The acquisition of Lyxor will allow the Group to further ramp up growth on the fast-rising ETF segment. The other high-potential area where Amundi will be strengthening its capabilities is real assets.

The new business line Amundi Technology took off in 2021. This successful development provides a strong foundation for its ambition to become the technology partner of choice for its clients.

In an environment where uncertainty now abounds due to the war in Ukraine, Amundi’s many advantages see the Group ready to show its resilience and sustain its momentum of sustainable growth, thanks to a business model that is diversified in every respect: clientele, expertise and geography.

*(2) Adjusted data: excluding amortisation of distribution agreements and, in 2021, excluding costs associated with the integration of Lyxor and excluding the impact of Affrancamento.*

# Amundi, the leading European asset manager

The **no. 1**  
European asset manager  
in the global top 10<sup>(1)</sup>

The **highest**  
market capitalisation  
in Europe<sup>(2)</sup>

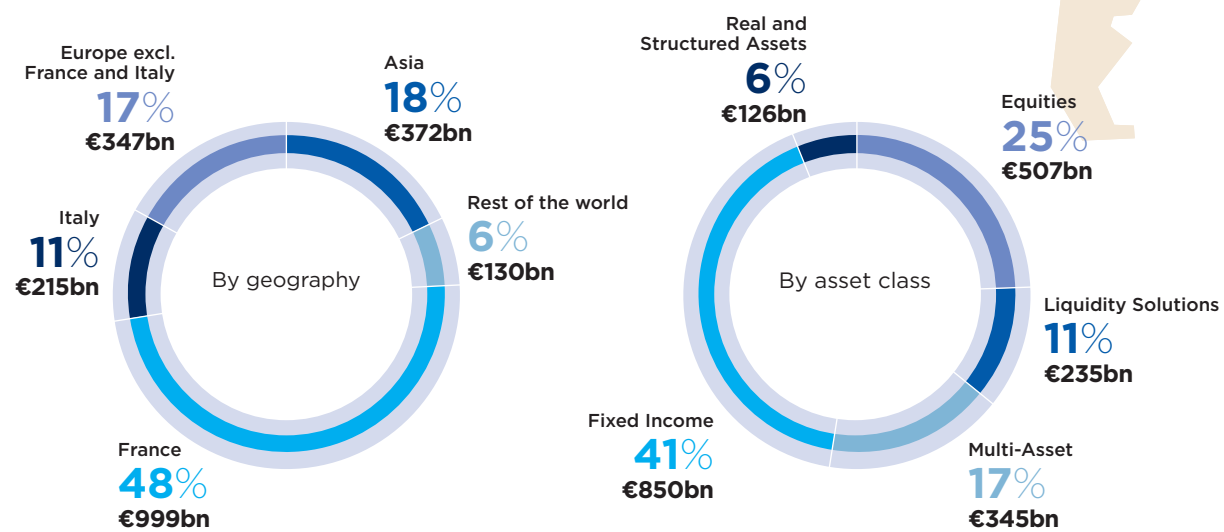
€**2,064** bn  
Assets under management<sup>(3)</sup>

€**847**bn  
Assets under responsible investment management<sup>(4)</sup>

## Breakdown of AuM

(31/12/2021)

Assets under management include assets under advisory and assets marketed and take into account 100% of the Asian joint ventures' inflows and assets under management. AuM at 31/12/2021 include Lyxor, acquired on 31/12/2021.



- Amsterdam
  - Bangkok
  - Barcelona
  - Beijing
  - Boston
  - Bratislava
  - Brussels
  - Bucharest
  - Budapest
  - Casablanca
  - Dubai
  - Dublin
  - Durham
  - Frankfurt
  - Geneva
  - Helsinki
  - Hong Kong
  - Kuala Lumpur
  - London
  - Luxembourg
  - Madrid
  - Mexico City
  - Miami
  - Milan
  - Montreal
  - Mumbai
  - Munich
  - Paris
  - Prague
  - Santiago
  - Seoul
  - Shanghai
  - Singapore
  - Sofia
  - Stockholm
  - Taipei
  - Tokyo
  - Toronto
  - Vienna
  - Warsaw
  - Yerevan
  - Zurich
- Investment hubs  
■ Local investment centres  
■ Other Amundi entities  
■ Joint ventures

As of 31/12/2021.

(5) Consolidated internal Amundi and Lyxor workforce as of 01/01/2022.

A complete range  
of active and passive management  
in traditional and real assets

More than  
**35**  
countries

More than  
**100**  
million clients

**5,300**  
employees<sup>(5)</sup>

(1) Source: IPE "Top 500 Asset Managers" published in June 2021, based on assets under management as of 31/12/2020.  
(2) Among traditional asset managers - Source: Refinitiv, December 2021.  
(3) Amundi data including Lyxor as of 31/12/2021.  
(4) Amundi data excluding Lyxor as of 31/12/2021.

# A complete range of investment expertise, advisory services and tools for the benefit of our clients

## Offering savings and investment solutions

Amundi offers a full range of expertise in both active and passive management, in traditional and real assets, within dedicated and integrated investment platforms.

### ACTIVE MANAGEMENT

**Equity:** conviction-driven investments by specialists with unparalleled companies' access.

**North American expertise:** almost a century of experience based on the value investment management style.

**Emerging markets:** a unique 360° approach, combining emerging equity and bond specialists in a single team.

**Multi-Asset:** a complete range of solutions to meet our clients' unique needs, with bespoke advisory.

**Fixed income:** the benchmark for European players, covering all investment approaches.

**Liquidity solutions:** European leader, with a team of industry recognised portfolio managers.

### PASSIVE MANAGEMENT & SMART BETA\*

**ETF:** Amundi is the European leader and offers one of the broadest and most competitive ranges in the UCITS\* market. With more than 300 products, this range includes particularly promising and innovative strategies (notably ESG, climate or thematic).

**Passive equity and bond management:** more than 30 years of expertise in the replication of all types of indices (country, region, sector, Smart beta) and a real know-how in the construction and management of ESG and climate indexing solutions.

**Smart beta and factor investing:** proprietary Smart beta and factor investing solutions based on an investment philosophy focusing on risk management, designed to generate robust performance over the long term.

### REAL ASSETS

Access to diversification through real assets and European private markets, managed directly or by a selection of the best external specialists (Real Estate, Private Debt, Private Equity, Infrastructure).

### STRUCTURED SOLUTIONS

A European leader, an expert in bespoke solutions combining capital protection and innovative strategies.

### ALTERNATIVE INVESTMENT MANAGEMENT

A complete range of investment solutions (UCITS funds and Dedicated Managed Account Platforms) with 28 managers covering the most representative strategies.

## OUR BUSINESS LINES

6 international investment platforms: Paris, London, Dublin, Milan, Boston and Tokyo

## Providing advice and services

Amundi has local and specialised teams to understand and provide optimum support to its clients – both **Retail and Institutional** – according to their specific needs.

### SUPPORT OUR CLIENTS

Amundi has developed an in-depth knowledge of the distribution business, the needs of financial advisors and the expectations of their clients thanks to a **unique partnership approach deployed with French and international distributors**. This expertise gives real added value to our savings solutions, which are tailored to the needs of each type of distributor – Retail banks, private banks, insurers, asset managers, networks of wealth management advisors, online banks, and so on. Amundi thus has a comprehensive range of services to support distributors in their transformation challenges: tailor-made savings solutions (discretionary management, model portfolios, etc.), internal and external fund selection services, provision of technological tools for portfolio managers (computerised investment management system), advisors or end investors (digital platforms, client service, robo-advisor, etc.), access to a global platform for the distribution and execution of external funds via Fund Channel.

In order to better understand the specificities of each of our **Institutional and Corporate clients** and bring them the investment solutions that best meet their needs, we have set up specialised teams: insurance, central banks, pension funds, sovereign funds and corporates.

### SHARE OUR ECONOMIC RESEARCH

In a changing world in which the need to understand our economic, financial and geopolitical environment, as well as environmental and societal issues, is essential, Amundi provides its clients with the keys to decoding these issues and assists them in building their portfolios thanks to its extensive research capabilities. Amundi also has large teams of analysts who contribute to the stock-picking process.

- Economic and quantitative research, market strategy and asset allocation consulting (Amundi Institute).
- Financial analysis.
- Extra-financial analysis: assessment of the quality of issuers' environmental, social and governance (ESG) policies.

## Offering technological tools

### AMUNDI TECHNOLOGY

Through this business line, Amundi offers technological solutions and innovative services for the savings industry: asset managers, Institutional investors, private banks, distributors of savings products and custodians.

These solutions, grouped under the name ALTO,<sup>(1)</sup> are 100% cloud-based software packages that cover the entire savings value chain, enabling clients to refocus on their core business.

(1) Amundi Leading Technologies & Operations.

800 R&D engineers, sales teams and project managers

# 2021 key figures

In 2021, Amundi had a very good year with a sharp increase in profitability while maintaining excellent operational efficiency and strong business momentum. The financial structure remains solid after the Lyxor acquisition and the dividend is up sharply.

## Activity

**+€60.2bn**  
Net inflows<sup>(1)</sup>

**€2,064bn**  
Assets under management<sup>(2)</sup>

## Profitability

**47.9%**  
Cost/income ratio<sup>(2)</sup>

**€1,315bn**  
Net income, Group share<sup>(3)</sup>

## Responsible investment at Amundi

**€847bn**  
Responsible investment assets under management<sup>(4)</sup>

**13,500**  
rated issuers

A dedicated department working in close collaboration with the management teams to serve clients' needs.

(1) Data on inflows and results do not include Lyxor figures, the acquisition of which was not finalised until 31 December 2021.  
(2) Amundi data including Lyxor as of 31/12/2021.  
(3) Adjusted data: excluding amortisation of distribution agreements and, in 2021, excluding costs associated with the integration of Lyxor and excluding the impact of Affranchamento.  
(4) Amundi data excluding Lyxor as of 31/12/2021.  
(5) Excluding joint ventures.  
(6) Management based on Environmental, Social and Governance criteria.

## 2 questions for...



**Nicolas Calcoen,**  
Head of Finance, Strategy and Public Affairs

### How would you describe Amundi's performance in 2021?

In one word: excellent. Amundi passed the €2,000bn mark in assets under management thanks to the acquisition of Lyxor, but also to a record level of activity: inflows of €75bn in medium- and long-term assets,<sup>(5)</sup> notably in active management and ESG,<sup>(6)</sup> and very strong momentum in the Retail segment. In Asia, the joint ventures continued to grow. Our results are very good, in a buoyant environment, which explains in particular the exceptional level of performance fees.

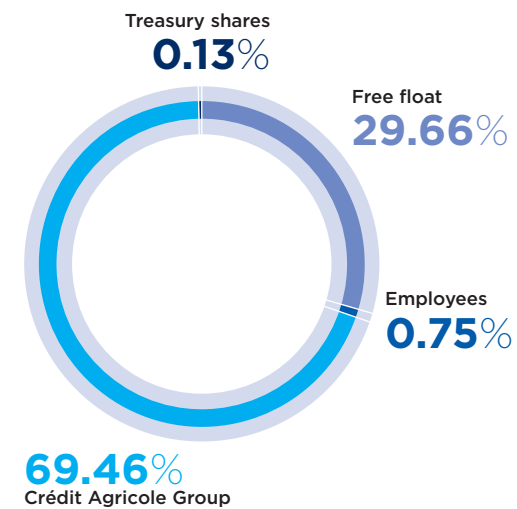
### From a strategic perspective, what were the highlights of the year?

2021 was marked by a number of major achievements and strategic initiatives: development of activities in Asia and a good start for the joint venture with Bank of China, exceeding the ESG objectives of the 2018-2021 plan and announcing new objectives for 2025, ramping up of Amundi Technology and finalisation of the Lyxor acquisition.

## Amundi on the stock market

Like for the market as a whole, 2021 was a bullish year for Amundi (+8.6% vs. end 2020). The stock was buoyed by the good results, as well as by the strategic initiatives, notably the announcement of the proposed acquisition of Lyxor in April. Financial analysts' perception of Amundi remains very positive.

