



# 2022 Climate and Sustainability Report

Trust  
must be earned

**Amundi**

This Report meets the requirements of Article 29 of the French Energy and Climate Law and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

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# Foreword

**J**une 2023. As we finalise this 2022 Climate and Sustainability Report, which meets the requirements set out in Article 29 of the French Energy and Climate Law, signs that the climate crisis is bearing down on all the world's countries and societies are multiplying.

As emphasised in the latest [report from the Intergovernmental Panel on Climate Change](#) (IPCC), this is a decisive decade. Our ability to change the trajectory of global warming and avoid the worst consequences of climate change depends on our actions over the next ten years. Commitments have been made since the Glasgow conference, notably by the financial sector: it is now less a matter of saying than of doing, in modest measure perhaps, but with resolution and tenacity.



Amundi is amongst the pioneers of responsible investment. When we were founded in 2010, shortly after a major financial crisis, we understood that beyond the responsibility that our role as an investor entails directly, there is a need to earn and retain the trust of our stakeholders: investors, customers and employees. In times like the ones we live today, when we need to move away from business as usual and embrace fundamental change, this trust is essential. The battle against climate change requires truly collective action. Success can be achieved only through close collaboration and alignment between players, between sectors and between countries, all of which require trust above anything else.

Confronted with this reality, Amundi's approach has always been the same: we say what we do and do what we say. We have put in place an ambitious strategy as a responsible investor, one which we constantly seek to improve, and which we are committed to reporting on and making clear for all. The present report partakes of this dedication to transparency. In line with the requirements of the French Energy and Climate Law and the TCFD recommendations, its aim is to provide our stakeholders with the most accurate, sincere and well-documented information possible on the status of our strategy and our progress on climate and biodiversity issues.

**We hope you enjoy reading it.**



**Jean-Jacques Barbéris**  
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The publication of this report complies with Decree no. 2021-663 of 27 May 2021, known as “Decree 29 LEC,” pursuant to Article 29 of the “Climate Energy Law” of 8 November 2019, consistent with the French regulatory framework (Article 173-VI of the French Law on Energy Transition for Green Growth, also known as the LTECV), which supplements certain provisions regarding the publication of information on sustainability in financial services (SFDR). The content of the 29 LEC Report aims to increase the transparency of financial services providers with regard to their extra-financial practices, especially how they take into account climate and biodiversity risks.

This report has been drafted to meet the obligations of the following French entities of the Amundi Group:

- Amundi Asset Management (Amundi AM)
- BFT Investment Managers (BFT IM)
- CPR Asset Management (CPR AM)
- Société Générale Gestion (S2G)
- Amundi Real Estate\*
- Amundi Private Equity Funds (Amundi PEF)\*
- Amundi Transition Energétique (ATE)\*

\*These three entities are part of the Amundi Real Assets platform.

The entities “Lyxor Asset Management” and “Etoile Gestion” having been absorbed by Amundi AM and Société Générale Gestion on 31 June and 31 December 2022, respectively, they no longer figured on the list of Amundi Group companies at 31 December 2022. However, this report takes into account the voting activity of these entities during 2022 for voting data consolidated at Group level.

This document is available on the websites of the entities concerned.

# LEC 29 REPORT

# 1 Information on the entity's general approach

## 1.1 The entity's general approach to environmental, social and governance criteria

Amundi is a pioneer in responsible investment, a value that has been central to its identity since its creation. Amundi has been one of the founding signatories of the Principles for Responsible Investment (PRI) since 2006.

Our commitment to responsible investment has been foundational and remains central to our approach. This commitment relies on three convictions:

- Economic and financial actors carry, as well, a strong responsibility towards society.
- The integration of Environmental, Social or Governance (ESG) criteria in investment decisions is a driver of long-term financial performance.
- The acceleration of our ESG ambition is the first lever of growth for Amundi globally.

As a responsible asset manager, part of Amundi's fiduciary duty is to contribute positively to addressing today's major socio-economic and environmental challenges in the interests of our clients, our stakeholders and of society. We embrace the concept of "double materiality" around which we build our proprietary ESG analysis and rating methodology. This means that our ESG analysis aims at not only assessing the way ESG factors can materially impact the value of companies, but also how companies can impact the environment, and social matters or human rights.

### 1.1.1 An ambitious responsible investment policy

Amundi's general approach to integrating ESG criteria into its investment policy and strategy is based on three pillars:

- Our targeted exclusion policy,
- The integration of ESG scores in our investment processes, and
- Our stewardship policy.

The three pillars are detailed below. Further information on the policy for integrating sustainability risks is presented in section 8 of this report.

## a. Targeted exclusion policy

As part of its fiduciary responsibility, Amundi applies a targeted exclusion policy to all its portfolios<sup>1</sup>. These rules are applicable to all active management strategies over which Amundi has full discretion. They are also applicable to passive management ESG funds whenever possible (with the exception of highly concentrated indices). They concern issuers exposed to the exclusion rules and thresholds set out in our sector policy, issuers that do not comply with internationally recognised agreements and/or frameworks or national regulations. This exclusion policy is implemented in the portfolios subject to compliance with applicable laws and regulations, and unless otherwise requested by clients.

### Entities: Amundi AM, BFT IM, CPR AM, S2G

These global exclusion policies address the most significant sustainability risks linked to:

- Environmental risks: climate (companies developing new thermal coal capacities, thermal coal mining, thermal coal power generation, unconventional fossil fuel), and environment (breaches of [UNGC](#) Principles 7, 8 & 9);

- Social risks: health (complete tobacco product manufacturers), labour and human rights (breaches of UNGC Principles 1, 2, 3, 4, 5 & 6);
- Governance: corruption risk management (breaches of UNGC Principle 10).

In addition, Amundi has implemented new exclusions for nuclear weapons in 2022, in compliance with international treaties aimed at limiting proliferation.

For more information on the exclusion policy, please refer to [annex 1](#).

### Entities: AET, Amundi Real Estate, Amundi PEF

Amundi Real Assets applies targeted exclusion rules in line with those set out in the Group's exclusion policy. The nuclear energy value chain is also excluded for the portfolios managed by its subsidiary Amundi Energy Transition (AET), dedicated to financing infrastructure projects in the energy transition sector. At each stage of the investment strategy, the impact analysis and the situation of beneficiaries take precedence over any other decision making criteria.

## b. Integration of ESG criteria in our analysis and investment process

We firmly believe that ESG analysis consolidates value creation as it provides a holistic understanding of the overall company. This view has led us to integrate ESG criteria across all our active management processes, and to implement an engagement policy, where applicable. Our integration of ESG risk factors is based on the conviction that a strong sustainable development policy enables companies and other types of issuers to better manage their regulatory and reputational risks in addition to improving their operational efficiency.

### Entities: Amundi AM, BFT IM, CPR AM, S2G

Amundi's ESG scores and criteria, as well as complementary E, S or G key performance indicators ("KPIs") are all made available in Amundi portfolio managers' front office

portfolio management systems and are available at issuer level and portfolio level. Amundi ESG scores represent a key source of information for portfolio managers to take into account sustainability risks in their investment decisions.

The ESG score aims to measure the ESG performance of an issuer, e.g. its ability to anticipate and manage the sustainability risks and opportunities inherent to its industry and to its individual circumstances.

For corporate issuers, companies are assessed on a scale from A to G using a set of 38 criteria (each of the 38 criteria is also rated from A to G), which are either generic, common to all companies regardless of their business sector, or sector specific.

1. For more information on the scope of the exclusion policy, please refer to [annex 1](#)



ESG pillar	Generic criteria	Sector-specific criteria
Environment	<ul style="list-style-type: none"> <li>✓ Emissions &amp; Energy</li> <li>✓ Water Management</li> <li>✓ Biodiversity &amp; Pollution</li> <li>✓ Supply Chain - Environment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Clean Energy</li> <li>✓ Green Car</li> <li>✓ Green Chemistry</li> <li>✓ Sustainable Construction</li> <li>✓ Responsible Forest Management</li> <li>✓ Paper Recycling</li> <li>✓ Green Investing &amp; Financing</li> <li>✓ Green Insuring</li> <li>✓ Green Business</li> <li>✓ Packaging</li> </ul>
Social	<ul style="list-style-type: none"> <li>✓ Health &amp; Safety</li> <li>✓ Working Conditions</li> <li>✓ Labour Relations</li> <li>✓ Supply Chain - Social</li> <li>✓ Products &amp; Customer Responsibility</li> <li>✓ Communities Involvement &amp; Human rights</li> </ul>	<ul style="list-style-type: none"> <li>✓ Bioethics</li> <li>✓ Responsible Marketing</li> <li>✓ Healthy products</li> <li>✓ Tobacco risks</li> <li>✓ Vehicle safety</li> <li>✓ Passenger safety</li> <li>✓ Responsible Media</li> <li>✓ Data Security &amp; Privacy</li> <li>✓ Digital divide</li> <li>✓ Access to medicine</li> <li>✓ Financial Inclusion</li> </ul>
Governance	<ul style="list-style-type: none"> <li>✓ Board Structure</li> <li>✓ Audit &amp; control</li> <li>✓ Remuneration</li> <li>✓ Shareholders rights</li> <li>✓ Ethics</li> <li>✓ ESG strategy</li> <li>✓ Tax Practices</li> </ul>	Not applicable

Source: Amundi, 2022

Our strategy is based on the inclusion of ESG criteria in all open-ended funds actively managed by Amundi, in order to offer our clients investment solutions that seek to reconcile financial performance and the achievement of non-financial objectives while complying with the level of risk they have chosen.

For each fund, a benchmark representative of the investment universe is defined for that purpose (the ESG benchmark).

The fund's aim is to have a better weighted average ESG score than its ESG benchmark. This process applies, when possible, to all of Amundi's actively managed open-ended funds. Many individual products and families of funds

also have deeper ESG integration, through higher selectivity, rating or non-financial indicator upgrade, thematic selection, etc.

Portfolio managers and investment analysts from all investment platforms have access at all times to issuers' ESG scores, and related ESG analytics and metrics at issuer or portfolio level through the Portfolio Management System ALTO\*2 Investment and its various modules.

### Entities: AET, Amundi Real Estate, Amundi PEF

Amundi Real Assets has developed a customised ESG analysis methodology tailored for each strategy (real estate, multi-management, private debt, private equity, green infrastructure



and social impact). Any opportunity received and presented to the investment committee is the subject of ESG due diligence that provides in-depth analysis of any non-financial risks identified. This due diligence is an integral part of the analysis criteria and supplements the financial analysis, which is carried out in parallel. This enables investors to limit the financial risks (regulatory, operational and long-term reputational) associated with an investment and to fully discharge their responsibilities. ESG due diligence is carried out by all areas of expertise, in collaboration, where necessary, with Amundi's ESG experts. Depending on the assets it may include the sending of questionnaires, discussions with the company's management and reviews of sector studies by nonfinancial rating agencies.

- For the real estate area of expertise: the ESG due diligence carried out on any investment opportunity is two-dimensional, incorporating: Analysis of the underlying real estate asset and analysis of the tenant.
- For the green infrastructure area of expertise: in addition to analysis of the assets, ESG due diligence also includes: analysis of coinvestors, analysis of the assets' operator, and for assets that produce renewable electricity, analysis of the electricity buyer under B2B contracts (other than operators mandated by public authorities to act as references on public requests for proposals).

For more information on the ESG rating methodology, please refer to Amundi's Responsible Investment Policy 2022, [available on the website](#).

## c. Stewardship policy

### **Entities: Amundi AM, BFT IM, CPR AM, S2G**

Stewardship activity is an integral part of Amundi's ESG strategy. Amundi promotes a transition towards a sustainable, inclusive low carbon economy. Apart from the systematic integration of ESG criteria within our active investment, Amundi has developed an active stewardship activity through engagement and voting through:

- A proactive engagement policy that seeks to:
  - Contribute to best practice dissemination and drive a better integration of sustainability in our investees' governance, operations and business models
  - Trigger positive change concerning how investees are managing their impacts on specific topics paramount to the sustainability of our society and our economy, support the investees in their own transition towards a more sustainable, inclusive and low carbon business model
  - Push investees to increase their level of investment in Capex/R&D in highly needed areas for this transition.
- A voting policy emphasising the need for corporate governance and boards to grasp the environmental and social challenges, their related risks and opportunities, and ensure that they are appropriately positioned and prepared to handle the transition towards a sustainable, inclusive and low carbon economy.

### **Entities: AET, Amundi Real Estate, Amundi PEF**

Each area of expertise has a significant role to play in promoting positive change and, in addition to taking ESG risks and opportunities into account in our investment decisions, we have various levers at our disposal to generate impact.

Amundi Real Assets believes that daily engagement with companies is a key part of promoting concrete change and contributing to the transition to a sustainable and low-carbon economy. In this respect, the form of engagement promoted by Amundi Real Assets relies on its desire to help companies improve their environmental, social and governance practices, in particular via the active and ongoing dialogue it maintains with its counterparties.

Due to the close working relationships enjoyed by each area of expertise with its operators, issuers, partners and investee companies, Amundi Real Assets' role, now more than ever, is one of awareness-raising, support and encouragement over the long term.

## 1.1.2 A dynamic strategy for responsible investment

### a. The ESG Ambitions 2025 plan

Having confirmed its position as European leader in responsible investment at the end of 2021 by finalising its 2018-2021 ESG strategic plan, in December 2021 Amundi announced that it would further bolster its commitments to a fair environmental transition through a new ESG Ambitions 2025 plan.

This new social and environmental plan will enable us to continue to deepen the ESG integration of our investment solutions, strengthen our savings offer for sustainable development and set internal alignment objectives in line with Amundi's ESG commitments. This new three-year plan includes a set of ambitious objectives that meet clients' current and future needs in terms of responsible investment.

