
**Confidence
must be earned**

Amundi
ASSET MANAGEMENT

AMUNDI'S AMBITION 2021: A 3-YEAR ACTION PLAN TO STRENGTHEN RESPONSIBLE INVESTMENT

ESG IS WHO WE ARE: TODAY, WE ARE TAKING IT FURTHER THAN EVER

Responsible Investment is one of Amundi's four foundational pillars. Indeed, we have always been at the forefront of environmental, social, and governance (ESG) best practices in our investments. Today, based on methods we have honed over years, Amundi is making an even greater effort to integrate ESG criteria into a mainstream process. Our choice is anchored in a conviction that this is part of our fiduciary duty to our clients, and that a company which respects the environment, values its human capital and has healthy governance practices is better equipped to outperform in the long run.

To this end, Amundi has already applied filters that exclude the worst-rated companies by its ESG analysts to more than €1.4 trillion of assets under management. Additionally, Amundi manages more than €280 billion in responsible assets, incorporating environmental, social and/or governance factors into investment decisions, to better manage risk and generate sustainable, long-term returns that address sustainable development issues.



‘ Amundi has built both a solid and a recognized ESG analysis process and launched innovative initiatives to promote investments with powerful environmental and social impact. We now aim to make ESG criteria mainstream in investment processes and voting policies. ’

Stanislas Pottier, Chief Responsible Investment Officer at Amundi

With the 3-year plan, Amundi aims to implement a positive ESG approach to allocation choice across all our open-ended portfolios. Amundi is moving beyond an exclusion-only approach to establish an unprecedented level of ESG integration throughout the organization. Additionally, Amundi will continue to design innovative responsible solutions to respond to all clients' needs.

Our ESG ratings are produced by our experienced in-house team of ESG analysts according to a proprietary methodology that takes into account both qualitative and quantitative dimensions with a Best-in-Class approach. These experts conduct ongoing dialogue with companies and exercise their voting rights at general assemblies to gather information and promote best practices, just one of the ways in which Amundi fosters overall improvement in the marketplace.

Our commitment to generalizing a strong and positive incorporation of ESG criteria reflects our constant dialogue and exchange with the institutional and retail investors we ultimately serve. Our partnerships with them are drivers of learning and action in the realm of responsible investing. Concretely, the Amundi 3-year plan comprises an ambitious set of goals to meet their current and future needs.

AMBITIONS

Mainstream ESG-investing

1	100% ESG INTEGRATION By 2021, all actively managed open-ended funds will have to maintain a higher ESG score than their benchmark index. Basically, that means mainstreaming the practice of over- or underweighting holdings based on ESG ratings. Beyond the voting & engagement policy, passive strategies can integrate ESG through ready-to-use ESG index funds and ETFs or customized solutions.
2	100% COVERAGE FOR ESG ANALYSIS (8,000+ COMPANIES) Amundi possesses a strong in-house team of ESG analysts who apply a proprietary methodology that has 36 criteria based on both international norms and input from respected ratings agencies, as well as dialogue with companies, to ensure reliable qualitative and quantitative assessment of issuers. The ESG analysis is summarized as a lettered rating from A (best) to G (worst). Building on this strong foundation, we plan to cover 100% of the securities in Amundi's portfolios and benchmark indexes.
3	100% INTEGRATION OF ESG IN VOTING In 2018, Amundi voted at over 2,500 General Meetings. By 2021, 100% of Amundi's votes will take ESG issues into consideration. We take our shareholder responsibilities seriously as part of the mission entrusted to us by our clients. Engagement and voting constitute a strong lever for promoting positive change that creates value for the whole marketplace.

Foster Innovation

4	ACCELERATING INNOVATIVE CLIMATE SOLUTIONS Already a leader in specialist funds dedicated to ESG, Amundi is accelerating its development of innovative solutions to finance climate-positive developments and energy transition. We prioritize initiatives that stimulate both supply and demand as well as contribute to building a dynamic marketplace for responsible investment instruments.
5	EXTENDING INVESTMENTS IN THE SOCIAL ECONOMY Amundi is a leader in social impact investing in France. The 3-year plan is set to more than double current investment levels, as well as to extend the reach of these activities in Europe. Our goal is to cover a broader geographical area, and help more clients have an impact on their local communities.
6	DOUBLING OUR ESG PASSIVE MANAGEMENT To accompany investors looking to combine passive investment with a responsible approach, Amundi plans to enhance the Responsible Investing ETF and open-ended index funds range, implementing a systematic exclusion of the worst-rated companies in all open-ended funds and developing innovative ESG overlay solutions.

Accompany and Advise Investors

7	ENHANCING STRATEGIC ADVICE & SERVICES Amundi is committed to working alongside both institutional and retail partners to accompany their ESG development. Going forward, we will focus on helping investors define ESG objectives, preferred approaches and tools to measure achievement against their philosophy and evolving needs.
8	SHARING KNOWLEDGE AND BEST PRACTICES Through our client knowledge-sharing program, the 'Amundi Executive Program', we aim to disseminate best practices. This high-level forum brings together the CEOs and CIOs of asset owners to share their experiences and convictions.
9	CONTRIBUTING TO THOUGHT LEADERSHIP Through the Medici Committee, a think tank, Amundi engages in thought leadership to address the major societal challenges confronting businesses worldwide, and contributes to an ongoing process of reflection focused on the principles, applications and impacts of responsible investment. Additionally, Amundi will continue to publish research dedicated to ESG investing.

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The "Low carbon" indices of the open-ended funds strategy do not have as an objective to exclude all companies emitting carbon but rather to reduce the representativeness of the latter compared to the composition of the parent index. Each strategy index will maintain a sectorial and geographic composition similar to its parent index. Their construction is realized in an objective of performance, tightly correlated to those of the parent indices. Hence, the deviation of geographic and sectorial weights of the strategy index compared to the parent index is limited to 2%.

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