### Breakdown of capital (31/12/2021)



### Dividend

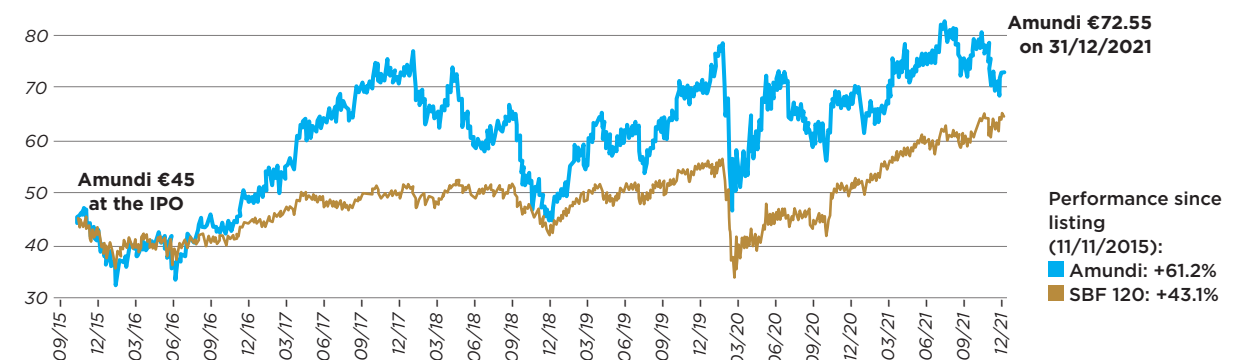
The dividend for fiscal year 2021 will amount to **€4.10** per share, a **41% increase** on 2020. This dividend corresponds to a pay-out rate of 65% of net income, Group share and a yield of 5.6%.<sup>(7)</sup>

### Indices

The Amundi share is included in the **SBF 120** and **MSCI** broad-based indices, as well as the **FTSE4Good** and **Euronext Vigeo Eiris** ESG indices.

### Change in Amundi's share price

Comparison with the SBF 120 index (recalculated on the basis of the share price)



Source: Refinitiv.

(7) Based on the share price on 31/12/2021 (€72.55).

# Board members with a broad range of expertise adapted to the Group's challenges

## BOARD OF DIRECTORS

As of 31/12/2021



**Yves PERRIER**  
Chair of the Board of Directors since 2021



**Xavier MUSCA**  
Director since 2012  
Deputy Chief Executive Officer of Crédit Agricole S.A.



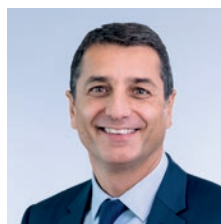
**Christine GANDON**  
Director since 2021  
Chair of the Nord-Est Regional Bank of Crédit Agricole



**Patrice GENTIÉ**  
Director since 2021  
Chair of the Aquitaine Regional Bank of Crédit Agricole



**Michèle GUIBERT**  
Director since 2020  
Chief Executive Officer of the Côtes d'Armor Regional Bank of Crédit Agricole



**William KADOUC-CHASSAING**  
Director since 2018  
Deputy General Manager of the Société Générale Group, in charge of Finance<sup>(1)</sup>



**Michel MATHIEU**  
Director since 2016  
Chief Executive Officer of LCL Deputy General Manager of Crédit Agricole S.A.



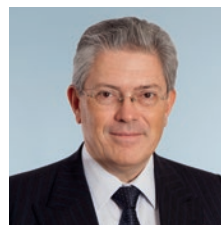
**Christian ROUCHON**  
Director since 2009  
Chief Executive Officer of the Languedoc Regional Bank of Crédit Agricole



**Virginie CAYATTE**  
Independent Director since 2015  
Financial Director of Adisseo



**Laurence DANON-ARNAUD**  
Independent Director since 2015  
Chair of Primerose SAS



**Robert LEBLANC**  
Independent Director since 2015  
Chair and Chief Executive Officer of Aon France



**Hélène MOLINARI**  
Independent Director since 2015  
Manager of AHM Conseil



**Estelle MÉNARD**  
Director elected by the employees since 2021  
Deputy Head of Global Thematic Equities, CPR Asset Management



**Jean-Michel FOREST**  
Non-voting member since 2015  
Chair of the Loire Haute-Loire Regional Bank of Crédit Agricole

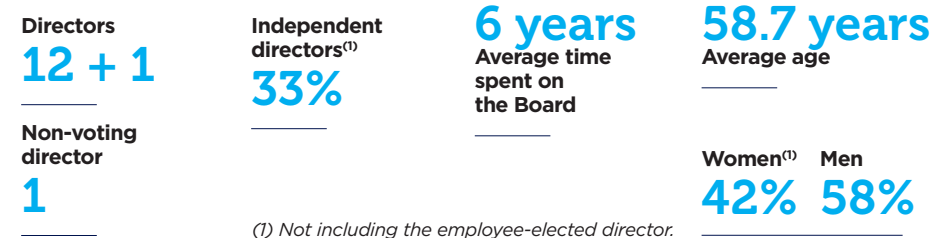
(1) Left Société Générale on 30/11/2021.

## CHANGE IN GOVERNANCE

At the end of the General Meeting of 10 May 2021, Yves Perrier, previously Chief Executive Officer, was elected Chair of the Board of Directors. This change in governance ensures the continuity of Amundi's development, in line with the strategy successfully implemented since its creation.

## COMPOSITION

As of 31 December 2021, the Board of Directors of Amundi S.A. is composed of 13 directors, 12 of whom are appointed by the General Shareholders' Meeting and one of whom is elected under the employee representation scheme. The term of office for directors is three years. The Board is completed by a non-voting member whom it appoints.



(1) Not including the employee-elected director.

## DIVERSITY OF BACKGROUNDS AND EXPERTISE

In accordance with its diversity policy, the Board of Directors ensures that the expertise of its members is sufficiently balanced and diverse to address Amundi's challenges. The Board is attentive to the diversity of experience of its members and to balanced gender representation, while ensuring that each member adheres to the company's fundamental values.

The Board members bring their individual expertise in the following areas:



# A management team with complementary profiles

## GENERAL MANAGEMENT COMMITTEE

As of 31/12/2021

The **General Management Committee** is involved in all major business, organisational and human resources management decisions, sets strategic priorities and makes the main governance decisions for the Group.



**Valérie BAUDSON**  
Chief Executive Officer



**Bernard DE WIT**  
Head of the Support and Control Division



**Jean-Jacques BARBÉRIS**  
Head of the Institutional and Corporate Clients Division and ESG



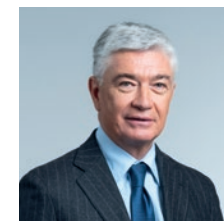
**Pascal BLANQUÉ**  
Chief Investment Officer



**Nicolas CALCOEN**  
Head of Finance, Strategy and Public Affairs<sup>(1)</sup>



**Domenico AIELLO**  
Chief Financial Officer



**Thierry ANCONA**  
Head of Sales, Third-Party Distributors and Wealth



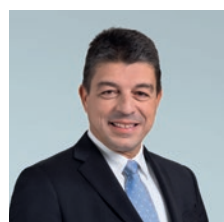
**Alain BERRY**  
Head of Communication



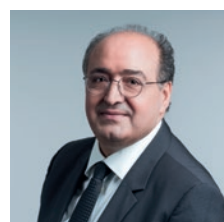
**Laurent BERTIAU**  
Head of Japan



**Dominique CARREL-BILLIARD**  
Head of Real Assets



**Matteo GERMANO**  
Head of Multi-Asset and Chief Investment Officer Italy



**Fathi JERFEL**  
Head of the Partner Networks Division



**Éric BRAMOULLÉ**  
Head of Marketing & Products



**Catherine CHABREL**  
Head of Compliance



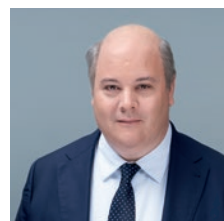
**Julien FONTAINE**  
Head of Joint Ventures and Partnerships

**29.6%**<sup>(1)</sup>  
of women members of the Executive Committee

**6**  
nationalities represented



**Guillaume LESAGE**  
Chief Operating Officer



**Vincent MORTIER**  
Deputy Chief Investment Officer



**Isabelle SENÉTERRE**  
Deputy Chief Investment Officer

**28.6%**  
of women members of the General Management Committee

**3**  
nationalities represented



**David HARTE**  
Head of Ireland and Deputy Chief Operating Officer



**Lisa JONES**  
Head of the Americas



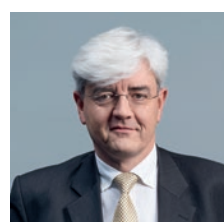
**Élodie LAUGEL**  
Chief Responsible Investment Officer and Head of Institutional Marketing



**Olivier MARIÉE**  
Chief Executive Officer of CPR Asset Management



**Cinzia TAGLIABUE**  
Deputy Head of the Partner Networks Division, CEO Italy



**Éric VANDAMME**  
Chief Risk Officer



**Fannie WURTZ**  
Head of the Distribution & Wealth Division, Passive & Alternative business lines

<sup>(1)</sup> Appointed on 1 April 2022 as Deputy Chief Executive Officer, Head of Strategy, Finance and Control.



**Lionel PAQUIN**  
Chief Executive Officer of Lyxor<sup>(2)</sup>



**Dorothée PIREL**  
Head of Internal Audit



**Xiaofeng ZHONG**  
Chairman of Greater China

<sup>(1)</sup> As of 31/12/2021.  
<sup>(2)</sup> Member since 01/01/2022.





1

Tackling  
our common  
challenges

# Making commitments with you and for all

As a committed company, Amundi works with its stakeholders to anticipate and meet a wide range of economic, technological and environmental challenges. Maintaining an ongoing dialogue and understanding their expectations is decisive in our businesses, whether to better anticipate new societal trends, create a climate of confidence or strengthen our attractiveness in highly competitive activities.

As part of a voluntary approach, Amundi adheres to various international charters, including the United Nations Global Compact, the Principles for Responsible Investment, UNEP-FI,<sup>(1)</sup> the Net Zero Asset Managers Initiative, the Diversity Charter, and participates in more than 25 collective initiatives aimed at encouraging public authorities to adopt incentive measures and encourage companies to improve their ESG practices. The main areas concerned are the fight against climate change, the preservation of natural capital (protection of ecosystems, biodiversity), social cohesion and human rights.

## OUR STAKEHOLDERS

### CLIENTS

- Retail clients of partner networks and third-party distributors
- Institutional clients
- Corporate clients
- Other management companies

#### Objectives

- Act as a long-term partner.
- Deliver on the client promise.
- Offer our clients, everywhere in the world, solutions that correspond to their needs, thanks to our dedicated local teams.

### ECONOMIC COMMUNITY

- Companies and other issuers
- Suppliers
- Partners

#### Objectives

- Participate in economic growth by providing financing to companies and other economic agents (governments, local authorities, etc.).
- Support companies in their environmental transformation by engaging with them in an ongoing dialogue on climate change and by promoting the companies with the most virtuous practices.
- Exercise our voting rights for securities held in both active and passive management portfolios.
- Promote a responsible purchasing policy, aiming notably to foster inclusion and decarbonisation.

### CIVIL SOCIETY

- Economic ecosystems
- Trade associations
- Opinion leaders, media and think tanks
- Non-Governmental Organisations (NGOs)

#### Objectives

- Act as a responsible, inclusive corporate citizen, respectful of the environment.
- Inform and provide relevant insight into the challenges of sustainable finance, the economy and society by investing in research, publishing studies and organising the annual Amundi World Investment Forum.
- Engage in dialogue with all stakeholders.

### TALENTS

- Employees
- Candidates

#### Objectives

- Place individual and collective development at the heart of our responsibility as an employer.
- Encourage mobility in line with Amundi's professional projects and needs.
- Promote equal opportunity and foster diversity.

### GOVERNMENT AND REGULATORY AUTHORITIES

- Regulators and legislators
- European and national authorities
- Standardisation bodies
- United Nations Global Compact, Principles for Responsible Investment, etc.

#### Objectives

- Ensure compliance with regulations, codes of conduct and professional standards with a rigorous Risk and Compliance function.
- Preserve the interests of our clients, the integrity of our market and the independence of our business.
- Participate in consultations in the Paris and European financial centres and promote high standards and best practices.

### FINANCIAL AND EXTRA-FINANCIAL COMMUNITY

- Shareholders
- Financial and extra-financial analysts
- Rating agencies

#### Objectives

- Deliver sustainable economic and financial performance.
- Deliver sustainable extra-financial performance, in line with the highest standards, including climate reporting in line with the TCFD<sup>(2)</sup> recommendations.
- Have our shareholders vote on our climate strategy.

(1) A financial initiative of the United Nations Environment Programme.  
 (2) Task Force on Climate-related Financial Disclosures.

# Turning the challenges of the next decade into opportunities

As the Covid-19 pandemic continues to disrupt our societies and Europe faces a major geopolitical crisis, the transformation of economic, technological, social and environmental models is accelerating. We are well aware of the common challenges we face in the next ten years; we must now transform them into sustainable opportunities for all stakeholders.

## ECONOMIC CHALLENGES

While economic growth, which is still stronger in Asia than in Europe, is accentuating the need for savings solutions for the middle classes, particularly in China and India, it will nevertheless slow down due to a less favourable macroeconomic context with the return of inflation and the war in Ukraine.

Furthermore, the asset management industry is still facing a challenging interest rate environment. This situation, accentuated by the concerted actions of central banks, reduces real asset yields, encourages the development of low-cost passive management, and thus puts continued pressure on margins. Added to this is the increasing competition from American players in Europe.

On the other hand, new infrastructure needs, particularly in the context of the environmental transition, require more and more private financing, which can be carried out via investment funds, in traditional or real assets, in addition to public investments.