The ESG Ambitions 2025 plan is comprised of ten key measures across three strategic pillars.

#### Strengthen our offer in ESG saving products to serve sustainable development:

1. 100% of actively managed open-ended funds will carry an assessment of companies' decarbonisation efforts and the development of their green activities.
2. A complete range of actively managed "Net Zero Transition" savings products will be established across all major asset classes.
3. A target of €20 billion assets under management in impact funds to support investments having positive contribution to the environment and social cohesion.

4. A target of 40% of the ETF range will be integrating ESG criteria to accelerate and facilitate access to responsible investments.

5. Develop the ALTO\*<sup>3</sup> Sustainability offer, a technology support for investors supporting analysis and decision-making on environmental and societal issues.

#### Deepen our engagement towards investee companies:

6. Significant deployment of a climate commitment plan extended to 1,000 additional companies, so that they define credible strategies in terms of reducing their greenhouse gas emissions and alignment methods (remuneration, annual general meetings).

7. Divestment from companies that realise more than 30% of their activity from unconventional hydrocarbons by 2022.

#### Set internal objectives in line with our ESG commitment:

8. Integration of ESG objectives into the remuneration policy of executives, managers and sales staff.

9. Reduction of Amundi's greenhouse gas emissions by 30% per employee in 2025 versus 2018.

10. Presentation of Amundi's climate strategy to shareholders.

### b. Amundi's Say on Climate

Amundi's ESG Ambitions 2025 plan includes the presentation of a Say on Climate resolution at the 2022 General Meeting. This measure has enabled Amundi to present to its shareholders, and make public, the climate strategy that we have developed and are implementing.

### Presentation of the Say on Climate in 2022

In line with the commitment made in the ESG Ambitions 2025 plan, Amundi submitted its climate strategy to a consultative vote of its shareholders at its 2022 General Meeting. This “Say on Climate” resolution received 97.7% of votes in favour.

In line with the good practice of reporting annually on the state of implementation of the climate strategy, Amundi wished to present an ex-post Say on Climate resolution at the 2023 General Meeting, detailing the progress made during the year. A table detailing the progress made point by point is provided in [annex 5](#). Amundi has also set out in 2022 its initial commitment as a member of the Net Zero Asset Managers (NZAM) initiative.

## 1.1.3 Net Zero Asset Managers initiative (NZAM) commitment

Amundi has been a member of the NZAM initiative since 2021. Amundi considers that the commitment to align with the Net Zero trajectory by 2050 must be clear and binding for investment strategies in order to fall within the scope. Therefore, the public targets presented in the NZAM are only composed of funds and mandates with explicit Net Zero 2050 target alignment objectives.

Further information on Amundi’s NZAM commitment can be found in section 6 of this report.

## 1.2 Means used to inform clients about criteria relating to environmental, social and governance objectives

We ensure that our contractual relationships with clients explicitly set out our delivery of responsible investing and stewardship on their behalf, and we work diligently to try to deliver against those client requirements. This includes providing investors with a wealth of

documentation on its responsible investment approach, responsible investment policies and specific reports. Furthermore, Amundi is able to provide both general and customised ESG reporting depending on individual client needs.

### 1.2.1 Transparency of information at management company level

Amundi reports on its corporate responsible investment activities on a yearly basis through:

- A stewardship report meeting the requirements of several stewardship codes
- A voting report complemented by online access to proxy voting records
- An engagement report
- This Climate and Sustainability report.

## 1.2.2 Transparency of information at fund level

Amundi aims to publish ESG reports on RI open-ended funds<sup>4</sup> every month. These reports include a comparison of the portfolio's ESG rating with that of its benchmark index or investment universe, as well as comments on the portfolio's issuers' ESG performance.

Amundi also complies with the European Transparency code for "SRI" labelled funds. This code was designed and approved by the

AFG, FIR and Eurosif<sup>5</sup> and provides clients with transparent and precise information on SRI portfolio management.

Specific reports are published on certain thematic funds from our climate and solidarity range to ensure accurate impact monitoring as well as on certain funds with a more significant level of ESG commitment.

### Summary table

The main reports published in 2022, and the communication channels used to promote these documents are listed below:

Communication Type	Content and Scope	Frequency	Distribution channels
Responsible Investment Policy	Amundi's RI policy	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Public Transparency Report	Amundi's annual report on its ESG transparency obligations, per its compliance with the Principles for Responsible Investment	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Stewardship Report	Articulates the responsible investment philosophy and approach, engagement policy and activities, and the exercise of voting rights	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Engagement Report	Details Amundi's engagement process, the outcome of dialogue and collaboration with companies on issues related to environment, social and governance risks	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Voting Policy	Frameworks for analysing Amundi's voting policy	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Voting Report	Implementation of Amundi's voting policy	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Proxy Voting Platform	Publication of vote one month post	On going	<a href="https://www.amundi.com">Amundi.com</a> website
ESG transparency	For open-ended funds within the scope of responsible investment: ESG ratings/scores of the portfolio, ESG indicators where applicable	Monthly	<a href="https://www.amundi.com">Amundi.com</a> website
SRI Transparency Code	For Amundi SRI funds <sup>6</sup>	Annual	<a href="https://www.amundi.com">Amundi.com</a> website
Impact Report	For social impact funds: details of social impact investments by theme, list of socially responsible companies financed and testimonials For CPR AM impact funds	Annual	<a href="https://www.amundi.com">Amundi.com</a> website <a href="https://www.cpr.am">CPR AM</a> website

4. Definition of responsible investment open-ended funds presented in [annex 9](#)

5. French Sustainable Investment Forum (FIR), French Asset Management Association (AFG), European Sustainable Investment Forum (Eurosif).

6. European Transparency Code drawn up and approved by the French Asset Management Association (AFG), the French Sustainable Investment Forum (FIR) and the European Sustainable Investment Forum (Eurosif).

## 1.3 Percentage of total assets under management that take into account environmental, social and governance criteria

### 1.3.1 Share of Responsible Investment<sup>7</sup> assets under management<sup>8</sup> as a percentage of total assets under management<sup>9</sup>

Responsible Investment AUM by entity (% of the total assets)	
AMUNDI ASSET MANAGEMENT	57%
BFT INVESTMENT MANAGERS	72%
CPR ASSET MANAGEMENT	85%
SOCIÉTÉ GÉNÉRALE GESTION	56%
AMUNDI REAL ESTATE	39%
AMUNDI PRIVATE EQUITY FUNDS	6%
AMUNDI ENERGY TRANSITION	100%

Source: Amundi, December 2022

### 1.3.2 Amount of Responsible Investment<sup>10</sup> assets under management<sup>11</sup> classified under Article 8 and Article 9 according to SFDR regulation

Article 8 and 9 assets by entity (in billion €)	
AMUNDI ASSET MANAGEMENT	458.83
BFT INVESTMENT MANAGERS	24.05
CPR ASSET MANAGEMENT	39.97
SOCIÉTÉ GÉNÉRALE GESTION	24.58
AMUNDI REAL ESTATE	16.34
AMUNDI PRIVATE EQUITY FUNDS	0.53
AMUNDI ENERGY TRANSITION	0.44

Source: Amundi, December 2022

7. Scope of Responsible Investment assets established in accordance with the Reference Document available on the Amundi website

8. Scope of assets under management established on the basis of the management company in question

9. Scope of assets under management established on the basis of the management company in question

10. Scope of Responsible Investment assets established in accordance with the Reference Document available on the Amundi website

11. Scope of assets under management established on the basis of the management company in question

## 1.4 Adherence to charters, codes, and initiatives, and obtaining labels based on environmental, social and governance criteria

### 1.4.1 At entity level

Amundi actively participates in working groups led by market organisations aimed at developing responsible finance, sustainable development and corporate governance. Amundi is a member of (non-exhaustive list): the French Asset Management Association (AFG); France Invest; EFAMA (European Fund and Asset Management Association); the French Institute of Administrators (IFA); the Observatory for Societal Responsibility (ORSE); the French Association of Financial Analysts (SFAF); the European Sustainable Investment Forums (SIF) in France, Spain, Italy and Sweden; the Canadian, Japanese and Australian SIFs; and the French Association of Companies for the Environment. Amundi is also a member and director of Finansol.

In addition, Amundi supports the “Sustainable Finance and Responsible Investment” academic chair, created in 2007, sponsored by the AFG and led by Ecole Polytechnique and the Institut d’Economie Industrielle “IDEI” of Toulouse.

Amundi is also stepping up its support for cutting-edge research initiatives on climate change mitigation and adaptation. Amundi believes that research is fundamental to keep innovating in the responsible investment field, in particular the fight against climate change. For this reason, Amundi thinks it is important to support key initiatives on climate mitigation and adaptation. Amundi has therefore renewed its support to the EDHEC-Risk Climate Impact Institute and will start to support OS-Climate by the Linux Foundation as well as the MIT Joint Program on the Science and Policy of Global Change.

Amundi is a member or signatory of numerous international initiatives aimed at addressing environmental, social and good governance issues. The detailed list is provided in [annex 4](#) of the report.

The main aim of these initiatives is to urge governments to adopt incentives and encourage companies to improve their ESG practices. These initiatives contribute in particular to the development of tools and methodologies that facilitate the integration of ESG issues within corporate governance and asset management. Amundi contributes to this collaborative commitment by providing expertise on responsible investment. These initiatives also give Amundi employees the opportunity to broaden their knowledge of existing ESG matters and to acquire new knowledge on emerging ESG issues. In particular, Amundi participates in the following initiatives:

- Finance for Biodiversity Pledge
- Pilot groups of the Taskforce for Nature Related Financial Disclosure (TNFD)
- Biodiversity Impulsion Group.

Section 7 of the report, “Information on the strategy’s alignment with long-term biodiversity objectives”, provides further details on these initiatives.

#### **Entities: AEE, Amundi Real Estate, Amundi PEF**

In addition to dialogue with companies, Amundi Real Assets supports a number of collective initiatives and actively participates in industry working groups. This commitment, made together with other investors, seeks to drive and develop responsible investment in real assets. It allows companies to pool their resources, share good practices and team up to find solutions. For Amundi Real Assets, this means providing its expertise in the field of responsible investment and to putting forward proposals to improve practices within our business sectors.

The detailed list is provided in [annex 4](#) of the report.

## 1.4.2 At the financial product level

Our offer is locally adapted for retail customers, distributors and other professional and non-professional investors. Among our responsible solutions, we offer a range of products that have received the following labels:

- SRI Label, Greenfin Label and Finansol Label in France,

- FNG in Germany,
- Towards Sustainability (formerly Febelfin) in Belgium,
- LuxFLAG in Luxembourg;
- Austrian Eco-Label in Austria.

### Quantitative regulatory data by entity

Quantitative indicators required under III-1 of Article D.533-16-1 of the French Monetary and Financial Code				Amundi (Group)	Amundi Asset Managers	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/paragraph number	Metric	Format						Amundi Real Estate	Amundi Private Equity Funds	Amundi Energy Transition
				Indicator figures at 31.12.2022							
1. Information on the entity's general approach	1.c. Assets under management taking ESG criteria into account as a percentage of total assets managed by the entity	RI assets	%	42%	57%	72%	85%	56%	39%	6%	100%
		Art. 8 and Art. 9 assets	Billion €	776	458.83	24.06	39.97	24.58	16.34	0.53	0.44

Source: Amundi, 2022



## 2 Information on internal resources deployed by the entity

### 2.1 Description of the financial, human and technical resources dedicated to take into account environmental, social and governance criteria

#### 2.1.1 A dedicated Responsible Investment team

The Responsible Investment business line defines and implements all aspects of Amundi's responsible investment strategy in conjunction with all of the Group's major business lines. It supports the various asset management activities, which integrate responsible investment into every aspect of their work: analysis and rating of companies, engagement and voting, integration of ESG factors and design of sustainable investment solutions, key sustainability indicators for portfolios, ESG promotion, and participation in industry projects and initiatives.

The Responsible Investment business line is made up of five units:

- *ESG COO Office*: This team coordinates the Responsible Investment Department's projects with the Group's support functions, produces business monitoring dashboards (Business, Budget, IT, Audit, Projects) and oversees major cross-functional projects.
- *ESG Research, Engagement and Voting*: The team is present in Paris, London, Tokyo, Beijing and Singapore. Analysts meet, engage and maintain a dialogue with companies to improve their practices and performance on ESG issues. They are also responsible for rating these companies and establishing exclusion rules. The team includes specialists in the implementation of the voting and engagement policy.
- *ESG Method and Solutions*: This team of quantitative analysts and financial engineers is responsible for maintaining and developing Amundi's proprietary ESG rating system and ESG data management systems (which includes the selection of external data providers to create ESG ratings). They help analysts and portfolio managers integrate ESG considerations into their investment decisions. They also support business development teams in creating innovative solutions by integrating ESG data into financial products (ESG ratings, climate data, impact indicators, controversies, etc.). They oversee the development and integration of ESG tools into Amundi's portfolio management systems and the systems for providing information to clients. They are also responsible for implementing client specific ESG exclusion rules.
- *ESG Business Development and Advocacy*: This team is in charge of developing and promoting ESG solutions tailored to the needs and challenges of investors, and offering ESG advice and services to all Amundi clients. It is also responsible for managing communication campaigns on key ESG issues with all stakeholders, centralising collaborative actions with sustainable finance initiatives and developing training programmes for our clients and employees.

- *ESG Regulatory Strategy*: Within the ESG department, this team is responsible for ESG regulatory issues. It supports Amundi's development by anticipating the impact of future ESG regulations, and contributes to the financial sector's work on the continuous strengthening of the ESG investment framework in all jurisdictions.