In 2030,  
**90%**  
of the 2.4 billion  
new members  
of the middle class will  
be living in Asia<sup>(1)</sup>

### Amundi's answers

- Remain competitive in the face of increased competition.
- Offer a comprehensive range of investment solutions, in traditional and real assets, integrating a 100% responsible approach.
- Continue its geographic diversification, particularly in Asia.

## ENVIRONMENTAL AND SOCIAL CHALLENGES

By 2030,  
reduce greenhouse  
gas emissions by  
**55%**  
compared with 1990<sup>(2)</sup>

Achieving greenhouse gas emission reduction targets requires a rapid transition with clear end points in the near term, in 2025 and 2030. This transition can only be effective if all the economic players work in concert for a fair transition, i.e. a transition whose social impacts are made acceptable. Investors, both Institutional and individual, are increasingly aware of these issues and want to integrate them into their investments.

### Amundi's answers

- Achieve carbon neutrality by 2050.
- Organise governance that ensures the entire organisation is aligned with the carbon neutrality objective.
- Develop products and services that integrate ESG objectives in all asset classes.
- Finance climate change transition and adaptation projects.
- Encourage companies to integrate the fair transition into their environmental and social strategy through an active engagement policy.

## TECHNOLOGICAL CHALLENGES

Business models, especially financial ones, must adapt to the development of artificial intelligence, large volumes of data to be exploited, the ramping up of platforms allowing disintermediated distribution and investment management, and continuous and direct access to unregulated and uncontrolled information. The protection of data, identities, infrastructures and flows is also one of the main IT challenges for asset managers.

The estimated  
cost of cybercrime is  
**1%**  
of global GDP<sup>(3)</sup>

### Amundi's answers

- Accompany and advise clients in an increasingly technological environment.
- Rely on open solutions benefiting from the expertise of in-house teams.
- To have, and to offer to its clients, in-house first-rate digital tools and calculation capacity, allowing for informed decision-making.
- Invest in innovative distribution platforms.

**44%**  
of the skills  
in the financial sector  
will have evolved  
by 2025<sup>(4)</sup>

## HUMAN RESOURCES CHALLENGES

In an international and highly competitive environment, the ability to look to the future, to give meaning to one's actions and to have a differentiating corporate culture is an essential asset to recruit and retain the talents, with the skills of tomorrow, particularly in technological and digital professions.

### Amundi's answers

- Support each employee in his or her development and that of the business lines by promoting internal mobility and training.
- Recruit and promote the talents, regardless of race, gender or social origin, and with equal opportunities.
- Maintain a strong collegiate work environment while encouraging the development of hybrid work methods.
- Promote the highest standards of integrity and behaviour.

## REGULATORY CHALLENGES

Regulatory requirements are increasing every year: UCITS,\* AIFM, MiFID2, 5<sup>th</sup> LCB-FT Directive, MAD2, EMIR, PRIIPs, CoMoFi, AMF General Regulation and Instructions, OFAC, FCPA regulations, FATCA, Dodd Franck,... The Green Deal for Europe, the EU taxonomy and the SFDR regulation aim at providing more transparency in terms of environmental and social responsibility.

**2022,**  
year of application  
of the EU taxonomy

### Amundi's answers

- Support and participate in all regulatory initiatives to ensure the integrity of responsible investment policies.
- Apply best practices in terms of ethics, compliance and governance.
- Have robust internal audit and control processes.
- Automate the integration of new data related to the EU Taxonomy into our management tools and provide transparency on the proportions invested in environmentally sustainable economic activities, as well as any associated allocation targets.
- Report on the possible negative externalities associated with certain investments and the policies implemented to reduce them.

(1) World Economic Forum Annual Meeting: <https://fr.weforum.org/agenda/2020/01/en-2020-lasie-aura-le-pib-le-plus-important-du-monde-qui-est-ce-que-cela-signifie/>.  
 (2) Green Pact for Europe, 2021 - a set of proposals to adapt the Union's policies on climate, energy, land use, transportation and taxation: [https://ec.europa.eu/commission/presscorner/detail/fr/ip\\_21\\_3541](https://ec.europa.eu/commission/presscorner/detail/fr/ip_21_3541).  
 (3) The hidden costs of cybercrime, McAfee, 2020: <https://www.mcafee.com/enterprise/en-us/assets/reports/rp-hidden-costs-of-cybercrime.pdf>.  
 (4) The future of jobs report, Financial services 2020: [https://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2020.pdf](https://www3.weforum.org/docs/WEF_Future_of_Jobs_2020.pdf) page 134 & definition of average skills instability page 64.

A strategy in line with our *raison d'être*:\*  
Amundi, a trusted partner working every day  
in the interest of its clients and society

## OUR AMBITIONS

Offer all our clients investment solutions, services, advice and technology covering the entire savings value chain.

Consolidate our position as the European leader in asset management and become a key player in Asia.

Confirm our position as the world leader in responsible investment for a fair transition, with the objective of being carbon neutral by 2050.

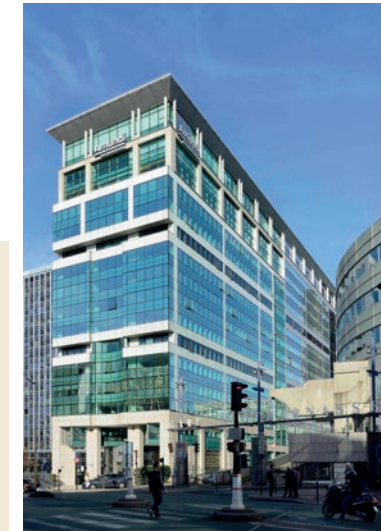


With a stable shareholder base, Amundi, which is 69.5%-owned by the Crédit Agricole Group, has a long-term strategy.

## OUR STRATEGIC PRIORITIES

### Our clients

- 1. Accelerate our development in our two client segments:** Retail (through banking networks, third-party distributors and private banks) and Institutional (pension funds, insurers, central banks, corporates, etc.).
- 2. Propose a range of powerful and innovative investment solutions in all management expertise.**
- 3. Accelerate our development in Asia.**
- 4. Transform our technology into a new growth driver.**
- 5. Maintain our competitiveness.**
- 6. Finance our investments by leveraging the efficiency of our industrial model.**
- 7. Pursue an opportunistic external growth strategy.**



### Our employees

- 8. Encourage the sense of innovation and entrepreneurial spirit** of our employees within a committed community.
- 9. Invest in the men and women of the company and promote diversity.**

### Society

- 10. Continue to develop our range of responsible savings solutions.**
- 11. Be even more demanding as shareholders** for the environmental transition of companies.
- 12. Align our practices with our requirements as an investor, by:**
  - defining exemplary governance,
  - reducing our direct carbon footprint,
  - encouraging our employees to be involved in the societal project.

# A unique business model focused on our clients

## OUR RESOURCES

As of 31 December 2021

### 1. A complete range of financial and non-financial expertise

- Active management
- Passive management
- Traditional and real assets
- 11 years' experience in ESG investment

### 2. The confidence of our clients

- 100 million Retail clients served by 600 third-party distributors
- 1,500 Institutional clients

### 3. The commitment of our employees

- 5,300 employees<sup>(1)</sup> including 1,000 investment professionals
- Committed employees (ERI score<sup>(2)</sup> of 81%)

### 4. A robust international organisation

- Presence in more than 35 countries
- 6 international management hubs (Boston, Dublin, London, Milan, Paris and Tokyo)

### 5. A proprietary technology

- ALTO,<sup>(3)</sup> a cutting-edge proprietary back-to-front tool

### 6. Solid financials

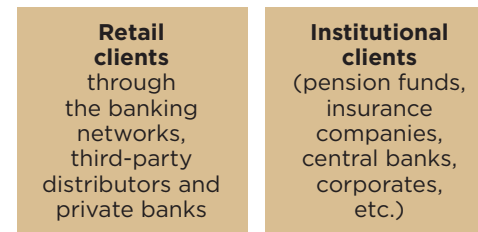
- The leading European asset manager: €2,064bn in assets under management<sup>(4)</sup>
- Fitch Ratings: A+ with stable outlook
- A solid balance sheet and a stable shareholder base: 69.5% of the capital held by the Crédit Agricole Group

## OUR PERFORMANCE LEVERS

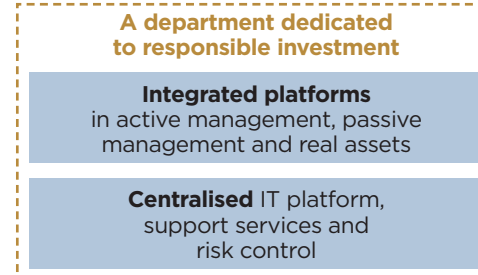
### 1. Being agile while staying true to our values:



### 2. Putting our clients' needs at the heart of our process



### 3. Combine an integrated organisation with client proximity



## OUR SOLUTIONS, SERVICES AND TECHNOLOGIES

### 1. Savings and investment solutions and services that cover all our clients' needs.

### 2. Responsible investments for a more sustainable economy.

### 3. A consulting and training offer for our clients, based on our unique experience in research and analysis and our presence in the main financial markets.

### 4. Innovative technological and digital solutions.

## OUR VALUE CREATION FOR<sup>(5)</sup>...

### 1. Our clients

- 74% of assets under management in the 1<sup>st</sup> and 2<sup>nd</sup> quartiles of the Morningstar ranking<sup>(6)</sup>
- 70% positive recommendations from consultants<sup>(7)</sup>
- Retail Client Recommendation Index deployed in 4 countries (France, Italy, Czech Republic, Slovakia) at 7 partner banks (Crédit Agricole Regional Banks, LCL, Crédit Agricole Italy, UniCredit Italy, KB, UniCredit CZ and UniCredit SK)

### 2. Our employees

- A global fairness ratio of 13.5<sup>(8)</sup>
- Capital increase reserved for employees (30% discount)
- More than 1,000 young people in training (internships, work-study programs, VIE,<sup>(9)</sup> CIFRE<sup>(10)</sup>...)

### 3. Our shareholders

- Twofold increase in return on investment since the IPO in November 2015
- Dividend pay-out rate of 65% of net income, Group share

### 4. Society

- €847bn in responsible investment assets under management<sup>(11)</sup>
- Taxes paid: €570m, of which €410m in France<sup>(12)</sup>
- 86% of climate-related shareholder resolutions supported by Amundi at the General Meetings of companies in which Amundi is a shareholder

(1) Consolidated internal Amundi and Lyxor workforce as of 01/01/2022.  
 (2) Engagement and Recommendation Index.  
 (3) Amundi Leading Technologies & Operations.  
 (4) Amundi data including Lyxor as of 31/12/2021.

(5) Data at end December 2021.  
 (6) Source: Morningstar Direct, Broadridge FundFile - Open-ended funds and ETFs, scope global funds, over 5 years, December 2021.  
 (7) Consultants: AonHewitt, Cambridge Associates, Mercer, Russell, Willis Towers Watson, Bfinance, December 2021 data.  
 (8) Methodology available in section 2.4 of the 2021 Universal Registration Document.  
 (9) Volontariat International en Entreprise (French International Volunteers in Business).  
 (10) Convention Industrielle de Formation par la REcherche (Industrial research agreement).  
 (11) Amundi data excluding Lyxor as of 31/12/2021.  
 (12) Taxes and social security contributions.

# Governance that guarantees the Group's strategic orientations

## A BOARD OF DIRECTORS COMMITTED TO SUSTAINABLE VALUE CREATION

The Board of Directors determines the strategic orientations of Amundi's business and oversees their implementation by General Management. Subject to the powers expressly attributed to it and within the limits of the corporate purpose, it deals with any issue concerning the proper functioning and future of Amundi in order to promote the creation of sustainable value for its shareholders and all its stakeholders. It appoints the senior executive(s) and company officer(s) responsible for implementing them, approves the accounts, convenes the General Meeting and proposes the annual dividend. It is supported by five specialised committees responsible for providing in-depth analysis.



## A COMPENSATION POLICY CONSISTENT WITH OUR ENVIRONMENTAL AND SOCIAL OBJECTIVES

Amundi's compensation policy is designed to be aligned with the economic strategy, the long-term objectives of the company, as well as the interests of the funds under management and of all investors.

It also aims to ensure sound and controlled risk management and compliance with Amundi's ESG commitments. It applies to all employees in compliance with the principle of non-discrimination, particularly with regard to gender.

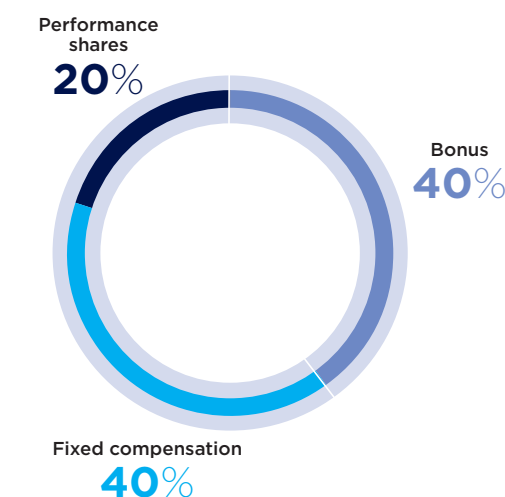
### Compensation policy applicable to Valérie Baudson, Chief Executive Officer of Amundi

The compensation policy applicable to the Chief Executive Officer was approved by the Board of Directors on 8 February 2022 on the recommendation of the Compensation Committee.

This policy will be submitted to the shareholders for approval at the Annual General Meeting on 18 May 2022.

The compensation policy applicable to the Chief Executive Officer is defined in accordance with CRD V regulations.

### Target compensation structure 2022



### Criteria for determining 2022 variable compensation

Criteria	Percentage
<b>Economic criteria</b>	<b>70%</b>
Amundi scope (NIGS, <sup>(1)</sup> NBI, <sup>(2)</sup> cost/income ratio, inflows)	60%
Crédit Agricole S.A. scope (NIGS, <sup>(1)</sup> cost/income ratio, ROTE <sup>(3)</sup> )	10%
<b>Non-economic criteria</b>	<b>30%</b>
Implement ESG projects	10%
Complete the integration of Lyxor	10%
Participate in the deployment of Crédit Agricole S.A.'s Client, Human-centric and Societal Project	10%

**13.5**  
Global fairness ratio<sup>(4)</sup>

(1) Net income, Group share.  
 (2) Net Banking Income.  
 (3) Return On Tangible Equity.  
 (4) CEO compensation awarded for 2021 as a ratio of average employee compensation in 2021.

# Rigorous risk management to frame our activities

The Group has a culture of prudence and develops a comprehensive framework to control the risks associated with its activities.

## OUR RISK CULTURE

Asset management is first and foremost a risk management activity, which is why Amundi constantly ensures that its organisation and processes enable it to identify and control risks. This approach is characterised by the sharing of experiences and good practices on the understanding and management of risks, facilitated by:

- operation in cross-functional business lines,
- systematic representation of the Risk, Compliance and Security control functions on the various investment management committees (products, investments, ESG, etc.),
- a single IT platform with risk assessment tools and methods, creating a common reference system for all teams,
- initiatives aimed at informing and discussing the various risks associated with the company's activity.

Maintaining a risk culture also involves making clients aware of the risks to which their assets are exposed. Amundi publishes studies for its clients that describe these risks and their economic evolution, as well as the solutions to capitalise on them.

## OUR MAIN RISKS

In the course of its business, Amundi is mainly exposed to risks related to third-party asset management activities and to financial risks, arising mainly from the management of its investment portfolio and the guarantees granted to certain products. The table below provides a summary.

Asset management risks	Financial risks
<ul style="list-style-type: none"> <li>• Asset management risks                             <ul style="list-style-type: none"> <li>- Promise to clients;</li> <li>- Process malfunction, human error;</li> <li>- Non-compliance, tax and legal;</li> <li>- Business discontinuity (including cybersecurity);</li> <li>- Human Resources.</li> </ul> </li> <li>• Business risks.</li> <li>• ESG risks.</li> <li>• CSR risks (including duty of care, corruption).</li> </ul>	<ul style="list-style-type: none"> <li>• Credit risks.</li> <li>• Market risks.</li> </ul>

### How risk control ensures the integrity of our ESG strategy

Non-compliance with expectations in terms of ESG or Corporate Social Responsibility could affect Amundi's reputation and the confidence our clients place in us.

Non-financial risks in the portfolios are controlled by investment limits defined on the basis of internal ratings, resulting from an analysis carried out according to ESG criteria by a dedicated team of analysts. They can be supplemented by additional non-financial indicators (carbon intensity, exposure to physical risks associated with climate change, etc.).

The company's extra-financial risks are addressed by policies relating to its operations (purchasing policies, Human Resources policies, etc.) implemented by the business lines concerned.

## OUR RISK MANAGEMENT FRAMEWORK

General Management clearly defines the roles and responsibilities for internal control and allocates the appropriate resources.

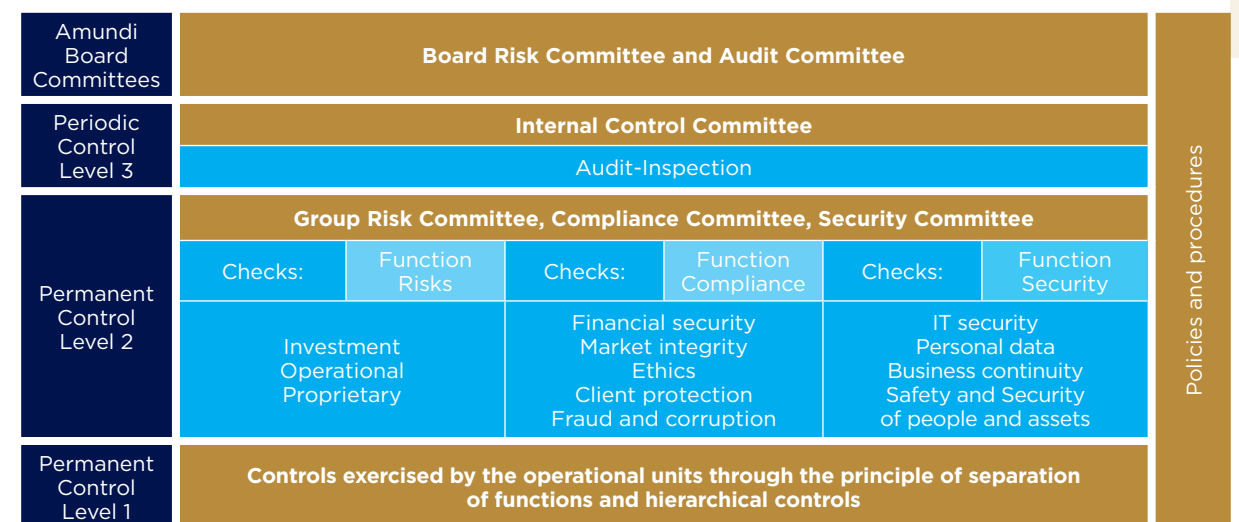
The internal control system covers the entire Group in France and internationally and is based on the following fundamental principles:

- systematic reporting to the Board of Directors on risk management, monitoring of limits, controls and results, and significant incidents,
- comprehensive coverage of businesses and risks,
- a clear definition of responsibilities, through formalised and updated delegations,
- effective separation of investment and control functions.

The internal control system is based on two main pillars:

- risk measurement, monitoring and control systems,
- a control mechanism.

### Headcount of business lines as of 01/01/2022<sup>(1)</sup>



<sup>(1)</sup> Amundi and Lyxor consolidated internal workforce.

## Corporate culture as a driver of our performance

Ever since its creation, Amundi has held that corporate culture – the way people behave within the organisation, is absolutely fundamental to ensuring success over the long term. Amundi’s culture is built on four essential cornerstones: courage, team spirit, solidarity and entrepreneurship.

Amundi has deliberately chosen to make employees’ individual and collective development a central tenet of its responsibility as an employer. This approach is fully consistent with the Human Resources project of the Crédit Agricole Group, which has three pillars: individual responsibility, closer relationships with clients through organisational change and a strong social contract that inspires the confidence necessary to show initiative.

This social contract finds expression in an employment policy that rests on internal mobility, training and talent retention. This policy goes hand-in-hand with the goal of social harmony founded on values such as diversity and non-discrimination, social dialogue, a quality work experience and employee engagement.

Each country and entity within the organisation has the opportunity to contribute its vision and nuance. Amundi is governed by men and women who share a common culture rather than by standardized processes applied to all. This leaves significant room for local specificities and initiatives.

## 3 questions for...



**Adrienne Meunier,**  
Senior Executive HR Management & Management Development

### How would you describe Amundi’s management culture?

Overall, I would say that it is compassionate and partakes of a quest to reconcile high standards of performance with opportunities for employee fulfilment. The management culture is collegial, anchored in the values of sharing, listening and commitment to a protective social contract that is a hallmark of the Crédit Agricole Group as a whole. It is also consistent with Amundi’s Human Resources policy, which seeks to maintain a balance between individual and collective performance.

### What made it the right time to launch Amundi Management Spirit?

Amundi Management Spirit (AMS) has a twofold aim: on the one hand to transcribe our managerial culture, condensing it into convictions that express our cardinal values, and on the other to provide managers with tools to develop their managerial abilities more systematically. In the past decade, Amundi has grown significantly and become truly global. It had become necessary to ‘put into words’ the managerial culture we had forged over time, both to preserve it and to share it more effectively. The health crisis made all the more pressing this need for formalisation and for the establishment of a more powerful and systematic managerial framework. More than ever, Amundi believes that managing teams is a key component of performance.

### In a nutshell, how would you describe Amundi Management Spirit?

AMS rests on two essential pillars of managerial development: first, managers’ ability to question themselves and their managerial practices, and second, their ability to communicate with peers and teams.



## Lyxor’s integration takes shape

After months of preparation, which commenced as soon as Amundi’s acquisition of Lyxor was announced in April 2021 and continued following the important step of closing, in December, Lyxor’s integration is well under way. More than 200 employees from Lyxor and Amundi participated in this ambitious project. The 500 employees of the former, spread across 10 countries, have begun their new roles within the Group since 1 January 2022. This influx of talent from Lyxor enhances Amundi’s workforce with new profiles offering varied career paths and a wealth of experience. The success of the integration, which reinforces several areas of expertise at Amundi, once again demonstrates the Group’s capacity to welcome new talents and ways of doing things, while affirming the strong bonds that hold the Group together.

# 34.5%

The percentage of women in senior management at Amundi. (1) 40% of country managers are women.

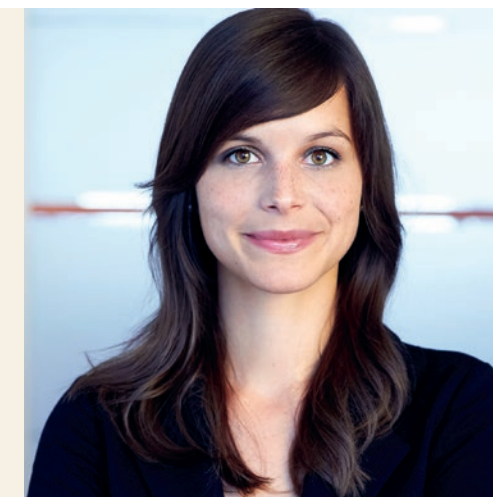
# 81%

Once again, Amundi assessed its employees’ commitment to the Group via the “Engagement and Recommendation Index”. In 2021, this survey was conducted among 4,700 employees worldwide. Amundi’s engagement score increased by 1 percentage point from 2020 levels, reaching 81% in 2021.

### Hannah Huehn // Institutional Sales Team - Munich //

Because Amundi is committed to a responsible and industry-leading vision of its business, the Group is highly rigorously fair towards employees. Respect for equal opportunity as well as non-discrimination and diversity are topics it takes as priorities.

**“In particular, Amundi has many women in senior management positions who are role models for me and for future generations!”**



(1) The Senior Leadership Team groups Senior Executives for all countries and professions – as of 31/12/2021 (exclusive of Lyxor).



# Our responsibility in the transition to a green economy

Working every day in the interest of our clients and society is our *raison d'être*.<sup>\*</sup> Since our creation in 2010, we have made responsible investment and commitment to social responsibility one of our founding pillars. These commitments are based on three convictions: that financial players have an active role to play in supporting the environmental transition, while ensuring social cohesion; that integrating ESG considerations into investment choices is a source of long-term performance; and that accelerating our ESG commitments will be our primary growth lever in the coming years, across the globe.

## 2018-2021: BECOMING A 100% RESPONSIBLE PLAYER

### Allocation of savings to productive and responsible investment

As of 31/12/2021

<b>Integration of ESG in 100% of actively managed open-ended funds</b> With the objective of achieving an ESG rating higher than that of the benchmark universe. <sup>(1)</sup>	<b>100%</b> of actively managed open-ended funds <sup>(1)</sup>
<b>Increase passive assets to €70bn</b> In 2018, Amundi had €19bn in passive responsible investments.	<b>€95bn</b> in passive management
<b>Development of specific initiatives for the environmental transition or social cohesion to reach €20bn</b> In 2018, Amundi had €10bn of assets under management in specific initiatives.	<b>€35bn</b> in Climate and Social solutions
<b>Promotion of investments in the social and solidarity economy</b> In 2018, Amundi managed €200 million in the <i>Amundi Finance et Solidarité</i> fund.*	<b>€440m</b> Amundi Finance et Solidarité fund

### Ongoing dialogue with issuers for more sustainable practices

<b>Analysis scope extended to 8,000 issuers</b> In 2018, Amundi covered 5,500 issuers through its proprietary ESG rating.	<b>13,500</b> issuers rated
<b>Systematic consideration of ESG dimension in voting</b> 100% of Amundi's votes take into account ESG considerations. <sup>(2)</sup>	<b>100%</b>

(1) Scope of active open-ended funds, where an ESG rating methodology is applicable.  
 (2) Through resolutions related to compensation, "Say on Climate"<sup>\*</sup> and shareholder resolutions, and sanction vote for the companies most lagging behind.