Amundi increased the size of its Responsible Investment business line by almost 55%<sup>12</sup> in 2022. It has grown to 62 employees<sup>13</sup> by the end of the year. This made it possible to strengthen the research efforts that focus on the analysis of risks and opportunities related to the climate and to carbon neutrality objectives, and their impact on macroeconomic scenarios, on the different sectors and on companies. Although this climate research is already part of its ESG sector analysis for sectors with high exposure to climate change, it remains dependent on available data and credible Net Zero trajectory methodologies.

## 2.1.2 Research work

Throughout 2022, Amundi's research centre, the Amundi Institute, carried out a number of ESG-related projects that were of interest to all of Amundi's stakeholders, in particular clients and management teams.

For the Amundi Institute's research teams, the integration of ESG issues focuses on the following areas in particular:

- Inclusion of ESG considerations in expected asset class returns;
- Partnership with investment platforms to study market developments and trends in ESG and their implications for investors.

By way of illustration, the 2022 climate-related research work is summarised in a document available on the [Amundi website](#).

## 2.1.3 Technical resources in line with ambitions

In order for investment professionals to have access to the information necessary to make informed decisions, Amundi has significantly expanded its data coverage by increasing the number of the Group's ESG data providers to 22, including four dedicated to corporate governance, for a total budget of nearly €4 million for 2022.

Furthermore, Amundi has increased the IT budget fivefold over the last three years<sup>14</sup>. In particular, the management tool, ALTO\*<sup>15</sup>, has been enhanced by more efficient calculation engines and a set of new climate and ESG functionalities.

12. Amundi Group

13. Amundi Group

14. Amundi Group

15. Amundi Leading Technologies & Operations

## 2.2 Actions taken to strengthen the entity's internal capabilities

### 2.2.1 Training to enhance the skills of all our teams

#### a. Training of Responsible Investment teams

Throughout the year, Amundi is especially attentive to the training of its responsible investment teams. Training meetings among analysts are organised monthly. The teams also have access to online course platforms such as those offered by the SFAF (French Society of Financial Analysts) and the PRI Academy.

Analysts also participate in external conferences (e.g., those organised by the OECD, the AMF, etc.). Each year, a group of four analysts and portfolio managers also receive dedicated training on environmental, social and governance issues in emerging markets through a partner multilateral development bank.

#### b. All staff training

Training in ESG issues is not just for the Responsible Investment teams. In order for each employee to fully participate in the company's development, Amundi supports them in understanding and implementing the Responsible Investment strategy. To this end, it has set up a training and support system covering a wide range of subjects to familiarise them with Responsible Investment in general and to understand how Amundi operates as a responsible investor. This system covers definitions, stakeholders, regulations, social, environmental and governance (ESG) challenges, and details the missions of Amundi's ESG research, ESG policies and proprietary methodologies as well as the dedicated tools.

These topics are presented in the form of compulsory e-learning modules, as well as webinars, videos and other teaching materials. The Responsible Investment business unit, the training team and the Amundi Institute all contribute to the production of this content, which is made available on the "ESG Suite" digital platform managed by the Responsible Investment team. In 2022, it was strengthened with the launch of the Responsible Investment Training Programme. This programme, which is currently being rolled out, offers dedicated training journeys per business line.

The training journeys are based around a common set of compulsory training units. They also include modules whose content and level of expertise are adapted to the needs and expectations of each business line. These training journeys designed jointly by the Responsible Investment, Training and CSR teams and the business lines, aim to help employees understand Amundi's responsible investment strategy, particularly the Climate Strategy, so that everyone can make a full contribution at their own level. Deployment among all business lines and employees will be finalised during 2023.

Furthermore, particular attention is paid to training Amundi's senior executives so that they have the knowledge required to ensure a robust and effective implementation of Amundi's responsible investment strategy.

In addition to training, employees also receive expert support (in particular the Responsible Investment team, "ESG champions") to help them implement good responsible investment practices. The "ESG champions" within the management platforms serve as ambassadors of responsible investment issues for their colleagues and are key contributors to cross-functional projects related to responsible investment.

As part of its ESG Ambitions 2025 plan, Amundi has set itself the goal of training 100% of its employees in responsible investment by the end of 2023.

### c. Raising awareness via the Climate Fresk

In order to raise awareness of climate issues, Amundi has been proposing Climate Fresk workshops to all its employees since 2022. Climate Fresk is an NGO that enables people to understand the fundamental science behind climate change.

1,246 employees in approximately 30 countries, representing 21% of the workforce worldwide, have already taken part in this workshop and more than 70 have expressed an interest in becoming a Climate Fresk ambassador (at end-2022).

## 2.2.2 An ever-expanding responsible range

In 2022, Amundi stepped up the development of its Net Zero Ambition range<sup>16</sup> with the launch of the following investment solutions:

- the Amundi Net Zero Ambition Global Corporate Bond strategy: launched in November 2022, it invests in bonds issued by companies globally that are committed to a Net Zero trajectory. Its ambition is to support the entire real economy towards carbon neutrality by investing in companies engaged towards climate in each sector;
- the Amundi MSCI ACWI SRI PAB ETF strategy, which expands Amundi's range of Climate ETFs with the listing of a new ETF replicating an index aligned with the Paris Agreement;
- the Amundi European Net Zero Ambition Real Estate (ENZA RE) strategy, a real estate impact strategy fully committed to carbon neutrality by 2050, and guaranteeing a carbon trajectory of its assets below the 1.5°C trajectory of the CRREM (Carbon Risk Real Estate Monitor) benchmark model.

In 2022, Amundi stepped up the development of its responsible investment range with the launch of new investment solutions, including:

- Amundi Fund Euro Corporate Short Term Green Bond, a corporate green bond strategy open to institutional and retail investors;
- the expansion of the ESG Improvers investment range targeting future ESG champions, with the addition of new strategies in emerging markets and the US;

- the launch in June 2022 by CPR Asset Management of CPR Invest – Blue Economy, an actively managed thematic international equity strategy that invests in the marine economic ecosystem;
- CPR Asset Management collaborated with CPR Quantalys France to launch Quantalys Sélection Thématique in September 2022, a thematic strategies allocation offer dedicated to Independent Financial Advisers.

In passive management, in 2022 Amundi also launched:

- a range of global ESG sector ETFs covering market segments such as communication services, consumer discretionary, financial services, healthcare, industrials, information technology, materials and utilities;
- the first ESG ETF on Italian blue chips<sup>17</sup>, transforming a flagship index-based ETF into an ESG equivalent. Both launches are in line with the ESG Ambitions 2025 plan's commitment to broaden the range of passive management responsible investment strategies and to ensure that by 2025, 40% of the ETF product range will be ESG ETFs.

In line with the Crédit Agricole Group's Societal Project, Amundi continued to develop its range of "Committed and Responsible" solutions in 2022. These investments are made in companies committed to sustainable growth. Alongside LCL, Amundi has also continued to

16. All information on the Ambition Net Zero range and approach is available on the Amundi website

17. The term "blue chips" refers to large caps that have a reputation for stable growth, reliable public disclosure and regular dividend payments

expand its two dedicated investment ranges, which include investment vehicles that fight global warming. These launches included an extensive and fully digital range of support and communication tools: podcasts, product videos, sales pitches, teaching guides, communication kits for advisors, etc. For Société Générale, a range of labelled funds has been developed. It is part of the new range of Responsible Funds launched in 2021. This range comprises funds with an environmental theme and/or which have obtained a label (SRI or Greenfin). It covers the money-market, bond and equity asset classes.

In order to apply this approach to employee savings and pensions, a range of SRI-labelled FCPEs has been created.

Responsible investment was also given priority at events organised by Amundi or in which Amundi participated and spoke throughout the year. In 2022, many distributors set up responsible ranges for their clients. Amundi supported them in this process by helping them to define their range, by labelling new funds and by providing regular support on regulatory developments in Europe.

### 2.2.3 Associated ESG services

As part of its ESG Ambitions 2025 plan, Amundi announced the launch of ALTO\*<sup>18</sup> Sustainability, a technological analysis and decision-making solution for investors on environmental and societal issues.

Amundi Technology thus strengthens its support for responsible investment and sustainable finance. ALTO\*<sup>19</sup> Sustainability is an innovative modular solution that provides clients with additional flexibility and helps them align investment decisions with their ESG and Climate objectives. It will allow users to:

- build customised scores at issuer and/or portfolio level;
- integrate their own ESG data and analysis into ALTO\*<sup>20</sup> Investment ;
- integrate third party ESG data and have a dedicated workspace with separate access.

ALTO\*<sup>21</sup> Sustainability will facilitate the implementation of regulatory reporting obligations. This will allow investment professionals to effectively implement ESG investment strategies.

18. Amundi Leading Technologies & Operations

19. Amundi Leading Technologies & Operations

20. Amundi Leading Technologies & Operations

21. Amundi Leading Technologies & Operations

## Quantitative regulatory data by entity

Quantitative indicators required under III-2 of article D.533-16-1 of the French Monetary and Financial Code				Amundi (Group)	Amundi Asset Management	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/paragraph number	Metric	Format						Amundi Real Estate	Amundi Private Equity Funds	Amundi Energy Transition
				Indicator figures at 31.12.2022							
2. Information on the in-house resources rolled out by the entity	2.a. Description of the financial, human and technical resources dedicated to taking ESG criteria into account in the investment strategy, in relation to the total assets managed or held by the entity	ETP concerned as % of total ETP	%	1.2%	N/R	N/R	N/R	N/R	N/C	7%	80%
		Dedicated budgets as % of total financial institution budget	%	7.5%	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Amounts in dedicated budgets	Million €	4	N/R	N/R	N/R	N/R	0.75	0.30	0.08
		Amount invested in research	€	N/C	N/R	N/R	N/R	N/R	N/C	N/C	0
		Number of service providers	Number	22	N/R	N/R	N/R	N/R	2	2	1

Source: Amundi, 2022

N/C: Not Calculated

N/R: Not Relevant (distinction by entity not relevant, refer to Group level data)

N/A: Not Applicable (entity not concerned by the data)

# 3 Information on the approach for taking into account environmental, social and governance criteria at the entity's governance level

## 3.1 Knowledge, skills and experience of governance bodies

Because acting as a responsible financial institution is an essential part of Amundi's strategy, the Group's governance structure now takes into account issues of responsible management. The responsibilities linked

to achieving the group's ESG objectives - especially climate change - are reflected both in the supervisory and management bodies, and in the way these governance bodies operate

### 3.1.1 General framework

The responsible investment strategy is discussed at the highest levels. It is governed by dedicated committees reporting to the Board of Directors and the General Management Committee. These governance bodies interact with each other and

with the various business lines working on these issues, primarily via the Responsible Investment team.





## 3.1.2 Oversight of the responsible investment strategy by the Board of Directors

### The Board of Directors (1)

The role of the Board is that stipulated for a Board of Directors at a French public limited liability company. As such, per Article L 225-35 of the French Commercial Code, it: *“determines the direction of the company's business and ensures that this is implemented in accordance with its corporate interest, taking under consideration the social and environmental challenges [...] of its business [...]”*

The Board of Directors is responsible for establishing the strategic orientation of Amundi's business and for ensuring that the Management steers operational deployment in a manner consistent with this orientation. To this end, the Board of Directors appoints the executive(s) responsible for implementing the strategic orientation and measures decided upstream; it is further responsible for closing the accounts, convening the Annual General Meeting and lastly, proposing the annual dividend. The Board is supported by five specialist committees responsible for conducting in-depth analysis, as follows:

- Strategy and CSR (Corporate Social Responsibility) Advisory,
- Risk Committee,
- Compensation Committee,
- Appointments Committee,
- Audit Committee.

The activities of the Board of Directors are subject to the powers expressly attributed to it and within the limits of the corporate purpose. The Board of Directors is primarily concerned with issues relating to the proper functioning of Amundi, its healthy and favourable development and its future in view to promoting the creation of sustainable value for its shareholders and all its stakeholders.

The responsible investment strategy therefore lies fully within the scope of its deliberations and decisions insofar as the former constitutes

a strategic priority for the Amundi Group. This role is explicitly described in Article 2 of Amundi's internal regulations, as the Board “regularly examines, in relation to the strategy it has defined, the opportunities and risks such as financial, legal, operational, social and environmental risks and the measures taken as a result.” The Board of Directors also ensures that Amundi fulfils its role as a responsible financial institution.

To achieve this, it may call on the 10 members of the Board who possess expertise in environmental and social issues.

In 2022, the Board also strengthened the company's governance by appointing a Deputy Chief Executive Officer, at the suggestion of the Chief Executive Officer, as well as by improving its diversity with the appointment of a new independent director, Natalie Wright, who is an expert in digital technology and sustainable development.

An exceptional meeting of the Board in July 2022 was devoted to climate matters, in accordance with the commitments Amundi made as part of the “Say on Climate” This meeting helped to reflect on the resources available to Amundi to combat global warming along with Jean Jouzel, a French climate scientist and former Vice-Chair of the IPCC. The directors also discussed the Perrier Report, authored by the Chairman of the Board, which provides an action plan aimed at making the Paris financial centre a benchmark in climate transition. Lastly, the members of the Board received training on the various ESG regulations applicable to asset management and voted on Amundi's strategy in the context of the Net Zero Asset Managers Initiative (NZAMI).

As shown in the table below, each area of expertise is now represented on the Board, giving it a well-balanced, collegial skillset, well-suited to the Company's current and future needs.