## 2022-2025: ACCELERATE OUR TRANSFORMATION

### Strengthen

our range of savings solutions for sustainable development

- 1. Integrate a new environmental transition rating in actively managed<sup>(1)</sup> open-ended funds.**  
 These funds will integrate an assessment of companies' decarbonisation efforts and the development of their green activities.
- 2. Offer, across all asset classes, open-ended funds with a Net Zero 2050 investment objective.**
- 3. Reach €20bn of assets in impact funds** to support investments that contribute positively to the environmental and social cohesion dimensions.
- 4. Reach 40% of ESG funds in the ETF range** so as to accelerate and deploy access to responsible investment.
- 5. Develop ALTO<sup>(3)</sup> Sustainability**, a technology support in decision-making for investors on environmental and societal issues.

### Amplify

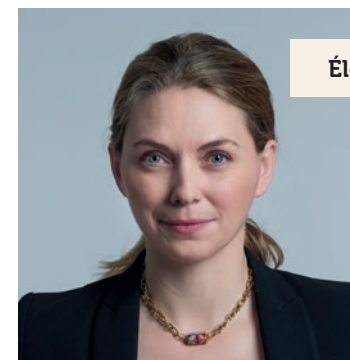
our outreach to companies

- 6. Extend to 1,000 additional companies the scope of companies with which Amundi engages in an ongoing climate dialogue**, so that they define credible strategies for reducing their greenhouse gas emissions, and the terms of alignment (compensation, General Meetings).
- 7. As from 2022, exclude from our investments companies that carry out more than 30% of their business<sup>(4)</sup> in unconventional hydrocarbons.<sup>(5)</sup>**

### Set

internal alignment goals that match the commitment

- 8. Broadly integrate ESG objectives into compensation policy.**
- 9. Reduce our greenhouse gas emissions by 30% per employee in 2025 compared with 2018.**
- 10. Present our climate strategy to our shareholders: "Say on Climate".<sup>\*</sup>**



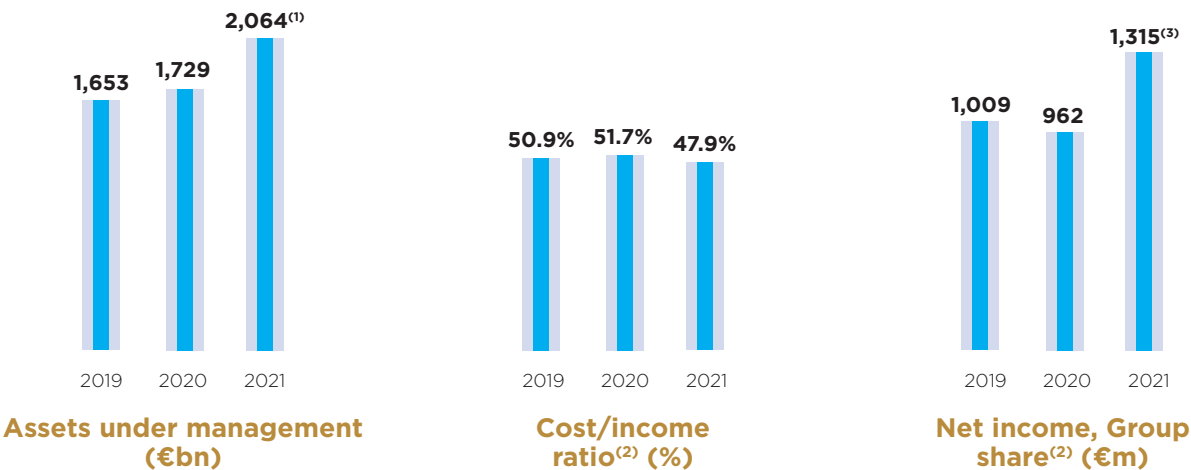
Élodie Laugel // Chief Responsible Investment Officer //

**"Our objective is twofold.** We want to get more and more companies to define credible alignment strategies. We will add another 1,000 companies to the scope of companies with which we engage in ongoing climate dialogue. But we also aim to offer our clients savings solutions that help redefine our society on the key topics of climate change and social cohesion."

(3) Amundi Leading Technologies & Operations.  
 (4) Scope of application of Amundi's Responsible Investment policy.  
 (5) Oil sands, shale oil and gas.

# Solid financial and non-financial performance, the foundation of our future growth

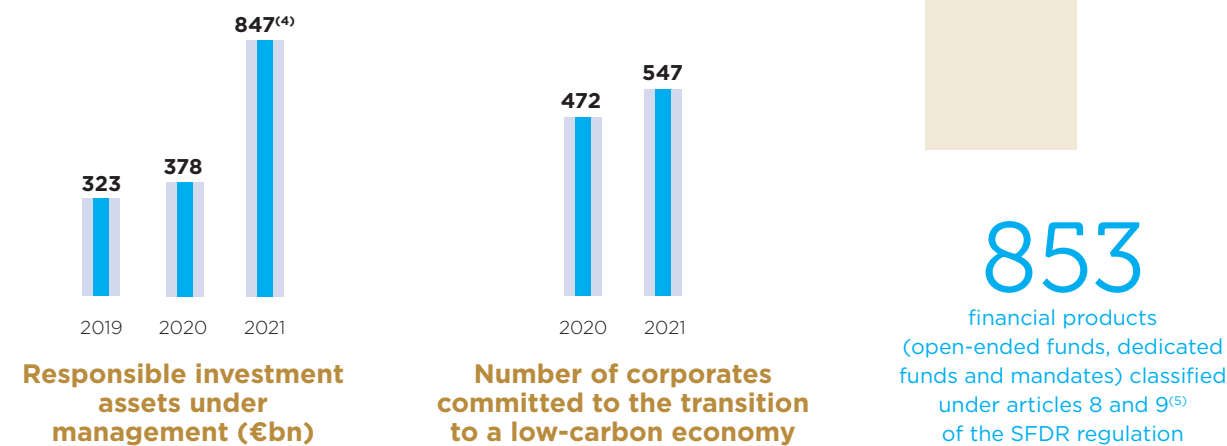
## FINANCIAL PERFORMANCE



€60.2bn  
Net inflows 2021<sup>(3)</sup>

A+  
Rating affirmed by Fitch Ratings in May 2021

## DEVELOPING OUR RESPONSIBLE INVESTMENTS

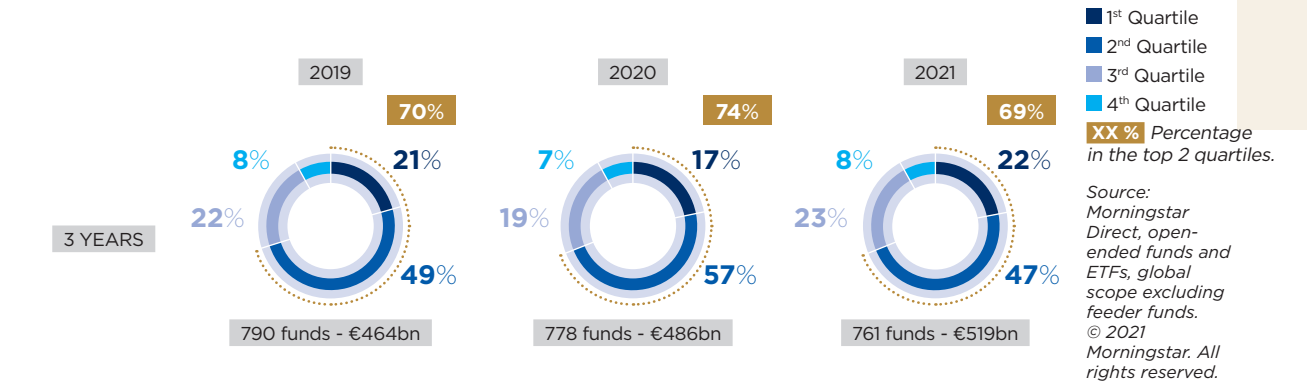


(1) Amundi data including Lyxor as of 31/12/2021. (2) Adjusted data: excluding amortisation of distribution agreements and, in 2021, excluding costs associated with the integration of Lyxor and excluding the impact of Affrancamento. (3) Data on inflows and results do not include Lyxor figures, the acquisition of which was not finalised until 31 December 2021. (4) Amundi data excluding Lyxor as at 31/12/2021. (5) At end December 2021, representing more than €780bn in assets under management. Article 8: products that promote environmental and/or social characteristics. Article 9: products that have sustainable investment as their objective.

In 2021, Amundi demonstrated the strength of its business model through its financial and non-financial performance. 2021 was also a year rich in strategic initiatives, including the acquisition of Lyxor and the creation of Amundi Technology, which will accelerate the company's future growth.

## INVESTMENT PERFORMANCE

### Morningstar fund rankings by assets under management

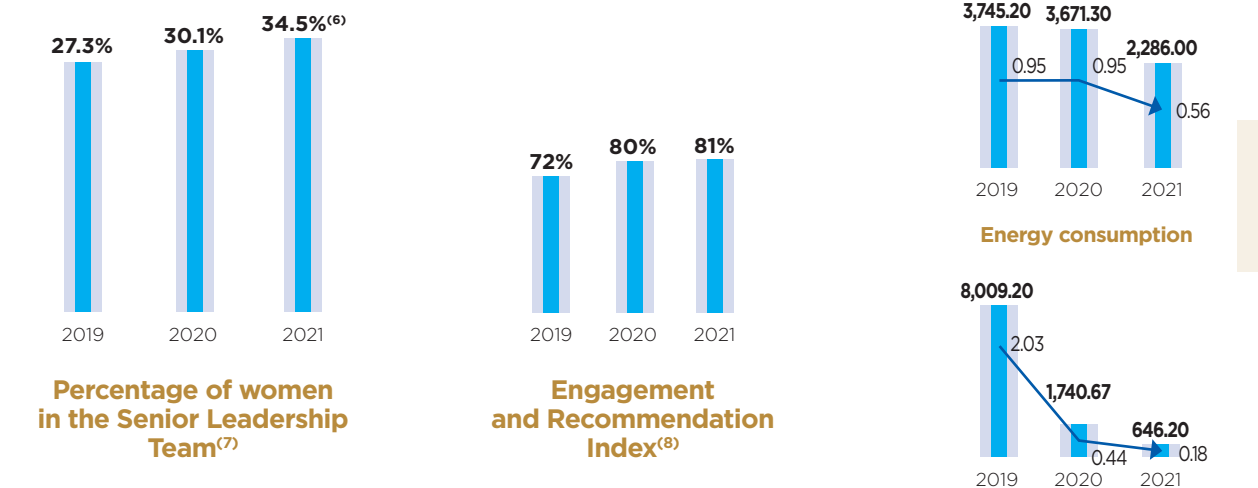


### Percentage of funds that have outperformed their benchmark (over 5 years)

87% in 2019      82% in 2020      86% in 2021

Data as of 31/12/2021. Gross outperformance vs. benchmark. If there is no benchmark, the relative performance used is the gross absolute performance.

## COMPANY'S NON-FINANCIAL PERFORMANCE



(6) Excluding Lyxor. (7) Groups Senior Executives for all countries and professions.

(8) Employee engagement rate, i.e. their willingness to go above and beyond the call of duty to contribute to the success of their company (Source: Towers Watson).



# 2

## Offering investment solutions for a fair transition



# Providing investment solutions that meet the expectations and risk profile of each client

## THE ISSUES

### Ageing populations, a major challenge for funding retirement in Europe

The combination of longer life expectancy and falling birth rates has led to a steady increase in the median age of Europe's population.<sup>(1)</sup> This constitutes one of the major social challenges European societies are facing today and will continue to face in the coming years. Furthermore, retirees' purchasing power (compared to the population at large) is set to decline. In France, for instance, it has remained relatively stable since 1996, but depending on how events play out, it is likely to fall to between 90% and 95% by 2040, further dropping to between 77% and 86% by 2070.<sup>(2)</sup> Thus the question of how to finance pay-as-you-go<sup>(3)</sup> public pension systems becomes even more pressing. Two additional issues have a bearing on this topic: the growing proportion of women among individuals of retirement age, given their statistically higher life expectancy compared to men,<sup>(2)</sup> and the increasing significance of ESG issues, which are changing the nature of the long-term investments required to cover future financing needs. These various pressures all call for the implementation of innovative and sustainable complementary savings solutions capable of addressing the financial needs of populations throughout their lives.



### Is Asia the new growth relay for global savings?

Since the turn of the century, the value of financial assets relative to the total adult population in Asia (excluding Japan) has increased sixfold.<sup>(4)</sup> Worldwide, Asian countries remain a small percentage of global financial savings, which are still heavily skewed to American households,<sup>(5)</sup> given how the latter's pensions are funded. However, their relative share of savings is expected to grow quickly in the coming years due to the rapid increase in purchasing power across Asian countries. In 2000, just 15% of the population were seen as potential asset management clients. By 2030, this number should reach 70%. The savings capabilities of Asian households should likewise increase exponentially. According to our estimates, real per capita GDP in China should double by 2035.<sup>(6)</sup>

(1) Source: Eurostat / Population structure and ageing - Statistics Explained (europa.eu).  
(2) Estimates published by France's Conseil d'Orientation des Retraites (COR), June 2021.  
(3) Pay-as-you-go retirement model in which contributions from current workers are used to fund payouts to current retirees.  
(4) Amundi Institute. Calculations based on The Global Wealth Databook 2021, Credit Suisse (June, 2021).  
(5) At end 2020, average financial assets per capita stood at USD 217,248 in the United States, versus USD 91,932 in Europe and USD 33,102 in China. Same source.  
(6) Amundi Institute.

## AMUNDI'S RESPONSE

Our investment solutions bring together our expertise in asset management and our capacity for technological innovation. The company has developed a full lifecycle approach that incorporates common savings goals from education, real estate and consumption through retirement and legacy. We also offer **flexible employee savings and pension solutions** designed to make it easier for savers to integrate the constraints of long-term investments.

Our powerful information systems and technology tools also mean we are swift to adapt our investment solutions to local specificities. **Our cross-border retirement savings solution, Amundi Retirement Solutions**, for instance, complies perfectly with the tax regulations of each country in which it is offered. **Amundi's adaptive capacities have been amply demonstrated in China**, where Amundi BOC Wealth Management has rolled out some hundred new products each year since it was established. By offering a wide range of services to distributors and end users, we are also making our solutions more accessible to them. **Our 100% digital offerings, such as *SecondaPensione***, provide bespoke support and advisory, helping to democratise savings solutions formerly reserved for private clients.

## 3 questions for...



Paolo Proli,  
Head of the Retail Division (Italy)

### How are Amundi's Retail solutions addressing the challenges of savings today?

Leveraging its expertise in asset management and innovative technology, Amundi is creating digital-native advisory and asset management solutions that are cost effective, easy to understand, and flexible, to support people of all ages using a life cycle approach. By offering solutions directly as well as training distributors, Amundi contributes to increasing financial awareness.

### Italy is something of a test case for these products, why?

Italy is a microcosm of Europe's future. Retirees outnumber workers almost four to one, while the gap between last wages and state pension is already 30% and set to increase. Today, only a third of Italy's 25 million employees have a complementary pension scheme. Of these, only 19% subscribe to open funds. So, there is a lot of room for improvement. Amundi is currently the number 1 international player in the market and growing, thanks to *SecondaPensione*, the country's 3rd ranked open-ended pension fund.

### How is *SecondaPensione* addressing these issues?

*SecondaPensione* offers five ESG-compliant investment strategies, including an automated solution which takes into account years left until retirement. Not only does significant automation keep fees low, the 100% digital sign-up and online information are a draw for younger clients. Some 17,000 of the fund's 88,000 subscribers are direct clients, representing 809 million of its 2.4 billion euros in assets under management.

## VALUE PROPOSITIONS FOR OUR CLIENTS:

### FACILITATE ACCESS TO EVERY ASSET CLASS FOR ALL

We are committed to providing a full range of investment solutions across traditional and real assets, with a 100% responsible approach. Our offering is continuously strengthened by the integration of new underlying assets or management styles and is available in the form of instruments accessible to all clients, both Institutional and individual.

#### Amundi Alternatives, the major new player in the market for liquid alternative assets

Amundi is seeking to strengthen the leadership position in the alternative investment space that Lyxor has occupied. Finalised in late 2021, the acquisition of this Société Générale subsidiary prompted the Group to create a dedicated business line, Amundi Alternatives. This new offer within active management rounds out Amundi's range of investment solutions and offers investors an innovative source of diversification and returns. Today, this business line accounts for more than 25 billion euros in assets under management. It includes an alternative asset fund platform consisting of UCITS\* (€6.8 billion) and a Dedicated Managed Account Platform, or DMAP (€16.2 billion). Amundi is aiming for a 50% increase in assets managed by the UCITS platform by 2025, and plans to significantly accelerate roll-out of the DMAP offering to Institutional clients abroad.

€189bn

The total assets under management of SBI Mutual Fund, the joint venture co-owned by State Bank of India (SBI) and Amundi.



**Vinay Tonse** // Managing Director and Chief Executive Officer, SBI Mutual Fund //

*"SBI and Amundi joined forces via SBI Mutual Fund to support the aspirational goals of Indian investors with quality investment solutions. **By bringing together SBI's 450 million customers in India with Amundi's international experience, we have become India's leading asset manager with a 16.4% market share in mutual funds.** 2021 was a banner year, with a record USD2bn collected in 14 days for our SBIMF Balanced Advantage Fund\* and the launch of several new-solution-based funds."*

## 3 questions for...



**Arnaud Llinas,**  
Head of ETF, Indexing and Smart beta

#### Where does Amundi stand today in terms of passive management?

The Lyxor acquisition has propelled Amundi's passive management strategy<sup>(1)</sup> to the forefront of European ETF providers. Assets under management in this segment stood at almost 190 billion euros<sup>(2)</sup> at end 2021, for a total market share of approximately 14%. This range, comprising more than 300 products, is also one of the most comprehensive on the market. Including Smart beta\* and Index solutions, passive management at Amundi represents 310 billion euros.<sup>(2)</sup>

#### You are aiming for a 50% increase in AuM by 2025. What growth drivers are you looking at?

The strong demand for passive management products, especially ETFs, will continue. Retail investors are expected to increasingly look to these products, especially as online platforms gain traction in Europe. Likewise, growing interest in responsible investment from both Institutional and Retail investors ought to favour ETFs, which are highly effective in facilitating ESG transition. In all these market segments, Amundi possesses extensive expertise and global distribution capabilities of considerable power, allowing the Group to capture a substantial share of growth in the market.

#### What offerings are you prioritising?

ESG products are naturally front and centre. Amundi's range of responsible ETFs is already the largest and most complete on the market. Our goal is to double the share of ESG ETFs we offer investors to 40% of all ETFs by 2025.

#### Amundi Real Assets are solid drivers of growth

Assets under management by Amundi Real Assets have grown an average of 11.1% per annum over the past five years. Positioned on a fast-growing market, Amundi's platform dedicated to real and unlisted assets (real estate assets, private debt, private equity, infrastructure, impact management, multi-management) managed 62.1 billion euros at end 2021. Inflows (+€4.6bn) were evenly split across its main areas of expertise (+€1.9bn in private equity, +€1.6bn in real estate, +€1.1bn in private debt), bearing witness to a savvy positioning, which aims to offer investors – both Institutional and private – innovative solutions that provide opportunities to invest in hard-to-access assets. Take, for instance, *Amundi Énergies Vertes\**, which came to market in 2021: Retail clients seeking to participate in the energy transition were able to invest directly in renewable energy infrastructure, usually reserved for Institutional clients.

Amundi Real Assets aims to continue international development on its existing strategies, while enriching its platform with new areas of expertise and thereby contributing to making these asset classes more broadly available to the public on the European markets.



+23%

The 2021 increase in assets under management of Amundi Private Equity Funds, which has passed the 10-billion-euro mark (€11.1bn as of 31/12/2021). Amundi Private Equity Funds is an especially important venture capital provider for SMEs and MSEs as well as a recognised specialist in fund selection on the private markets.

<sup>(1)</sup> ETF, Indexing and Smart beta.  
<sup>(2)</sup> Amundi data - ETF and ETP perimeter - including Lyxor as of 31/12/2021.

# Supporting the environmental transition while upholding the social contract

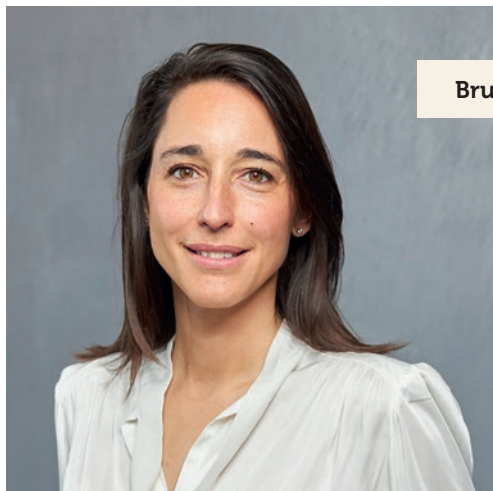
## THE ISSUES

### Making environmental transition a success...

The environmental transition and the fight to reduce global warming are now central concerns for most every economic agent. And because investments shape society and the world we live in, the financial sector can play a critical role in environmental transition. Indeed, this is what sustainable finance is all about. Its primary purpose is to align financial flows with climate objectives by favouring investments in companies which are the most committed to energy transition while using all the levers at its disposal to promote transition at other firms. To achieve this, asset management companies have several levers, both financial instruments such as green or social bonds and extra-financial such as indicators to be integrated in management strategies and ESG indexes. Financial players can also engage in dialogue with companies, encouraging them to revisit their strategies, or exert shareholder pressure through the exercise of voting rights.

### ... by addressing the social aspects of transition

Without social acceptance, there can be no transition to a low-carbon and environmentally friendly economy. Therefore, sustainable finance must also strive to take into account the social consequences of such a transformation. In particular, it must ensure that people working in industries being restructured are able to secure long-term employment in green industries, that consumers have access to sustainable products at affordable prices, that the costs and benefits of the transition are equitably shared across geographic areas and, more broadly, that all those affected are full participants in the environmental shift within the framework of a constructive social dialogue.



Brune Poirson // Chief Sustainability Officer, Accor //

*"Amundi and Accor have joined forces to protect the world's oceans by adopting the Ocean Framework. Accor is the first company to commit to this framework, established with the help of Amundi, as part of a dedicated reporting effort and strategy. As a global hospitality provider, we consider it our duty to place ocean protection at the core of our biodiversity policy. To do so, we need both a clear strategy and a robust reporting framework."*

## AMUNDI'S RESPONSE

Ever a pioneer in the development of responsible investment, Amundi is entirely committed to a socially just and environmentally friendly transition. With 847 billion euros in responsible investment assets under management (at end 2021), Amundi is the European leader and enhances its efforts with each passing year, **through the savings and investment solutions it offers clients, its engagement with companies and through its own governance.** On 6 July 2021, Amundi joined the Net Zero Asset Managers Initiative and announced **the alignment of its portfolios and activities with net zero emissions by 2050.** Previously, in April, Amundi launched the first-ever investment solution focused on a fair energy transition: the **Just Transition for Climate\*** European bond fund has quantifiable targets for supporting environmental transition while ensuring social cohesion.

## 3 questions for...



Christine Gentil,  
Head of Business Support and Operations

### Does that mean that ESG efforts are stabilised?

ESG is a constantly evolving workstream. We have, for instance, succeeded in stabilising our process for integrating ESG data gathered from third-party providers. However, we know already that their offerings will evolve considerably over the coming years. Amundi's ESG methodology will also change to take into account new criteria. Additional modules, like climate and impact, are already under development, with more on the way.

### What makes Amundi stand out from other asset management firms on these topics?

ESG is one of Amundi's founding pillars. Size lends us an engagement capacity that has no equal in Europe. But Amundi's true strength lies in the agility and flexibility of its IT tools. Our proprietary models combine industrialisation and customisation of processes, resulting in a unique ability to meet the specific demands of our clients, especially when it comes to ESG.

### Is the integration of ESG criteria in Amundi's processes complete?

We are almost there. Gathering and analysis of ESG data, as well as their integration within asset management processes, risk management tools and client reporting are all operational. Scaling of all these processes is either complete or underway. Full scaling of the ESG ratings component will be finalised in 2022. Data Management, Middle Office and Client Services teams will soon be trained to serve as "ESG ambassadors" supporting portfolio managers, answering questions and addressing the needs of our clients. ESG is everyone's business, and our Department has a key role to play.

# 10 million

...is the number of ESG data points Amundi's teams analyse each month.

## VALUE PROPOSITIONS FOR OUR CLIENTS:

### OFFERING A RANGE OF SOLUTIONS THAT IS 100% RESPONSIBLE

Beyond our own commitment to fair and responsible finance, we believe that integrating ESG considerations into investment choices is a source of long-term performance. Our goal is to offer a range of solutions that is 100% responsible to help our clients in their own transitions to a more sustainable ecosystem.

#### A responsible investment range for *Amundi Épargne Salariale et Retraite*

France's number 1 provider of employee savings schemes, pension investments and stock option plans, Amundi has earned a 'Relance' label for its Amundi Convictions ESR\* fund, designed specifically to serve collective retirement schemes (employee PERs) with close to 1 billion euros in assets under management at end 2021. Meanwhile, the CIES label *Amundi Épargne Salariale et Retraite* first earned in 2002 for its LABEL range of socially responsible investment (SRI) funds has been renewed on the basis of even more stringent specifications.