	Accounting and financial reporting	Social and environmental* issues	Risk management, compliance, internal audit	Technology and information security	Asset management and financial markets	Strategic planning	Governance and compensation	Sales/marketing	Legal requirements and regulatory framework
	85%	77%	70%	61%	46%	61%	77%	54%	46%
Yves Perrier	✓	✓	✓	✓	✓	✓	✓	✓	✓
Philippe Brassac	✓	✓	✓	✓	✓	✓	✓	✓	✓
Christine Gandon	✓	✓	✓	✓					
Patrice Gentié	✓	✓		✓		✓			
Michèle Guibert			✓			✓	✓	✓	✓
Michel Mathieu	✓	✓	✓	✓	✓	✓	✓	✓	✓
Christian Rouchon	✓		✓	✓		✓	✓	✓	✓
Virginie Cayatte	✓		✓		✓	✓	✓		
Laurence Danon-Arnaud	✓	✓					✓	✓	
Robert Leblanc	✓	✓	✓				✓		
Hélène Molinari		✓			✓		✓	✓	
Nathalie Wright	✓	✓		✓			✓	✓	
Joseph Ouedraogo	✓	✓	✓	✓	✓				

Source: Amundi 2022

\* Within this area of expertise, climate change is making particular progress, with directors devoting a specific amount of time to this subject during the year, in line with the commitments made as part of the *Say on Climate* initiative.

## Strategic and CSR Committee (2)

With regard to questions of responsible investment, the Board of Directors may rely on the work of the Strategic and CSR Committee. Pursuant to Article 4.6 of the Board of Directors' Internal Regulations, the Committee's mission is to further the Group's strategic thinking across its various businesses, in France and internationally. Comprised of three members, it examines the actions carried out by the Group in terms of CSR and responsible investment at least once per year. At the Committee's request, the Responsible Investment leadership or other ad hoc participants may be asked to attend certain meetings of the Strategic and CSR Committee. The work and opinions of the Strategic and CSR Committee are reported to the Board of Directors by the Committee Chair or another member of the Committee designated thereby.

The Strategy and CSR Committee enhances the Group's strategic planning for its various businesses, in France and around the world, and reviews its Corporate Social Responsibility

(CSR) actions and its Responsible Investment policy (ESG).

The description of its tasks has been expanded to take account of its new role in developing the Group's Climate Strategy, in addition to its policy on social and environmental responsibility. It now examines, at least annually, the actions taken by the Group in these areas and the results achieved.

## Risk Management Committee (3)

The Risk Management Committee reviews the strategy with respect to risk, including financial, non-financial, operational and compliance risks.

Under Article 4 of the Internal Regulations applicable to Amundi's Board of Directors, the role of the Risk Committee is to: "ensure compliance with the conditions for implementing the risk strategy adopted by the Board, including monitoring commitments made by the company as a responsible financial player in the social and environmental realms."

### Compensation Committee (4)

The Compensation Committee is responsible for submitting the Compensation policy to the Board and verifies its compliance with the Group's overall strategy as well as specific social and environmental challenges.

Via its role in defining all components of remuneration and benefits for executives, the Compensation Committee's work involves ESG and climate issues in order to incorporate them in structuring remuneration. Article 4 of the Internal Regulations of Amundi's Board of Directors specifies that the Compensation Committee: "analyses the compensation policy and its implementation with regard to social and environmental issues."

### Appointments Committee (5)

The Appointments Committee submits and issues opinions on the appointment of directors and executive officers. Its role notably includes: "annually assessing the balance and diversity of knowledge, skills and experience available to Board members individually and collectively, as well as the structure, size, composition and effectiveness of the Board's work, and submitting any useful recommendations to the Board." To this end, it endeavours to take under consideration the environmental and social dimensions in the analysis of the necessary skills. The Committee is also tasked with "setting a target for gender balance and developing a policy to achieve such target."

To identify the expertise that the Board needs to function properly, the Appointments Committee first brought in the knowledge and experience recommended by the European banking authorities, and has added an ongoing requirement for skills in the fields of asset management and social and environmental issues. It has therefore defined a target matrix in line with its needs. The Appointments Committee strives to improve this overall balance as it analyses and recommends candidates to the Board. It also assesses the development of the skills of directors already in office through training sessions organised by the Company. Following its recommendations, the Board sought to improve its level of expertise in the area of ESG and more specifically the climate, and also in the field of IT and digital. Accordingly, in 2022, thanks to the training plan and the recent arrival of Nathalie Wright, the combined expertise of Amundi's Board of Directors was particularly strengthened in these two areas.

### Audit Committee (6)

The Audit Committee ensures compliance with the processes for preparing the financial statements and the clarity of the financial and non-financial information communicated to the market.

The composition of the Audit Committee remained unchanged in 2022. Two-thirds of its members are independent, and its membership consists of financial experts.

The responsibilities entrusted to the Audit Committee by the Board have been modified to take into account the role that the Audit Committee now plays in analysing the non-financial indicators shared with to the market in the Company's financial disclosures.

Work associated with the Committee's recurring assignments:

- analysis of the business, the 2021 parent company and the consolidated financial statements, as well as quarterly and half-year statements for 2022;
- systematic review of draft press releases regarding the publication of results;
- analysis of regulated and ongoing agreements in view of criteria determined by the Board;
  - annual interview of Statutory Auditors, without any Company representative present, as well as analysis of auditors' quarterly audit work, approach and independence;
  - oversight of the completion of work beyond the audit performed by the Statutory Auditors;
  - validation of the audit plan for the 2022 financial year.

Outlook for 2023 missions:

At the December Risk Committee meeting in December, it was decided that a combined Risk Management-Audit Committee meeting would be held once a year in view to jointly analysing the Company's risk strategy and budget.

### 3.1.3 Management's role and expertise in implementing the responsible investment strategy

Executive officers and management bodies play an essential role in implementing the Group's responsible investment strategy. The Chief Executive Officer (CEO) is assisted in her general duties by two management bodies: a General Management Committee and an Executive Committee.

#### Role of the Chief Executive Officer (7)

Amundi's CEO plays a central role in the development of the Group's climate and responsible investment strategy. The CEO develops the climate strategy for the entire Amundi Group, in line with the climate objectives of its parent company, the Crédit Agricole Group. Within the General Management Committee, she relies in particular on the Head of Institutional and Corporate Clients Division and ESG. The CEO chairs Amundi's ESG and Climate Strategy Committee and sits on the Crédit Agricole's Climate Committee. She also plays an active role in dialogue with companies on environmental, social, governance and climate issues; in particular, she contributes significantly to establishing engagement priorities and general voting policy.

#### Role of the Head of Institutional & Corporate Clients Division and ESG (8)

The Head of Institutional & Corporate Clients Division and ESG is responsible for oversight of the ESG business line.

#### Role of the Chief Responsible Investment Officer (CRIO) (9)

Amundi's CRIO leads the Responsible Investment team and takes charge of implementing the Responsible Investment policies and strategy of the Amundi Group.

#### Role of the General Management Committee (10)

The General Management Committee is involved in all major business, organisational and human resources management decisions, sets strategic priorities and takes key governance decisions for the Group, including the responsible investment strategy. The Head of Institutional & Corporate Clients Division and ESG is an active member of this Committee. Amundi's General Management Committee thus ensures the overall supervision of responsible investment activity.

#### Role of the Executive Committee (11)

The Executive Committee discusses issues related to the Group's climate and responsible investment strategy. The Executive Committee ensures the coherent and efficient deployment of the strategy in all countries where the Amundi Group is present. This Committee, which includes the main country heads, monitors the development of activities and ensures a balance between the global orientation of the Amundi Group and its implementation at the local level. The Head of Institutional & Corporate Clients Division and ESG, as well as Amundi's CRIO, are members of this committee.

### 3.1.4 A dedicated internal organisation to monitor and manage the responsible investment strategy

Within the Responsible Investment team, four committees ensure regular and structured follow-up of all work carried out.

#### ESG & Climate Strategy Committee (12)

This committee, chaired by the CEO, meets monthly to determine and approve the ESG

and climate policy applicable to investments, as well as the strategic orientations of the Amundi Group in this area. Its purpose is to:

- Steer, confirm and monitor Amundi's climate and responsible investment strategy.
- Confirm the main strategic orientations of the Responsible Investment Policy (sector policy,

exclusion policy, voting policy, engagement policy).

- Monitor key strategic projects.

The ESG and Climate Strategy Committee defines the rules of the exclusion policy and the ESG Rating Committee approves the rules of application. Excluded issuers are flagged in the front office tools and transactions on these names are blocked ahead of management decisions. The Risk Department is responsible for second-level controls.

### **Voting Committee (13)**

This Committee is chaired by the member of executive management in charge of supervising Responsible Investment. It meets once a year to approve the voting policy, and on an ad hoc basis during the rest of the year to:

- advise on voting decisions at the General Meeting for ad hoc cases in which members are asked to provide their views in an expert capacity.
- approve Amundi's voting policy (for the entities covered) and its rules of implementation.
- approve specific/local approaches not directly covered by the voting policy.
- approve periodic reports on voting disclosures.

### **ESG Rating Committee (14)**

Chaired by the Chief Responsible Investment Officer, this Committee meets every month with the aim to:

- approve Amundi's standard ESG methodology.
- review exclusion policies and sector-specific policies and approving their rules of application.
- review and decide on individual ESG rating issues, and establish Amundi's legal precedents if necessary (adjustments to standard ESG methodologies requested by portfolio managers).

### **ESG Management Committee (15)**

This weekly committee is chaired by the member of executive management responsible for supervising Responsible Investment. It focuses on the definition and implementation of the responsible investment strategy by

the responsible investment team, including monitoring of business development, HR, budgeting, regulatory projects, audits, ESG communication campaigns, market initiatives and specific communication topics.

In addition, ESG risk issues are incorporated into Amundi's committee work through the Group Risk and Investment Committees.

The Chief Responsible Investment Officer also sits on the Group's Investment Committee.

### **Group Risk Committee (16)**

Chaired by the Deputy Chief Executive Officer, this committee meets monthly to validate all the standards, indicators and methodological principles used in the supervision and monitoring of ESG activities.

### **Global Investment Committee (17)**

Chaired by the Chief Investment Officer, this committee, which meets monthly, is responsible for setting investment strategies and integrating the Responsible Investment policy. The Head of Risk management and the Chief Responsible Investment Officer (CRIO), who are standing members of this committee, may raise risk issues at their discretion (including ESG risks, such as warnings regarding non-compliance with Amundi's Responsible Investment policy).

### **Cross-functional governance between the Investment Management and Responsible Investment teams**

Strategic alignment and cooperation between the Active Management and Responsible Investment teams are ensured by committees made up of decision-makers from both teams.

Senior executives from the Responsible Investment team are members of key Investment business line governance bodies:

- The Chief Responsible Investment Officer (CRIO) is a member of the Alpha Platforms Management Committee and of the Investment Management Committee.
- The CRIO and the Head of ESG Research, Engagement and Voting are members of the Global Investment Committee.

Likewise, Active Management executives are standing members of decision-making committees in the Responsible Investment business line. Furthermore, the CIO (Chief

Investment Officer) sits on the ESG & Climate Strategy Committee as well as the Voting Committee.

## 3.2 Integration of sustainability risks compensation policies

The Compensation Committee submits a proposed compensation policy to the Board and verifies its compliance with the Group's strategies and its social and environmental challenges.

Amundi's compensation policy reflects individual and collective performance. It takes into account the economic environment, competitiveness and the labour market, factors that may vary from one country to another.

The Committee also steers and supports the implementation of Amundi's ESG and Climate strategy by setting out the following provisions:

- For 2022, the evaluation of the Chief Executive Officer and Deputy CEO's performance makes the achievement of ESG and CSR objectives count for a minimum of 20%. The same will apply for the year 2023, subject to approval of the Compensation Policy during the General Meeting on 12 May 2023.
- Implementation of the "ESG Ambitions 2025" plan accounts for 20% of the criteria forming

the backbone of the performance share plan awarded to more than 200 Amundi senior executives. This provision will be renewed in the performance share plan to be awarded in 2023.

- In 2022, Amundi integrated ESG objectives into the performance evaluation of sales staff and portfolio managers, so that these objectives are taken into account in their variable compensation. From 2023 onwards, marketing teams will also have specific ESG objectives, in line with the objectives of sales representatives.
- The variable compensation of Responsible Investment team members depends both on individual performance, assessed on the basis of objective criteria, both quantitative and qualitative, and on Amundi's overall performance, insofar as the overall variable compensation envelope is calculated as a percentage of Amundi's gross operating income.

## 3.3 Integration of environmental, social and governance quality criteria within the internal regulations of the entity's Board of Directors or supervisory board

### 3.3.1 Integration of ESG criteria at Board level

At the end of 2020, the Board of Directors decided to incorporate social and environmental issues as part of its governance. Since May 2021,

the Board has analysed the progress made against key climate and ESG indicators on a quarterly basis or more often.



The Board is supported by its Strategic and CSR Committee, chaired by an independent director. Each year, the Committee reviews and publishes all progress made in the Annual Report on social, environmental and societal information, including climate change issues, which are set out in Chapter 3 of the Universal Registration Document (URD).

During its meeting of 7 February 2023, the Board of Directors updated its internal rules of procedure to take into account changes to the duties of the Board and its Committees in the area of social and environmental responsibility and climate issues, in accordance with its practices and updates to the AFEP-MEDEF Code. Going forward, social and environmental issues have been incorporated into the specific missions of each Committee (for further details, please refer to section 2.1.3 of the URD “Overview of the specialised Committees and their activities in 2022”).

The Company follows the Corporate Governance Code for Listed Companies, published by AFEP and MEDEF (the “AFEP-MEDEF Code” as updated in December 2022). At the end of the 2022 financial year, and after in-depth analysis, the Code’s recommendations were noted as met, including as regards the new Article 5 regarding the inclusion of social and environmental responsibility issues within the Board’s remit.