#### Amundi extends its range of ESG fixed-income ETFs

Amundi's range of ESG fixed-income ETFs is growing. March 2021 saw the launch of an additional bond fund Amundi Euro Corp 0-1Y ESG - UCITS ETF DR.\* In May, six of Amundi's 'vanilla' fixed-income funds were recalibrated to offer similar levels of ESG exposure. This broader palette will also include exposure to investment grade securities as well as global exposures and certain flagship strategies such as floating rate bonds. Additionally, Amundi has enriched its range of Climate ETFs with the launch of the Amundi iCPR Euro Corp Climate Paris Aligned PAB - UCITS ETF DR\* bond fund. As of now, Amundi offers investors all the essential blocks for building a highly ESG integrated fixed-income portfolio.

The weight of ESG ETFs in Amundi's total ETF inflows for 2021.

# 90%

## 3 questions for...



Kasper Elmgreen,  
Head of Equities

#### You have said ESG will be a leading driver of performance, what is your conviction?

We believe that sustainable business models will have longevity and will benefit from a world where ESG will matter more not less. Companies that proactively address ESG risks or pursue ESG opportunities will be rewarded by the market for doing so. We integrate ESG into our investment process and 100% of our active-managed open-ended funds exceed their benchmarks on ESG.

#### What makes the ESG Improvers\* franchise stand out from a 'classic' ESG approach?

ESG Improvers builds on that by "investing today in the ESG winners of tomorrow". We focus on companies not yet "best-in-class", but with a clear path to becoming one. This requires identifying companies with solid fundamentals and a capacity and commitment for positive ESG change. By investing in ESG Improvers we push companies on their transition to "best-in-class" (positive ESG) while expecting to benefit from the added performance that comes with "best-in-class".

#### In the current context, do you expect ESG to continue driving returns in 2022?

ESG is more relevant now than ever before. Clearly, what drives returns in any given year is uncertain, but ESG is the single most interesting long-term driver of opportunities in equities. The seismic changes that are happening across industries and companies to deal with the environmental transition to net zero or the social transition to deal with rising inequality offers critical risks and opportunities for equity investors. We analyze and incorporate these into our investment assessments, and through active ownership activities such as engagement we seek to improve the direction of travel on ESG.

#### Amundi BOC Wealth Management: a green offering from its very first year of operation

Amundi BOC Wealth Management (*Huihua* in Chinese) celebrated its first anniversary on 24 September 2021 amidst resounding success. By April 2021, its assets under management had swept past the one-billion-euro mark, reaching more than 10 billion euros at the end of the year. Amundi BOC Wealth Management occupies a unique position as the first foreign-majority owned joint venture in China's asset management landscape (Amundi owns 55%)<sup>(1)</sup>. The company succeeded in the smooth integration of Amundi's innovative technological services (and notably the ALTO system)<sup>(2)</sup> in a short timeframe which also contributed to accelerate its development. Amundi BOC Wealth Management is also committed to sustainable investment and has already launched a range of green solutions designed for the Chinese market. The first product in this thematic series, the China Green Development Fund,\* is a term fund invested in Chinese green bonds and equities. Amundi BOC Wealth Management's ambition is to become one of the market leaders in the Chinese wealth management landscape.

(1) The balance is held by BOC Wealth Management, a wholly owned subsidiary of Bank of China.  
(2) Amundi Leading Technologies & Operations.



## VALUE PROPOSITIONS FOR THE ENVIRONMENT AND SOCIETY:

### PROMOTING A FAIR TRANSITION

As the European leader in responsible investment, we are constantly innovating to offer solutions that are ever more consistent with our clients' expectations on social and sustainability issues, contributing to the transition towards an economy that is more respectful of social and environmental balance.

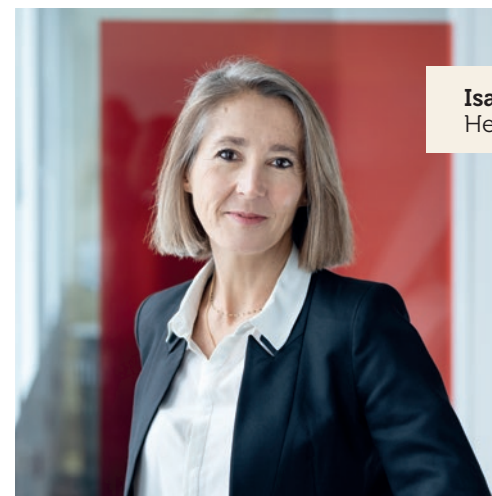
### The IFC and Amundi to support a green, resilient and inclusive recovery

In November 2021, the International Finance Corporation (IFC), a member of the World Bank Group, and Amundi announced plans for the launch of a new bond fund to support a green, resilient and inclusive recovery. The fund, built around the *Build Back Better Emerging Markets Sustainable Transaction Bond\** (BEST) strategy, will channel up to USD 2 billion of private investment into sustainable emerging market bonds. The BEST strategy will contribute to fulfilling IFC's commitments under the World Bank Group's Climate Change Action Plan. *'We are proud to continue developing our partnership with IFC following the success of the Amundi Planet Emerging Green One\* programme launched in 2018,'* commented Valérie Baudson, CEO of Amundi.

# €780bn

Assets under management at end 2021 comprised by Amundi's financial products (open-ended funds, dedicated funds and discretionary mandates) compliant with Articles 8 and 9<sup>(1)</sup> of the Sustainable Finance Disclosure Regulation (SFDR\*).

(1) Article 8: products that promote environmental or social characteristics among other features. Article 9: products that have sustainable investment or carbon emissions reduction as their objective.



**Isabelle Vic-Philippe** // Deputy Head of Aggregate and Head of Euro Aggregate //

*"Amundi Social Bonds\* is one of the first investment solutions to offer an allocation primarily in social bonds, the market segment posting the strongest growth within the sustainable bond universe in recent months. This financial instrument is suited to financing social projects without compromising returns. Amundi Social Bonds thus expands our responsible investment bond offering, while also supporting the development of the emerging social bond market."*



**Thierry Vallière** // Head of Private Debt //

*"We have designed this 4th vintage of the Amundi Senior Impact Debt fund IV\* with the same investment philosophy as its predecessor (III). It is dedicated to financing French and European mid-market companies that have demonstrated robust performance and a real capacity to rebound. Amundi Senior Impact Debt IV will focus on pure senior debt, with a special emphasis on ESG criteria. The fund, which raised €650 million at launch in September 2021, stood at €725 million at end December 2021."*

### CPR AM\* launches a climate theme focused on the hydrogen sector

CPR AM continues to innovate, with a new thematic investment strategy in international equities dedicated to the hydrogen sector launched at the end of 2021. CPR AM firmly believes that hydrogen will play a key role in energy transition. By 2050, hydrogen is expected to account for 17% of energy demand and reduce greenhouse gas emissions by a third. The investment universe of CPR Invest - Hydrogen\* comprises some 260 stocks. CPR AM's climate expertise now covers more than €2 billion of assets under management which contribute to making the transition to carbon neutrality a reality.



### BFT IM launches the BFT France Emploi SRI\* impact fund

BFT Investment Managers (BFT IM) has made 'Investing in France' a central tenet of its medium to long-term offerings. In addition to *BFT France Futur SRI\**, which targets mainly French SMEs, BFT IM launched *BFT France Emploi SRI* in June 2021. This impact fund, invested mainly in large French companies with the capacity to significantly influence employment, is backed by an SRI label and conducts annual engagement campaigns with multiple companies in its portfolio. The fund also donates 5% of its management fees to non-profits working to promote employment.





## VALUE PROPOSITIONS FOR OUR EMPLOYEES AND SOCIETY:

### FOSTERING STAKEHOLDER ALIGNMENT

To encourage companies to integrate fair transition into their environmental and social strategies, we engage in ongoing dialogue with issuers to ensure that they develop credible strategies for reducing their carbon footprint and that their executives make a share of compensation contingent on these efforts.

## 3 questions for...



Federico **Baroncelli**,  
ESG Investor Relations Manager, Enel

#### Enel has embraced Science-based emissions targets. What does this mean for investors?

Enel, which operates globally through an integrated business model that encompasses electricity generation, distribution and sale to final customers, has set a reduction target for its direct GHG emissions certified as 1.5°C compliant by the SBTi.<sup>(1)</sup> This ensures that we are doing our full share in reducing the roughly 40% of CO<sub>2</sub> emissions caused by electric utilities globally. Investors can thus be confident that our target is ambitious as well as based on science.

#### How does Net Zero balance with other priorities?

At Enel, we see sustainability as closely linked to value creation. We are decarbonising generation with the phase-out of legacy coal plants, replacing them with more profitable investment

in renewables. Meanwhile, we are helping other industries curb emissions through electrification. Our plan to 2030 provides for the deployment of around 100 GW of new renewable capacity that will generate value for all our stakeholders, including shareholders.

#### What role do you think shareholders such as Amundi can play to support companies in their race to Net Zero?

Shareholders are the owners of companies they are invested in. We believe that, as such, they have the possibility and the responsibility to engage with companies to make sure their strategies are aligned with the goals of the Paris Agreement. For us it is valuable and reassuring to have investors like Amundi that set energy transition and social cohesion as priorities and share their requirements in terms of ambitions, scope and disclosure. It shows we can count on shareholders' support in our transformation towards a Net Zero model.

**472** The number of companies Amundi had engaged in dialogue with on the topic of energy transition and climate change at end 2021.

**1,000** The number of additional companies Amundi is committed to engaging in continuous dialogue on climate with by 2025.

**93%** Amundi's latest score in the ShareAction 'Voting Matters' report, for its strong involvement in voting on resolutions related to climate change and social issues. Amundi received a score of 89% in 2020.

(1) Science Based Targets Initiative.

To change our society, we need to transform our company as well. We have established ambitious targets aimed at limiting the climate impact of our own business as well as our employees' footprint, while remaining mindful of the social fabric, a responsibility we take to heart as an employer.

#### 2025 objectives: ensuring all employees are on board with our new ambitions

Amundi's new societal plan 'Ambition 2025' aims to take our ESG commitments to the next level via the savings and investment solutions offered to clients and through engagement with companies. As part of this push, Amundi is also determined to ensure that employees are fully aligned with its new ambitions. To this end, 20% of criteria determining long-term variable compensation of Amundi's 200 senior executives will henceforth be linked to reaching responsible investment targets. Amundi has also taken on the challenge of reducing its own GHG emissions by 30% per employee. Achieving this will entail reducing energy consumption, business travel and promoting responsible behaviour by suppliers.

#### 2<sup>nd</sup> edition of the 'ESG Spirit' Challenge

Close to 600 Amundi employees from 23 countries took part in the second edition of our 'ESG Spirit' challenge. During the month of October, 2021, a total of 98 teams completed approximately 102,096,897 steps, the equivalent of some 1,842 marathons! The 2021 edition successfully reached all its goals to finance target projects by the four beneficiaries selected: Reforest'Action (planting 4,677 trees in 3 regions), Action Contre la Faim (assisting women to fight acute malnutrition), the International Committee of the Red Cross (to combat Covid-19) and Médecins Sans Frontières (helping vulnerable populations access medical care).

(2) Only direct employees are counted in calculating the employment rate of people with disabilities.

(3) The Senior Leadership Team consists of all Senior Executives from all countries and business lines.

**2.9%** Percentage of workers with a disability employed directly<sup>(2)</sup> by Amundi in France at end 2021, up from 2.83% at end 2020.

The number of young people Amundi hosted for training in 2021, of which 30% internationally. **1,000**



#### Workplace equality is a top priority at Amundi

For Amundi, promoting equal opportunity is not only ethically right, but also contributes to performance. The Group pursues a policy of respect for diversity in the workplace with a number of measures and actions that aim to ensure equal pay for men and women and to support women on the path to senior roles. Our talent pool today is 43% female, on par with the percentage of women employees. Amundi has furthermore set a target of having 30% women on its Executive Committee in 2022, and 35% women in senior leadership positions<sup>(3)</sup> by 2025. In 2021, Amundi's Executive Committee stood at 29.6%, and women now constitute more than 30% of top management bodies.



# 3

Supporting  
our clients  
in a changing  
world

# Advisory based on recognised expertise and offering new technological solutions

## THE ISSUES

### Increasing need for value-added services

In an uncertain economic environment with persistently low interest rates as well as new social and environmental challenges, both Institutional and Retail investors place increasing demands on asset managers. They want solutions that are ever more personalised, flexible and comprehensive with investments that span traditional and real or alternative assets, all with a responsible component. They are also increasingly open to advisory services, particularly when it comes to asset allocation and fund selection. Investors are looking for a more open architecture in order to access the best experts worldwide. To earn their favour, solutions must also deliver value-added services like training and access to high-quality research that goes beyond strictly financial and economic topics.



### The future belongs to digital solutions that are flexible and modular

In today's world, IT systems play a key role in addressing the challenges facing the asset management industry. However, the software solutions currently in use are obsolete, inflexible and costly, thus not fit for purpose. As a result, industry players need outsourced technology solutions that combine ease of use with swift adaptation, digitalisation with a modular architecture to deliver value-added services. Such platforms must also, naturally, be highly secure in all respects, including in terms of regulatory compliance, and offered on a fee schedule that allows total control over costs and their fluctuations.