### Environmental criteria

In 2022, the Board decided that Amundi, as a pioneer in responsible investment and a committed player on climate issues, had a duty to participate in the movement towards transparency concerning climate strategies, in line with levels expected of companies in which it invests. With this in mind, the Amundi Board of Directors decided to table a “Say on Climate” resolution at its 2022 General Meeting, as one of the 10 objectives of its ESG Ambitions 2025 plan. The purpose of the resolution was to allow shareholders to vote on the company’s climate strategy and to seek an annual consultative vote on progress made in implementing this strategy, thereby ensuring ongoing dialogue regarding environmental issues.

### Governance criteria

As of 31 December 2022, Amundi S.A.’s Board of Directors comprised 13 directors, 12 of whom were appointed by the General Meeting and 1 elected under the employee representation scheme. Directors serve a term of office of three years. The Board is completed by a non-voting advisory member whom it appoints.

The proportion of independent Directors is 41.7%<sup>22</sup>, the average length of service is 6 years, the average age is 60 years, and women constitute 50%<sup>23</sup> of members.

The attendance rate for the 10 Board meetings was 97.74% overall.

## 3.3.2 Gender diversity objectives - Rixain Law

Amundi’s Board of Directors has set targets for the number of women participants across all management bodies in order to ensure balanced gender representation in the company’s governance:

- a target of 30% women members of its Executive Committee by 2022. This figure was actually exceeded and stood at 36.7% at end December 2022
- a target of 35% by 2025 for the Senior Leadership Team<sup>24</sup>. This rate stood at 32.4% at the end of December 2022.

22. Excluding directors elected by employees. In the absence of regulatory constraints, non-voting directors are not included in the calculations (Amundi Group).

23. Excluding directors elected by employees. In the absence of regulatory constraints, non-voting directors are not included in the calculations (Amundi Group).

24. The Senior Leadership Team (SLT) comprises 185 senior managers of the Amundi Group (excluding members of the Executive Committee).



In so doing, Amundi is on track to comply with Article 14 of the French “Rixain” law which sets out the obligation of balanced gender representation among senior executives and members of the management bodies of companies, accompanied by an obligation of transparency. For the record, the legal target is set at 30% from 1 March 2026, rising to 40% from 1 March 2029.

The action plan dedicated to professional equality for all employees is based on two major areas:

- 1<sup>st</sup> Area: monitoring of gender pay differences so as to detect, prevent, reduce and offset unjustified differences.
- 2<sup>nd</sup> Area: support for women to promote their move into management positions.

### Indicators recommended by the Rixain Law

Governance bodies KPIs (Art L23-12-1 Code de Commerce) at 31/12/22	Legal entity associated with the governing body (entity > 1000 employees)	Total members, on average	of whom women, on average	of whom men, on average	Average % women	Gap vs 30% women target	Gap vs 40% women target
	Amundi Asset Management	29.63	9.05	20.58	30.5%	0	-3
Management indicator KPI (Art 3111-2 Code du Travail) at 31/12/22	Legal entity of the governing body (entity > 1000 employees)	Number of executives On average	of whom women, on average	of whom men, on average	Average % women	Gap vs 30% women target	Gap vs 40% women target
	Amundi Asset Management	114.21	32.65	81.57	28.6%	-2	-3

Source: Amundi 2022

Details of our responsible employer policy can be found on our website at the [following link](#).

# 4 Information on the engagement strategy for issuers or management companies and its implementation

For Amundi, engagement is an ongoing process to influence the activities or behaviour of companies so that they improve their ESG practices and their impact on key sustainable development issues. It focuses on concrete results to be achieved within a given timeframe, is proactive and is part of our overall responsible investment strategy.

A major pillar of the responsible investment policy, engagement occurs throughout the year via discussions between analysts and the companies in which we invest, and through individual or collaborative actions on major sustainable development issues, in order to promote real change and the shift towards a sustainable, inclusive and low-carbon economy.

Engagement has two main objectives:

- To improve the way the company integrates the environmental and social dimension into its processes and the quality of its governance, in order to limit its sustainability risks
- To improve the company's impact on environmental, social, human rights or other sustainability issues that are important to society and the global economy, even though the financial impact for the issuer may not be obvious.

Amundi engages issuers in six key themes:

- the transition towards a low-carbon economy,
- preservation of natural capital (protecting ecosystems and combating biodiversity loss),
- social cohesion, through the protection of direct and indirect employees and promoting human rights,
- Customer, product and societal responsibilities,
- Sound governance practices that strengthen sustainable development,
- dialogue to foster greater exercise of voting rights and strengthen corporate governance.

Engagement is a dialogue aimed at improving a company's practices. Such engagement must therefore include:

- a predefined objective,
- a follow-up programme to monitor achievement of the objective,
- a limited timeframe in which to effect change, and
- a strategy for escalation if dialogue fails.

## 4.1 Scope of companies concerned by the engagement strategy

### Entities: Amundi AM, BFT IM, CPR AM, S2G

Amundi engages with the companies in which it invests or will potentially invest, regardless of the type of holding (investment, financing etc.). The issuers engaged are identified primarily based on their level of exposure to an engagement issue. Amundi's engagement activities span multiple continents and take specific local circumstances into account. The aim is to maintain the same level of ambition worldwide, but with graduated expectations according to different geographical areas.

Amundi also engages at the level of securities (Green, Social, Sustainable bonds, for instance), funds, or asset-backed securities<sup>25</sup> (ABSs) to promote better practices and transparency.

The topics selected under our engagement policy may be approached from either of two angles: the potential impact of E, S or G issues on companies (sustainability risk) and the impact that companies can have on sustainability factors.

### Entities: AET, Amundi Real Estate, Amundi PEF

Amundi Real Assets believes that daily engagement with companies is a key part of promoting concrete change and contributing to the transition to a sustainable and low-carbon economy. In this respect, the form of engagement promoted by Amundi Real Assets relies on its desire to help companies improve their environmental, social and governance practices, in particular via the active and ongoing dialogue it maintains with its counterparties. Due to the close working relationships enjoyed by each area of expertise with its operators, issuers, partners and investee companies, Amundi Real Assets' role, now more than ever, is one of awareness-raising, support and encouragement over the long term.

### Amundi Private Equity Funds (PEF)

As an active shareholder directly involved in corporate governance, Amundi PEF (direct investment activity) makes ESG a topic of shareholder dialogue, ensuring that ESG issues are addressed by the company's Board of Directors or Supervisory Board and that holdings make progress throughout the investment period. Engagement takes the form of both long and short-term recommendations, tailored to the company and its sector.

Amundi PEF has adopted the Amundi Group's engagement strategy in the form of:

- A proactive engagement policy for portfolio companies aimed at:
  - Contributing to the dissemination of best practices and encouraging greater integration of sustainable development as part of governance, operations and business models,
  - Improving companies' management of their impacts, particularly in areas critical for sustainability of our societies and the economy,
  - Supporting companies in their transition to a more sustainable, inclusive and low-carbon economic model,
  - Encouraging companies to increase spending on investment, research and development in areas necessary for this transition.
- A voting policy that highlights the need for Boards of Directors and Supervisory Boards (or equivalent bodies) to understand both the risks and opportunities of environmental and social challenges. Investment Directors are responsible for applying and promoting this policy through their votes in the supervisory bodies of portfolio companies.

25. Asset-backed securities: securities or financial instruments whose payments are backed by a basket of assets that cannot be sold individually. These are usually securitisation transactions designed to combine them into a single product, with assets as the underlying.

This commitment has two main objectives:

- Improve the way in which the company integrates environmental, social and good governance aspects into its processes and the quality of its governance, in order to limit its sustainability risks;
- Improve the company's impact on environmental, social, human rights and other sustainability issues of importance to society and the global economy.

ESG due diligence enables us to establish a diagnosis that serves as a basis for drawing up a post-investment ESG roadmap. Amundi PEF works with the company to create this ESG roadmap, which provides a framework for the company's Corporate Social Responsibility (CSR) policy and defines an action plan and monitoring indicators.

This roadmap is regularly monitored by the company's Supervisory Board<sup>26</sup>.

Regular exchanges take place between the management teams, the ESG analysis team and the company in order to assess progress, identify obstacles to be overcome and discuss other ESG issues (e.g. regulatory issues or emerging themes) that may have an impact on the company's activities.

Progress is monitored both:

- By the Director of Participations Amundi PEF who, as a member of the company's governance bodies, requests that the material ESG issues covered by the monitoring criteria be included on the agenda of the company's Board of Directors or Supervisory Board (or any equivalent body);
- The Amundi PEF ESG analyst works directly with company management to monitor progress on the action plan and performance indicators identified during the ESG due diligence. Monitoring of the ESG roadmap is complemented by a shareholder engagement policy.

Amundi PEF Indirect (fund of funds) also contributes to Amundi Asset Management's engagement policy through questionnaires and regular exchanges (at least once a year) with management companies. ESG issues are systematically discussed with management companies several times a year.

The subjects selected as part of our engagement policy can be approached from two angles: the potential impact of E, S or G issues on the funds and their holdings (sustainability risk) and the impact that the funds can have on sustainability factors (impacts on society, which are essential even if they are unlikely to have an influence on the company's financial results in the short and medium term). Cross-cutting topics such as regulations (SFDR, Taxonomy, etc.), ESG methodology, impact measurements and various reporting methods are also covered.

The commitment may be ongoing if the management company or the fund's asset class is facing specific challenges or sustainability risks. It can also be thematic if it is cross-sectoral and linked to sustainability factors.

### **AET**

AET contributes to Amundi's engagement policy through regular exchanges with the operators of the assets in its portfolio. ESG issues are systematically discussed with the companies and/or operators of the infrastructures held in the portfolio several times a year.

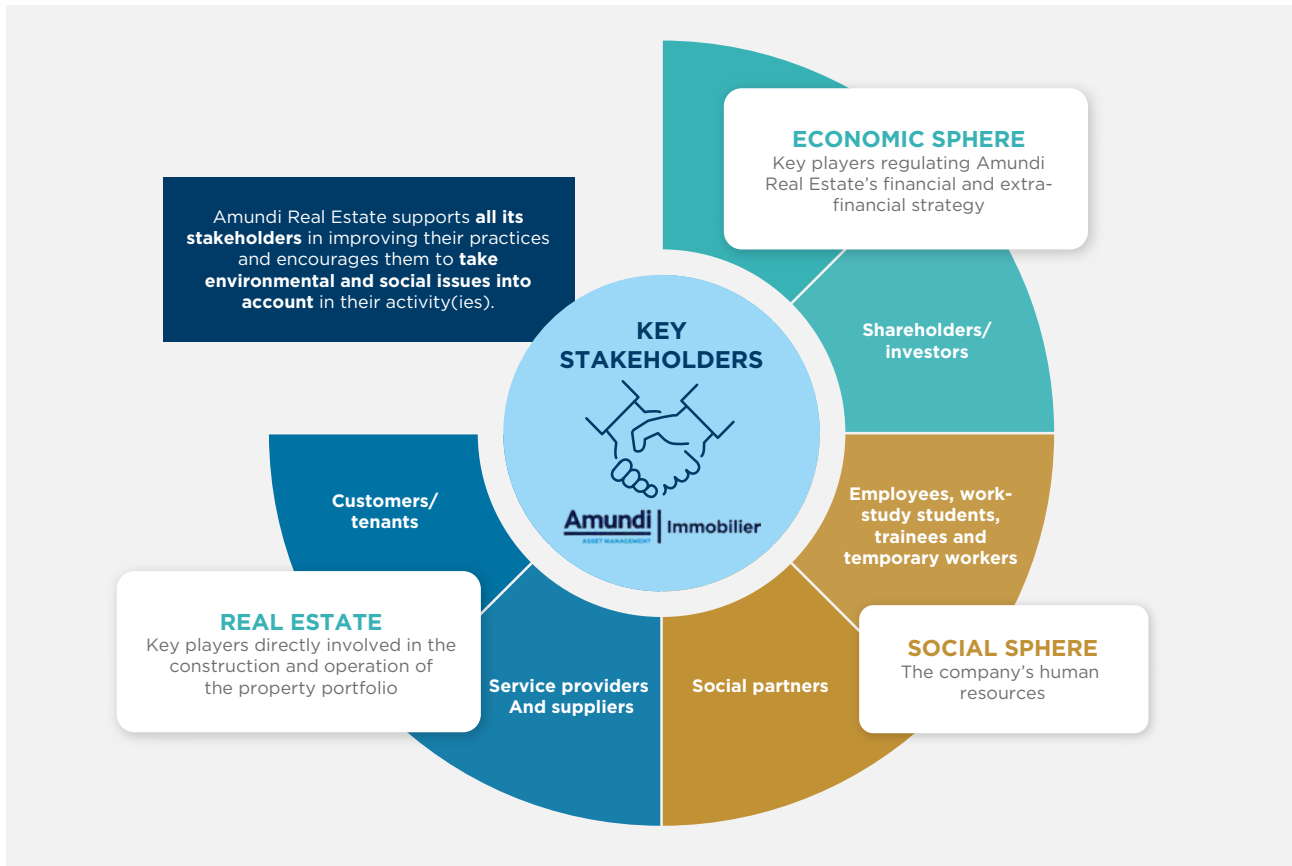
The topics selected as part of our engagement policy can be addressed in a number of ways. Engagement can be continuous if it addresses specific challenges or sustainability risks. Engagement can also be thematic if it is cross-sectoral and linked to sustainability factors.

### **Amundi Real Estate**

As an asset manager committed to developing an ESG approach within its sector of activity since 2010, Amundi Real Estate stands out as a driving force in the industry for the integration and application of ESG criteria in fund management and across its practices. Amundi Real Estate implements a responsible investment policy that includes each of the three main pillars, namely Environment, Social and Governance factors.

26. Or equivalent body

Amundi Real Estate maintains ongoing dialogue with its primary stakeholders and relies on committed internal governance, as described below.



Amundi Real Estate attaches particular importance to:

- Building a relationship of trust with tenants to facilitate optimum use of the assets and ensure their satisfaction;
- Its engagement with service providers and suppliers to encourage them to improve their ESG practices.

## 4.2 Overview of voting policy

Amundi's voting policy is based on the conviction that the consideration of environmental, social and good governance issues by Boards of Directors is essential to the sound management of a company. Amundi intends to play its role as a responsible investor to the full and is therefore committed to supporting relevant resolutions on climate and social issues.

The voting policy is reviewed annually, based on lessons learnt from the previous campaign. The Corporate Governance Team submits proposals for changes to their voting practices on the following main pillars: Shareholders' rights, Boards, Committees and Executive Bodies, Financial Operations and Executive Compensation Policies. Policy changes are approved by the Voting Committee.

We focused on checking that the compensation policies and/or the compensation reports submitted for voting included an ESG criteria component, as well as climate criteria for sectors with a significant impact. In addition, we very often supported shareholder resolutions demanding greater transparency on matters of ecological and the energy transition. We thus record 87% of votes in favour of climate-related shareholder resolutions at the General Meetings of companies in which Amundi participated as an investor.

In the context of exercising the voting rights of its Undertakings for Collective Investment (UCIs), Amundi may be faced with situations in which potential conflicts of interest arise. Measures to prevent and manage this risk have therefore been put in place. The first preventive measure involves drafting and publication of the voting policy validated by the management bodies of the Group's management companies.

The second measure involves submitting to the Voting Committee, for validation ahead of the General Meeting, the proposed votes on resolutions relating to a pre-established list of public companies considered sensitive due to their links with Amundi. In addition to these previously identified issuers, the Corporate Governance team also submits to the Voting Committee any conflicts of interest that may arise from its analysis of General Meeting resolutions calling for an ad hoc application of the voting policy.

In 2022, in order to best fulfil its responsibility as an investment management company in the exclusive interest of its clients, Amundi decided to exercise the voting rights of a large majority of its managed UCIs, regardless of their management strategy.

### Entities: Amundi AM, BFT IM, CPR AM, S2G, Amundi Real Estate

#### General principles

Amundi's voting policy is established in line with the Group's vision as a Responsible Investor. From the outset, when it was created in 2010, Amundi has considered this dimension of responsibility to be one of its four founding pillars. Our voting policy is a key component of our responsible investment policy. It is developed in line with Amundi's global approach and is therefore based on our diligent, multi-dimensional analysis of each company.

The general principles of this voting policy can be summarised as follows:

- Consideration of factors affecting environmental, social and human rights aspects, as well as elements related to governance or corruption, even when they do not have a direct, short- or medium-term impact on a company's value, as such aspects can have an impact on society and on the global economy.
- Regular dialogue in pursuit of progress:
  - Shareholder dialogue with companies to foster ongoing exchange on their main financial performance and social responsibility issues as well as their related action plans;
  - Consideration for ESG factors in investment decisions, using a proprietary rating system calibrated specifically for each business sector
  - Application of our voting policy, through which we influence corporate policies and aim to ensure consistency with the selected areas for improvement
- Maintaining a relationship of trust with the companies in which we invest. Amundi wants to see companies communicate broadly on their extra-financial performance and on how

ESG parameters are taken into account in their strategy and practices. The Group is also committed to transparency itself and, where possible, informs issuers of its intentions in advance of negative votes.

- Amundi has defined a universal common basis for its voting policy based on the fundamental governance principles and shareholder rights that Amundi expects to be upheld worldwide.

Amundi has also placed the preservation of natural capital and the energy transition (exploitation of resources and the impact of human activities on the environment) and social cohesion (control of salary balance as part of compensation policies, employee involvement in corporate governance and employee shareholding, etc.) at the heart of its commitment through our voting policy.

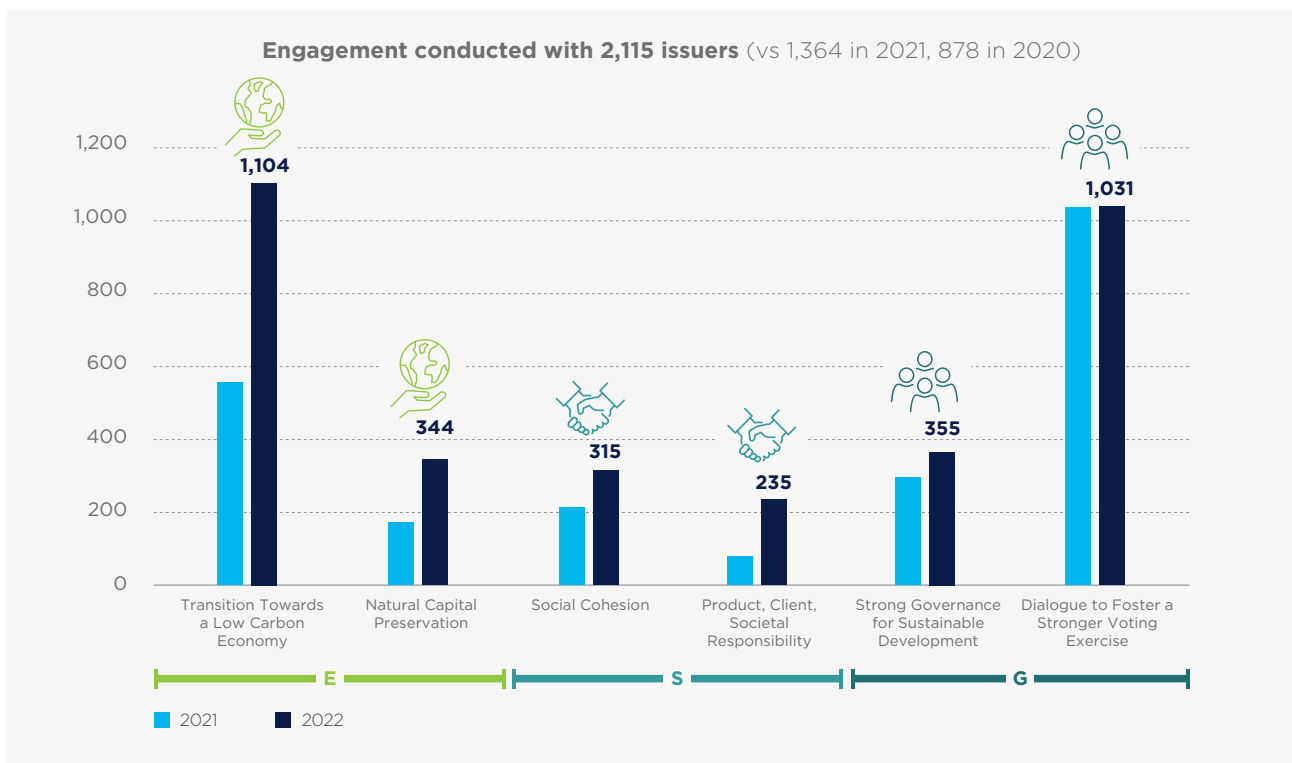
You can consult the [following link](#) for more details on this voting policy.

## 4.3

# Review of engagement strategy implementation

Amundi’s engagement efforts are documented in an Engagement Report, which is updated annually. Engagements cover the full range of environmental, social and governance issues.

### Engagement statistics for 2022



Source: Amundi. Statistiques 2022

Issuers may be the object of both Annual General Meeting engagement efforts and ESG engagement.

As part of its 'ESG Ambition 2025' plan, Amundi began a cycle of engagement on climate issues in 2022, with a target of engaging with 1,000 additional companies by 2025. More specifically,

Amundi is asking companies to publish a detailed climate strategy, based on precise indicators and including targets for each Scope of carbon emissions, as well as the corresponding Capex (investment plan) for achieving objectives. As of 2022, Amundi has engaged with an additional 418 companies on climate issues.

In addition to the climate issue, specific thematic commitments in 2022 focused on the circular economy, biodiversity (for which a dedicated report is available on our website), deforestation, ocean protection, the strategy for alignment with the Paris Agreement, just transition, human rights, decent wages and the fair distribution of added value within companies.

### **Entities: Amundi AM, CPR AM, BFT IM, S2G, Amundi Real Estate**

You may consult the [following link](#) for more details on the Engagement Report.

## **4.4 Review of the voting policy**

### **Entities: Amundi AM, CPR AM, BFT IM, S2G, Amundi Real Estate**

Statistics by entity are provided in the 2022 Engagement Report:

- Amundi Asset Management: page 187
- Amundi Real Estate: page 191
- BFT IM: page 196
- CPR AM: page 197
- S2G: page 203

## **4.5 Decisions taken on the investment strategy**

### **Entities: Amundi AM, CPR AM, BFT IM, S2G, Amundi Real Estate**

If the issuer's engagement fails or its remediation plan is weak, we may implement an escalation plan up to and including exclusion from the active investment universe, meaning the issuer is no longer eligible for any active investment strategies over which Amundi has full discretion. Modes of escalation include (in no particular order) a downgrade on one or more criteria of our proprietary rating system, questions at General Meetings, votes against management, filing of shareholder resolutions, public statements, capping of the ESG ratings and, as a last resort, exclusion.

For more information on the exclusion policy, please refer to section 1 "Information on the entity's general approach".

The power to table a resolution at a General Meeting is a shareholder right essential to an effective system of governance. In certain circumstances, as part of our escalation process and in line with our engagement priorities, Amundi may decide to exercise this right, usually in collaboration with other shareholders. This is a generally effective engagement technique to encourage positive change where dialogue has not been successful or where divestment is not an option.



## Quantitative regulatory data by entity

Quantitative indicators required under III-4, Article D. 533-16-1 of the Monetary and Financial Code				Amundi (Group)	Amundi Asset Management	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/ paragraph number	Metric	Format						Amundi Real Estate**	Amundi Private Equity Funds	Amundi Energy Transition
	4.c. Assessment of the engagement strategy implemented, which may include the proportion of companies with which the entity has initiated a dialogue, the issues covered and the follow-up actions taken to monitor the strategy	Companies involved in dialogue as a percentage of all companies involved in the topic covered	%	See diagram in 4.3	N/R	N/R	N/R	N/R	100 %	N/C	100 %
4. Information on the engagement strategy for issuers / management companies and on its implementation	4.d. Results of voting policy, particularly as regards filings and votes at General Meetings for resolutions concerning ESG	Total number of filings on ESG issues	Nb	4	4	0	0	0	0	N/C	N/A
		Total number of votes on ESG issues	Nb	107,297	57,859	8,811	21,933	13,137	865	N/C	N/A
		Number of filings on environmental issues	Nb	4	4	0	0	0	0	N/C	N/A
		Number of votes on environmental issues	Nb	277	252	29	134	112	1	N/C	N/A
		Number of filings on social issues	Nb	0	0	0	0	0	0	N/C	N/A
		Number of votes on social issues	Nb	9,003	5,688	1,623	2,851	1,904	103	N/C	N/A
		Number of filings on quality of governance issues	Nb	0	0	0	0	0	0	N/C	N/A
		Number of votes on quality of governance issues	Nb	98,017	51,919	7,159	18,948	11,121	761	N/C	N/A
		Total % of filings on ESG issues out of total deposits made	%	100.0%	100.0%	N/A	N/A	N/A	N/A	N/C	N/A
		Total % of votes on ESG issues out of total votes cast	%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	N/A	N/A
		% of votes "For" shareholder resolutions*	%	68.0%	71.0%	58.0%	72.0%	75.0%	100.0%	N/A	N/A
		% of votes "Against" Management	%	21.0%	21.0%	19.0%	21.0%	21.0%	10.0%	N/A	N/A
		% of environmental deposits of total deposits made	%	100.0%	100.0%	N/A	N/A	N/A	N/A	N/C	N/A
		% of votes on environmental issues out of total votes cast	%	0.3%	0.44%	0.33%	0.61%	0.85%	0.12%	N/C	N/A
		% of filings on social issues out of total filings made	%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/C	N/A
% of votes on social issues out of total votes cast	%	8.4%	9.83%	18.42%	13.0%	14.49%	11.91%	N/C	N/A		
% of votes on social issues out of total votes cast	%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/C	N/A		
votes on quality of governance issues as % votes cast	%	91.4%	89.7%	81.25%	86.39%	84.65%	87.98%	N/C	N/A		

Source: Amundi, 2022

\* Amundi considers it necessary to clarify the indicator "Total% of votes (yes/no) on ESG issues out of total votes cast." Regarding shareholder resolutions Amundi considers that, "Yes" votes are votes in favour of shareholder resolutions, while "No" votes on management are considered votes against Management

\*\* This concerns Amundi Real Estate's financial bucket and thus not assets managed directly

N/C: Not Calculated

N/R: Not Relevant (distinction by entity not relevant, refer to Group level data)

N/A: Not Applicable (entity not concerned by the data)

## 5

# Information on the European Taxonomy and fossil fuels

## 5.1

## European taxonomy

Amundi has begun internal work to gather data that will enable it to determine the proportion of investments in environmentally sustainable economic activities (level of alignment with the Taxonomy) as defined in Regulation (EU) 2020/852 (Taxonomy Regulation).

Amundi uses third-party data from the supplier MSCI. MSCI provides company-level indicators on the percentage of turnover allocated to eligible and aligned activities. The MSCI approach is described in [annex 7](#) of the report. The result of this methodology is a percentage of eligible revenues and a percentage of revenues aligned with the Taxonomy Regulation (based on revenues). It is possible to identify the data estimated by MSCI on the one hand, and on the other, the data directly reported by companies as eligible and aligned with the Taxonomy Regulation and collected by MSCI.