# 39

The number of clients, of which 15 added in 2021, opting for one or more Amundi Technology solutions at end 2021.

## AMUNDI'S RESPONSE

All our investment solutions are matched with services that make it possible to adapt them to the profile and expectations of end investors or distribution networks. To help clients better understand major economic, financial and social dynamics, Amundi makes available **the work of its own fundamental research teams**. It has developed a comprehensive range of value-added services to support investors and distributors in their transformation challenges: **design of bespoke savings solutions, dedicated training, delegated asset allocation, fund selection services, access to a global external fund distribution platform, and more.** Amundi also provides a **range of technological tools** to meet other outsourcing needs, from management IT systems for portfolio managers to the digitalisation of client pathways for distributors. Amundi's modular platform, initially developed for its own activities, covers the entire asset management value chain. The core of this platform – the **ALTO<sup>(1)</sup> system** – is built on open-source solutions, and all its configurations are 100% cloud-based. The system is consequently unparalleled on the market in terms of its ability to evolve and innovate, its modularity, its security and its pricing conditions.

### Amundi Academy: digital services to support the skills development of our partner networks' advisors

The world of distribution is changing rapidly and there is an increasing need to develop financial education for advisors. To meet this growing demand from distributors, a complete range of digital tools has been designed at the heart of Amundi Suite services to complement existing features. Amundi Academy offers facilitation tools to learn in a fun way, interactive educational content on asset management, and individual training courses leading to certification on a personal Academy account. This enables distributors to measure the impact of their training campaigns through statistics. There are currently nearly 20 platforms available to our distributor partners, mainly in France and Europe. In Belgium, two distributors have had their platform recognised by the local regulator (FSMA). An ALTO Academy is being prepared to help Amundi Technology clients get to grips with ALTO's functionalities.

(1) Amundi Leading Technologies & Operations.

## 2 questions for...



Emmanuel Asfar,  
Head of R&D

### ALTO,<sup>(1)</sup> the core system of Amundi Technology's offer is presented as cutting-edge technology. What makes it so?

ALTO is ahead of its time in part because it prefigures – and already embodies – the solution that best covers the expectations of asset management players. From inception, it was designed as a platform, not as software. In fact, ALTO covers the entire asset management value chain (trading, middle office, reporting, compliance...), but it does so with modular components that are all at once autonomous, cross-communicating and snap-together easy to assemble. ALTO thus pinpoints and addresses the integration and interoperability issues confronting IT systems in the financial industry.

### Will you be able to maintain your lead?

Amundi has never outsourced its IT services and has thus honed its mastery of both the asset management business and information technology. This has enabled us to create systems that are always at the cutting edge in operational terms, while systematically integrating new data sources or asset classes. ALTO's components are also developed using open-source technology, which gives them an unmatched capability to evolve and innovate. By drawing on Amundi's operational experience – and even on the IT skills of its users, some of whom now contribute to its technological development – ALTO is determined to remain the front runner.

## VALUE PROPOSITIONS FOR OUR CLIENTS:

### PROVIDING ADVISORY AND SERVICES TO HELP CLIENTS FOCUS ON CORE BUSINESS

To help our clients make their investment choices and to help them better understand the major economic, financial and societal dynamics of our times, we share with them the work of our own fundamental research teams. We provide clients with optimised solutions enabling them to manage or delegate their asset allocations and to access the best management expertise worldwide.

#### Amundi creates the Amundi Institute

This institution seeks to help investors better understand the multiple economic, financial, geopolitical, societal and environmental dimensions of their investment universe. It also strives to be in the vanguard of evolving best practices in asset allocation and portfolio construction. Created in early 2022, the Amundi Institute aims to strengthen advice, training and ongoing dialogue on all of these subjects with investors, from individuals to Institutionals and Retail distributors, regardless of whether Amundi manages assets on their behalf. The new division, which has a staff of around 60, houses Amundi's economic and quantitative research, market strategy and asset allocation advisory activities.



**Karin Franceries** // Head of OCIO Advisory //

*"With the launch of Amundi Outsourced Chief Investment Officer (OCIO) Solutions, Amundi offers Institutional investors investment strategy advice and services that allow them to completely outsource their portfolio allocation and monitoring. Given the challenges confronting our clients, including macroeconomic uncertainty, market instability, changing regulations and the increasing cost of infrastructure and IT systems, delegating operational complexity to Amundi makes sense, allowing them to focus on their core business."*

## 2 questions for...



**François Bocqueraz,**  
Head of Sub-Advisory and Fund Hosting\*

#### What can you tell us about Amundi's newly launched Fund Channel Investment Partners?

This is a new service promoted by our Solutions & Services business line and designed to address a growing need for open-architecture solutions among segments of our clientele (partner networks, third-party distributors and private banking). This delegated management (sub-advisory) solution has a clear purpose: offering access to the best investment strategies of asset managers outside the Group at the best possible price, with all the rigour Amundi is known for, particularly as regards risk management.

#### How would you describe your competitive edge?

Amundi stands out for its selectivity, its modular approach and its industrial-scale competitiveness. We assist our Retail distribution and Institutional investor clients in setting up bespoke sub-advisory solutions, while also providing off-the-rack sub-funds that are standardised and with a good performance track record at extremely attractive rates.

#### Fund Channel broadens its offering

Fund Channel, a B2B fund distribution platform wholly owned by Amundi, passed a development milestone in September 2021, adding new services, such as order routing, execution and custody to its offering for asset managers and distributors. In October, an agreement with 3D (Distributor Due Diligence Ltd) made it possible for the Fund Channel platform to incorporate an automated due diligence management system for management companies *vis-à-vis* their distributor networks. Founded in 2005, Fund Channel has more than 330 billion euros<sup>(1)</sup> of assets under intermediation and offers a one-stop-shop solution for some 600 fund management companies and more than 100 fund distributors.

*(1) As of 31/12/2021.*



## VALUE PROPOSITIONS FOR OUR CLIENTS:

### OFFERING MODULAR PLATFORMS GEARED TOWARDS INVESTMENT PROFESSIONALS

The rise of digital platforms for the disintermediated distribution of financial products is today inexorable. The solutions provided by our Amundi Technology business line, based on the proprietary ALTO<sup>(1)</sup> system, have no equivalent on the current market. Cloud-native, totally modular and constantly updated, they cover the entire asset management value chain and comply with all regulatory and security constraints.

## 3 questions for...



**Guido Bolliger,**  
Chief Investment Officer, Asteria Investment Managers

#### What prompted Asteria IM to outsource operations?

A sophisticated operational platform calls for ongoing investments because technology changes fast. We wanted to focus on our core skills: portfolio management and product distribution, as well as maintain a lean cost structure. So, outsourcing was an obvious win.

#### What factors made you decide to choose ALTO<sup>(1)</sup> Investment?

First, Amundi Technology has a mature solution whereas competitors lacked the specific services we needed. Second, ALTO is flexible enough to accommodate our systematic and automated investment process. The offer also

met our need to efficiently manage our impact investments for the Asteria Planet Equity Fund\* and Asteria Climate Bond Fund.\* But the outstanding team is what clinched it.

#### How does ALTO support your day-to-day activities?

We use the platform at every level. Portfolio managers use ALTO for trading and cash management. ALTO's execution teams perform best selection and best execution while providing valuable insights, especially in Fixed Income, where liquidity is always a challenge. Risk and compliance rely on ALTO in performing pre-compliance and post-trade risk checks, whereas marketing uses it for factsheets. Lastly, Amundi Technology performs middle office tasks, like reconciliations.

#### ALTO launches in China

The ALTO<sup>(1)</sup> system is now up and running at Amundi BOC Wealth Management Company, the joint venture launched in late 2020 by Amundi (55%) and BOC Wealth Management (45%). The solution developed by Amundi has once again demonstrated its ability to quickly adapt to the specificities of a local market. ALTO Investment, here translated into Chinese, compliant with local regulations and connected to the main operators of local markets, is one of the only non-domestic systems in use.

(1) Amundi Leading Technologies & Operations.

#### Amundi Technology launches ALTO sustainability

The Amundi Technology range is expanding. ALTO<sup>(1)</sup> Investment (the business line's modular platform covering the entire asset management value chain), ALTO Wealth & Distribution (for Retail distributors) and ALTO ESR (for those in the employee savings and pension space) are now joined by specialist solutions that leverage Amundi's experience and know-how. In particular, Amundi Technology has launched ALTO Sustainability, a highly technical tool for analysis and decision-making on environmental and societal issues. Among other features, the platform allows investors to design their own methodology and analyse their portfolios' exposure to various ESG criteria and aspects of climate risk.

#### BNY Mellon chooses Amundi Technology

In February 2022, BNY Mellon opted for the ALTO<sup>(1)</sup> platform to ensure trustee controls and compliance monitoring for depository and fund administration duties in Europe and the Americas. The solution BNY Mellon selected is ALTO Investment Compliance, a component of the ALTO Asset Servicing range. This tool relies on a private cloud and is entirely programmable by its users.



At the 2021 Asset Management Awards, organized by *Funds Magazine/Option Finance*, Amundi took top prize in the Digital Innovation category.

# 1<sup>st</sup> prize



# Glossary

## Amundi's funds

Amundi Finance et Solidarité, **page 30** / SecondaPensione, **page 37** / SBIMF Balanced Advantage Fund, **page 38** / Amundi Euro Corp 0-1Y ESG - UCITS ETF DR, **page 40** / Amundi iCPR Euro Corp Climate Paris Aligned PAB - UCITS ETF DR, **page 40** / Just Transition for Climate, **page 41** / Amundi Convictions ESR, **page 42** / ESG Improvers, **page 43** / China Green Development Fund, **page 43** / Build Back Better Emerging Markets Sustainable Transaction Bond (BEST), **page 44** / Amundi Planet Emerging Green One, **page 44** / Amundi Social Bonds, **page 44** / Amundi Senior Impact Debt (IV), **page 45** / CPR Invest - Hydrogen, **page 45** / BFT France Emploi ISR, **page 45** / BFT France Futur ISR, **page 45**.

## Other funds

Asteria Planet Equity Fund, **page 54** / Asteria Bond Fund, **page 54**.

These funds do not guarantee performance and present a risk of capital loss.

## CPR AM

**Pages 10, 13, 45**

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.

## Fund hosting

**Page 53**

Hosting solutions ranging from the creation of investment vehicles (including UCITS and Alternative Investment Funds) to support marketing of expertise, by making its infrastructure available to its clients.

## Multi-Asset

**Pages 4, 6**

Multi-asset investment provides exposure to a globally diversified group of asset classes and investment styles

## Raison d'être

**Pages 1, 20, 32**

According to the Notat-Senard report of March 2018 entitled "*L'entreprise, objet d'intérêt collectif*", raison d'être is defined as what is "essential to fulfil the corporate object, i.e. the scope of the company's activities". The Crédit Agricole Group's raison d'être, "Working every day in the interest of our clients and society", is not a statutory concept and was formulated as part of the Group's project and the 2022 Medium-Term Plan.

## Responsible investment universe

The Responsible investment universe is made up of investment products, funds and mandates, which integrate extra-financial criteria into their investment process, known as "responsible" criteria (ESG: Environmental, Social and Governance; sustainability objectives; ethical considerations).



## Say on Climate

**Pages 30, 31**

A resolution submitted to the General Meeting for advisory vote; it can be tabled by the company itself or by its shareholders. Its purpose is to have shareholders vote each year on the company's climate policy and, in so doing, to ensure ongoing dialogue on the subject.

## SFDR regulation

**Pages 19, 32, 44**

The European Sustainable Finance Disclosure Regulation (SFDR) came into force on 29<sup>th</sup> December 2019 and application started 10<sup>th</sup> March 2021. SFDR requires financial market participants (FMPs) and financial advisors (FAs) to provide investors with certain ESG-related information in relation to financial products. This aims to enable investors to make informed investment decisions based on ESG factors.

## Regulation key takeaways

FMPs and FAs will have to:

1. divide their product range into three categories: ESG products, Sustainable Investment products, and products that do not meet these qualifications,
2. disclose information at entity and product level about how they take sustainability risks into account in their investment decisions, the characteristics and possible negative impacts (or adverse sustainability impacts) of financial products that they present as sustainable,
3. monitor and align the disclosures in different media (websites, product documentation, and annual disclosures),
4. disclose accessible and reliable information on the climatic, environmental and social specificities of their assets.



## Smart beta

**Pages 6, 39**

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.

## UCITS

**Pages 6, 19, 38, 42**

Undertakings for Collective Investment in Transferable Securities Directives. A set of measures established by European Union directives to allow investment funds to operate freely in each of the European Union countries, with distribution subject to a minimum of national constraints by governments or local regulators.

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**Amundi,  
a trusted partner  
working every day in the interest  
of its clients and society**



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