Investments aligned with the EU Taxonomy are intended to be binding commitments to ensure transparency and give end investors an objective point of comparison regarding the proportion of investments that finance environmentally sustainable economic activities.

The proportion of sustainable investments aligned with the Taxonomy can be calculated using:

- Information published by the investee companies;
- Equivalent information obtained from these companies or from third party suppliers. Equivalent information may be used where the information is not publicly available from the investee companies.

As the estimated data currently available is considered by certain national competent authorities not to be aligned with the regulatory requirements for equivalent data defined by the European Supervisory Authorities (ESAs), Amundi has generally not been able to make commitments relating to minimum levels of alignment with the Taxonomy.

At this stage, Amundi has data relating to the estimates obtained from MSCI. Amundi has therefore chosen not to communicate on an alignment share prior to the availability of actual data or clarification from the European Supervisory Authorities on the permissible frameworks for the use of equivalent information.

## 5.2 Proportion of assets invested in companies active in the fossil fuel sector

The green share of a portfolio covers activities that contribute positively to the objectives of the Paris Agreement. The brown share, on the other hand, covers all activities related to thermal coal (mining and electricity generation), oil and gas production and exploration, and fossil fuel power generation.

To measure the green and brown portions of the investment portfolio, Amundi uses methodologies<sup>27</sup> developed by three data providers: MSCI, FTSE Russel and Trucost. To calculate the green share, the activities of the issuers in the portfolio are classified as “green” – and similarly for the brown share.

### Quantitative regulatory data by entity

Quantitative indicators required under III-5 of Article D.533-16-1 of the French Monetary and Financial Code				Amundi (Group)	Amundi Asset Managers	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/paragraph number	Metric	Format						Amundi Real Estate	Amundi Private Equity Funds	Amundi Energy Transition
				Indicator figures at 31.12.2022							
5. Information on the European taxonomy and fossil fuels	5.b. Proportion of assets invested in companies active in the fossil fuel sector	% of assets	%	1.4%	2.8%	1.2%	1.2%	0.8%	0.0%	6%*	0.0%

Source: Amundi, 2022

\* Here, only directly managed PEF funds are covered

N/C: Not Calculated

N/R: Not Relevant (distinction by entity not relevant, refer to Group level data)

N/A: Not Applicable (entity not concerned by the data)

27. The providers' methodologies can be consulted on their respective websites:

- <https://www.msci.com/>

- <https://www.ftserussell.com/>

- <https://www.spglobal.com/esg/trucost>

# 6 Information on the strategy for alignment with international targets of the Paris Agreement to limit global warming

## 6.1 An alignment strategy based on the commitment to the Net Zero Asset Managers<sup>28</sup> initiative

### 6.1.1 Joining the Net Zero Asset Managers initiative and defining an alignment objective

Climate change is undoubtedly one of the greatest challenges of our time. Through the Glasgow Financial Alliance for Net Zero, the financial sector has committed to a common goal: to use its own resources to support a low-carbon global economy and meet the objectives of the Paris Agreement.

Determining a company's alignment with the objectives of the Paris Agreement remains a challenge to date. Scientific knowledge and methodologies continue to grow and evolve. Although a significant proportion of the broad spectrum of asset classes and regions of the world in which Amundi invests does not yet benefit from the analytical frameworks and data necessary for a comprehensive action plan objectives and means can already be deployed.

Against this background, Amundi joined the Net Zero Asset Managers initiative in 2021. As part of this initiative, Amundi is committed to

ensuring that, by 2025, 18% of its assets under management are composed of funds and mandates with objectives aligned with a Net Zero trajectory. This objective is constructed as follows:

- In the numerator, only asset classes with recognised Net Zero standards are taken into account: listed equities, corporate bonds and real estate. Only investment strategies with alignment objectives or constraints set out in the reference documents will be counted. Asset classes for which insufficient data is available and/or methodologies have not been completed are excluded at this stage. This is particularly the case for sovereign bonds.
- The following assets are not included in the denominator: assets under joint ventures, fund hosting and specific advisory mandates for which Amundi does not have full management discretion.

28. This international initiative brings together asset managers committed to achieving carbon neutrality worldwide by 2050

This approach requires immediate transformation efforts on three fronts:

- products, by increasing the number of investment solutions aligned with a Net Zero trajectory for all types of investors;
- clients, by advising them on how to align with

the Net Zero objective; and

- the companies in which Amundi invests, by encouraging them, through constant dialogue, to adopt and implement credible transition plans towards the global Net Zero objective.

## 6.1.2 Development of a Net Zero Ambition products range

In line with its commitment to the NZAM initiative and as announced in the ESG Ambitions 2025 plan, Amundi has decided to develop Net Zero Ambition transition products to broaden the range of solutions available to investors to align their investments with a trajectory of carbon neutrality by 2050. This active and passive management offering covers the main asset classes and is open to both institutional and retail investors.

These decarbonisation strategies aim to progressively reduce the portfolio's carbon footprint, in line with the 2050 carbon neutrality targets.

To ensure that these products are managed in such a way that their carbon footprint follows a trajectory aligned with the objective of carbon neutrality by 2050, these funds must, as a minimum, meet the following criteria:

- Carbon footprint reduction targets in line with reference scenarios for achieving carbon neutrality;
- Minimum exposure to sectors with a high climate impact to encourage their transition.

By 2025, Amundi is committed to offering open-ended Net Zero Ambition funds in all asset classes with an alignment objective.

## 6.1.3 Supporting clients in aligning their investments with the Paris Agreement objectives

Amundi is also committed to helping its clients align their investment portfolios with the Net Zero trajectory, and makes its research on climate issues and Net Zero trajectories available to them. It organises training on ESG and Net Zero issues.

Amundi has continued to expand its range of responsible investment solutions, with the launch of the "Net Zero Ambition" range of solutions and further expansion of the ESG Improvers<sup>29</sup> strategies. It also continues to promote previously launched products and solutions (e.g. the ESG ETF range, Amundi Just Transition for Climate, and specific green or social bond funds).

29. This approach targets companies at the beginning of their ESG journey, helping them to set sustainability objectives and advance their ESG programme. More information is available at the following link.

## 6.1.4 Supporting companies in their alignment with the Paris Agreement objectives

Amundi launched a Net Zero dedicated engagement campaign in 2022, in addition to the existing open climate-related engagements, in order to further accelerate our engagement effort in this field. This campaign addresses both ambition and disclosure issues, with the aim to improve comparability and facilitate assessments against IEA reference scenarios. We provided companies with detailed recommendations on what we consider necessary to achieve Net Zero and what related disclosure Amundi expects. Regarding disclosures, there are

discrepancies on the metrics and methodologies adopted by companies when reporting on their climate performance and strategy, even when operating the same activities. It results in limited comparability between companies. We therefore provided companies with additional sector specific recommendations. We believe that the transition of each activity implies its own challenges, with different mitigation levers and metrics, which makes comparisons between sectors rarely relevant.

## 6.2 Methodological frameworks

### 6.2.1 Reference methodological frameworks used

Three reference frameworks are used to assess the Net Zero trajectories of the assets on which Amundi has made commitments:

- The [PAII Net Zero Investment Framework](#) is used by default for our open-ended funds in the corporate bond and listed equity asset classes. This framework is also used for certain management mandates;
- The [UN Asset Owner Alliance Target Setting Protocol](#) is used for certain management mandates;
- The [Carbon Risk Real Estate Monitor \(CRREM\)](#) is used for real estate portfolios.

### 6.2.2 Definition and implementation of an internal Net Zero methodology

In line with Amundi's commitment to actively contribute to the global objectives of carbon neutrality by 2050, Amundi has announced the development of a Net Zero Ambition range designed to align emissions reduction targets with the objectives of limiting global warming set out in the Paris Agreement.

To be considered on a net zero pathway, an investment portfolio managed by Amundi shall demonstrate a decarbonisation pathway in line with global economy decarbonisation pathways consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures.

Amundi has developed an internal methodological framework, setting minimum standards for listed management, which is aligned with the first two methodological frameworks presented in the previous section and is based on the Net Zero Emissions by 2050 Scenario (NZE) developed by the International Energy Agency (IEA).

## Focus on the Net Zero Emissions by 2050 Scenario of the International Energy Agency (IEA)

The Net Zero Emissions by 2050 Scenario (NZE) set by the IEA is designed to show what is needed across the main sectors by various actors, and by when, for the world to achieve net zero energy related and industrial process CO<sub>2</sub> emissions by 2050. The NZE aims to ensure that energy related and industrial process CO<sub>2</sub> emissions to 2030 are in line with reductions in 1.5°C scenarios with no or limited temperature overshoot assessed in the IPCC<sup>30</sup> in its Special Report on Global Warming of 1.5°C.

Carbon emission intensity reduction targets correspond to absolute reduction targets per unit of real growth by 2025 and 2030. The reduction targets for portfolios covered by Amundi’s internal Net Zero methodology are as follows:

<b>In absolute emissions (tCO<sub>2</sub>e) for scope 1, 2 and scope 3 direct upstream, compared to a 31/12/2019 baseline:</b>
- 16% reduction by 2025
- 41% reduction by 2030
<b>Carbon intensity relative to turnover for scope 1, 2 and scope 3 direct upstream, compared to a 31/12/2019 baseline:</b>
- 30% reduction by 2025
- 60% reduction by 2030

Carbon intensity in relation to company turnover is calculated as follows:

$$Portfolio\ emissions = \left( \frac{tCO_2e}{\text{€m turnover}} \right) = \sum_i^n \text{Relative weight of company as \% of rated universe in portfolio}_i \times \frac{Company\ emissions\ (tCO_2e)}{Company\ turnover\ (in\ \text{€m})}$$

Absolute emissions are calculated as follows:

$$Absolute\ CO_2\ emissions = tCO_2\ Holding's\ mark-to-market\ of\ the\ line / Total\ market\ capitalisation\ of\ the\ company$$

To encourage the transition in High Impact Climate Sectors (HCIS), Amundi’s Net Zero baseline includes an additional sector deviation constraint: the sum of the portfolio’s HCIS weightings must be greater than 0.75 of the sum of the HCIS weightings in the investment universe.

The portfolios of Amundi’s Net Zero Ambition strategies will also have to comply with the requirement not to invest in companies or

projects associated with a significant negative impact on the portfolio’s stated climate change mitigation objective.

The methodology covers listed equities and corporate bonds (sovereign bonds will potentially be included once the methodologies for the asset class have been stabilised). The analysis is cumulative over time, with time horizons of 2025 and 2030. The scopes taken into account are Scopes 1, 2 and 3 direct upstream,

30. Intergovernmental Panel on Climate Change



and the methodology does not take negative emission technologies into account. The carbon reduction targets are based on the International Energy Agency's Net Zero Emissions by 2050 Scenario.

Real estate portfolios covered by the CRREM approach will have as a target to maintain the carbon footprint of the portfolios below the CRREM's 1.5°C trajectory (in the event of non-compliance, remedy within two years).

Two indicators are used to arrive at a forward-looking estimate:

### **Assets aligned by scenario**

This is the evaluation by the Science Based Targets Initiative of the alignment of corporate reduction targets with sectorial objectives in line with the overall objectives of limiting global warming. These targets are then categorised according to their level of ambition: 1.5°C, well below 2°C and 2°C.

### **Temperature alignment**

The aim of the induced temperature trajectory calculation is to measure the alignment of portfolios with overall climate goals. Amundi takes into account past realised performance (usually over the past 10 years) and future performance, with regard to the carbon reduction targets set by the company. The company's history and its stated carbon reduction targets are used to calculate its trajectory. It can then be compared with global climate scenarios. This comparison can be used to estimate the temperature increase associated with this issuer's trajectory.

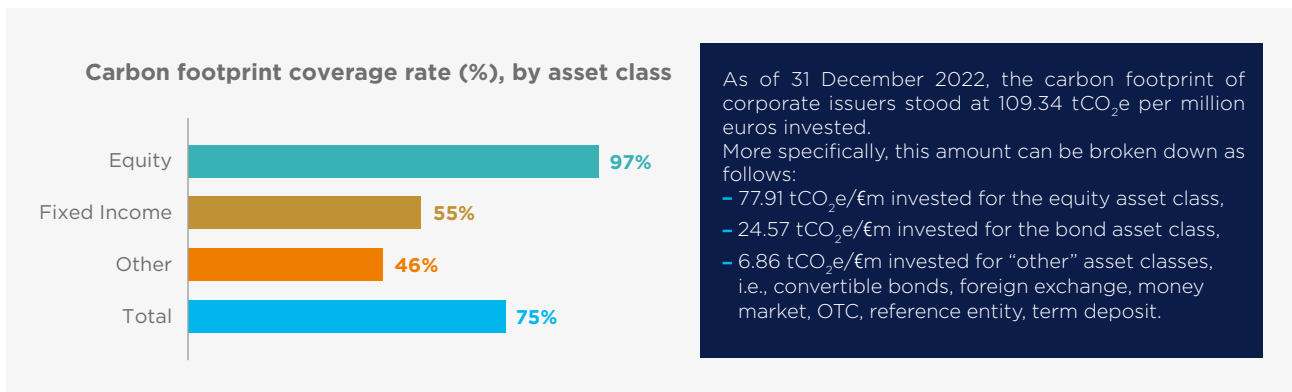
These indicators are developed in section 8, chapter 8.2.3 "Assessment of climate-related risks and opportunities (transition and physical) through the deployment of a proprietary assessment and climate metrics". All the data used to construct these indicators, whether external or internal, is centralised by the ESG team, which is responsible for controlling the quality of incoming and outgoing data.

## 6.3 Quantification of the indicators used

The scope covered by this section includes assets under management relating to Amundi Group’s internal or external products for which the financial management is carried out solely by the asset managers of the Amundi Group, excluding minority joint ventures as financial

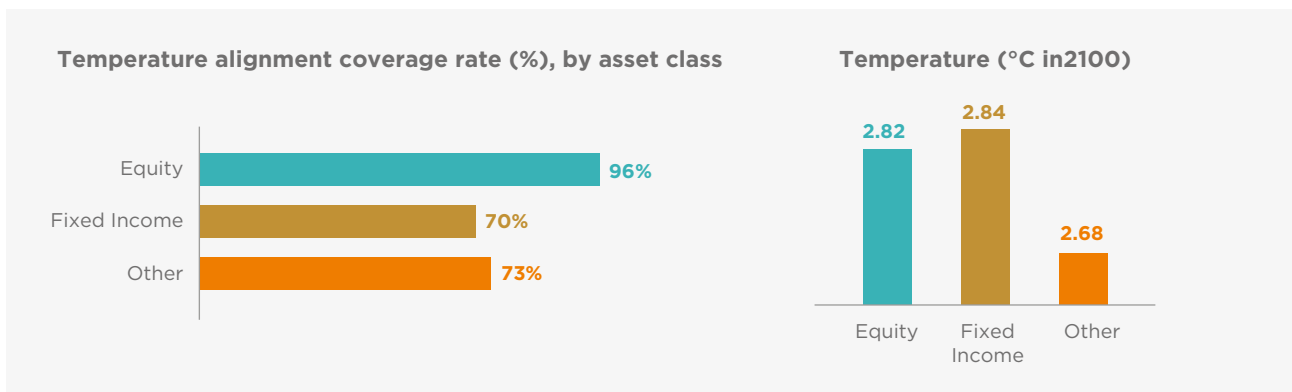
companies. This scope excludes the financial managements delegated to external companies. The data below therefore covers a wider scope than that to which Amundi has committed via the NZAM initiative.

### Portfolio’s carbon footprint



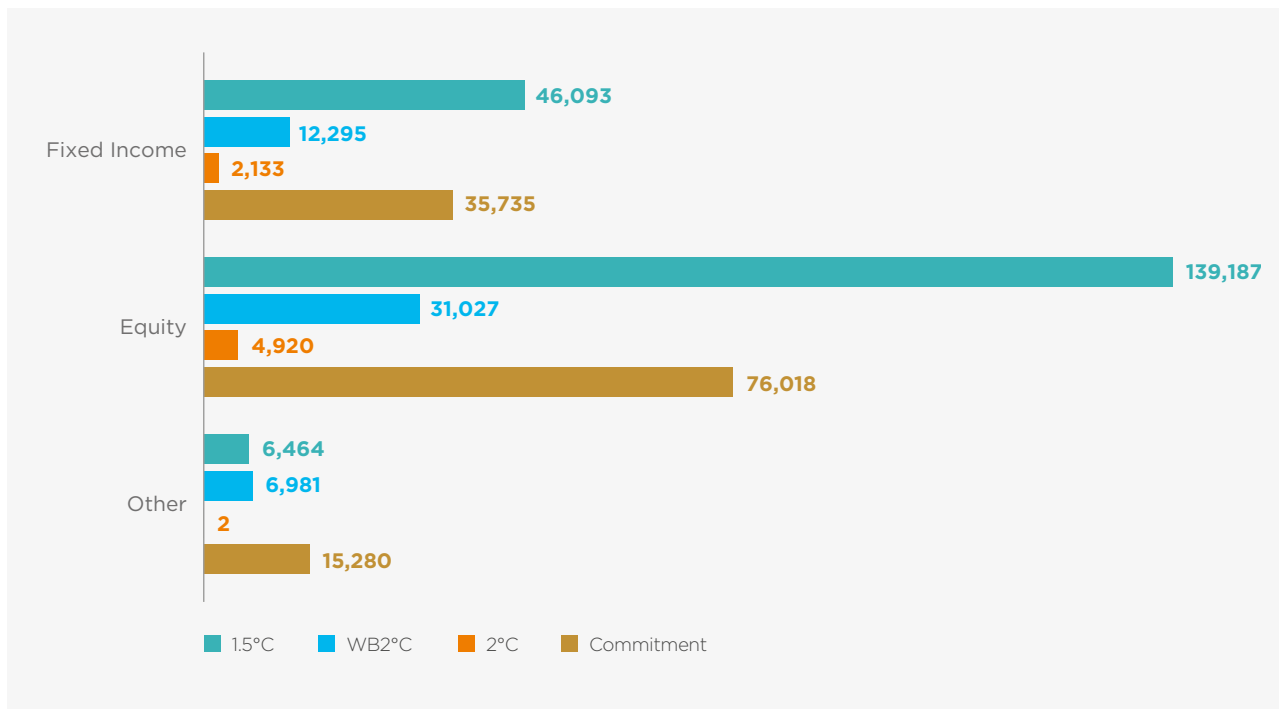
Source: based on Amundi analysis and Trucost data at 31.12.2022. Excluding sovereign issuers.

### Portfolio’s temperature



Source: based on Amundi analysis and Iceberg Data Lab data at 31.12.2022. Excluding sovereign issuers.

### Assets aligned by scenario



Source: Amundi based on data from the Science-Based Targets initiative at 31 December 2022 - Scope covered: assets in the scope described above for which data was available in the SBTi database. The "Other" category covers: convertible bonds, foreign exchange, money market, over-the-counter market, reference entity, term deposit. The "Commitment" category refers to companies that have made a commitment to SBTi to set an emissions reduction target within 2 years.

## 6.4 The Net Zero strategy applied to passive management

The European Union has defined "Climate Transition" and "Paris Agreement" benchmark indices in Regulation (EU) 2019/2089. The Climate Transition Benchmarks (CTB) are designed to help investors decarbonise their portfolios and support the transition to a low-carbon economy. The Paris-Aligned Benchmarks (PAB) aim to achieve a greater reduction in emissions intensity in line with the long-term objectives of the Paris Agreement. While both categories of index target the same carbon footprint by 2050, the reduction in carbon

intensity is different. While both benchmarks have a carbon footprint that is being reduced by 7% per year, the CTB benchmarks must show an immediate 30% reduction in carbon intensity, compared with 50% for the PAB benchmarks.

The list of Amundi index funds referencing one of these two benchmarks as at 31.12.2022 is given in [annex 6](#).

## 6.5 The role and use of assessment in the investment strategy

### 6.5.1 The complementary nature of the Net Zero methodology and the general ESG approach

The strategy of supporting Amundi's global carbon neutrality objectives is consistent with Amundi's general approach to taking ESG criteria into account in its investment strategies, which is based on three pillars:

- A targeted exclusion policy,
- The integration of ESG scores in our investment processes, and
- Our stewardship policy.

#### a. Amundi's fossil fuel exclusion policy

##### A strengthened thermal coal exclusion policy

As coal is the largest single contributor to human-induced climate change, Amundi is committed to phase out thermal coal from its investments by 2030 in OECD and EU countries and by 2040 in other countries. In order to achieve this, Amundi introduced a specific sector policy on thermal coal in 2016, which has been strengthened every year since, and which results in the exclusion of certain companies and issuers. In 2020, Amundi extended its policy to coal developers. In 2022, Amundi lowered the tolerance thresholds to further strengthen its efforts. Amundi thus excludes:

- Mining, utilities, and transport infrastructure companies that are developing coal projects that have permitted status and are in the construction phase as defined in the coal developers list of the Crédit Agricole Group;
- All companies with revenue in thermal coal mining extraction and thermal coal power generation > above 50% of their revenue without analysis;
- All coal power generation & coal mining extraction companies with a threshold between 20% and 50% with a poor transition path<sup>31</sup>;
- Companies generating more than 20% of their revenue from thermal coal mining extraction;
- Companies with annual thermal coal extraction of 70 million tonnes or more without intention to reduce.

In addition, companies with coal projects in earlier stages of development, including announced or proposed projects with pre-permitted status, are monitored on a yearly basis and submitted to engagement campaigns.

This exclusion policy is conducted in conjunction with engagement actions. Details of our engagement on coal can be found in Amundi's Engagement Report.

##### A new sector exclusion policy for unconventional hydrocarbons

Since the end of 2022, Amundi also excludes companies whose activity is exposed to exploration and production of unconventional oil & gas (covering "shale oil and gas" and "oil sands") by over 30%. This is one of the commitments made in the ESG Ambitions 2025 plan.

These two policies apply to all active management strategies and to all passive management ESG strategies over which Amundi has full discretion.

31. Amundi carries out an analysis to assess the quality of the exit plan

## 6.6 Monitoring and review of carbon reduction targets

### 6.6.1 Monitoring portfolio alignment

The indicators mentioned in section 6, chapter 6.3 "Quantification of the indicators used" make it possible to monitor the degree of alignment of the portfolios concerned with the objectives of the Paris Agreement. Issuers whose indicators are least in line with the decarbonisation objectives of the strategies in the "Net Zero Ambition" scope will see their capital allocation constrained by the climate objectives of the portfolios.

In addition, the various assumptions used to establish the reference levels and decarbonisation targets will be reviewed as the scientific reference scenarios are updated.

### 6.6.2 Moving towards more extensive carbon reduction targets

Several initiatives should make it possible to gradually extend the Net Zero Ambition scope and the reach of its objectives:

- The target for the percentage of assets aligned as part of the NZAM initiative must be updated regularly, at least every 5 years;
- A feasibility study on integrating Scope 3 downstream into carbon reduction targets is underway, in conjunction with changes in our clients' investment behaviour.

## Quantitative regulatory data by entity

Quantitative indicators required under III-6 of Article D.533-16-1 of the French Monetary and Financial Code				Amundi (Group)	Amundi Asset Managers	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/paragraph number	Metric	Format						Amundi Real Estate	Amundi Private Equity Funds	Amundi Energy Transition
Indicator figures at 31.12.2022											
6. Information on the strategy for alignment with the international climate change limitation objectives of the Paris Agreement	6.a. A quantitative target for 2030, reviewed every five years until 2050. This target must be revised no later than five years before its expiry date. The target includes direct and indirect greenhouse gas emissions in absolute or intensity terms, a reference scenario and a reference year. It may be expressed in terms of the implied temperature increase or the volume of greenhouse gas emissions	Quantitative target for 2030 expressed as a volume of GHG emissions (if applicable)	Numerical value	See 6.2.2	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Unit of measurement of the quantitative target for 2030	Text	tCO <sub>2</sub> e/€m turnover	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Amount of assets covered by the quantitative alignment target expressed as a volume of GHG emissions	€bn	305	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Percentage of assets covered by the quantitative alignment target expressed in terms of GHG emissions as a proportion of total assets	%	18.0%	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Quantitative target for 2030 expressed in terms of implied temperature rise (if applicable)	Numerical value	N/A	N/R	N/R	N/R	N/R	N/A	N/C	N/C
		Amount of assets covered by the quantitative alignment objective expressed in terms of implicit temperature rise	€	N/A	N/R	N/R	N/R	N/R	N/A	N/C	N/C
		Proportion of assets covered by the quantitative alignment objective expressed in terms of implicit temperature rise over total assets	%	N/A	N/R	N/R	N/R	N/R	N/A	N/C	N/C
		Unit of measurement of the quantitative objective for 2030 expressed in terms of implicit temperature rise	Text	N/A	N/R	N/R	N/R	N/R	N/A	N/C	N/C
	6.b Where the entity uses an internal methodology, details of the methodology used to assess the alignment of the investment strategy with the Paris Agreement	Use of an internal methodology?	Yes/no	Yes	N/R	N/R	N/R	N/R	N/A	N/C	N/C
	6. b. ii. the degree of coverage at portfolio level	Degree of coverage at portfolio level (%)	%	N/C	N/R	N/R	N/R	N/R	N/A	N/C	N/C
	6. b. iii the timeframe used for the assessment,	Assessment timeframe	Date	2025 and 2030	N/R	N/R	N/R	N/R	N/A	N/C	N/C
	6. c. Quantification of results	Free metric (consistent with the objective mentioned in 6.a., if applicable)	Numerical value	See 6.3	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Description of free metric	Text	See 6.3	N/R	N/R	N/R	N/R	N/C	N/C	N/C
		Unit of measurement for free metric	Text	See 6.3	N/R	N/R	N/R	N/R	N/C	N/C	N/C
	6.f. Changes to the investment strategy in line with the strategy of alignment with the Paris Agreement, and in particular the policies put in place with a view to phasing out coal and unconventional hydrocarbons	Coal: % of total assets managed or held by the entity	%	0.1%	N/C	N/C	N/C	N/C	0%	0%	0%
Unconventional hydrocarbons: % of total assets managed or held by the entity		%	N/C	N/C	N/C	N/C	N/C	0%	0%	0%	
Do you have a timetable for phasing out coal?		Yes/no	Yes	N/R	N/R	N/R	N/R	N/A	N/A	N/A	
Indicate the definitive exit date from coal set by your policy		Date	2030 OECD countries and 2040 rest of the world	N/R	N/R	N/R	N/R	N/A	N/A	N/A	

Source: Amundi, 2022

N/C: Not Calculated

N/R: Not Relevant (distinction by entity not relevant, refer to Group level data)

N/A: Not Applicable (entity not concerned by the data)

## 7

# Information on the strategy's alignment with long-term biodiversity objectives

The topic of biodiversity is inextricably linked to climate change and is increasingly featured today in news, research, and economic considerations. The economic implications of degradations to biodiversity/ecosystems and the depletion of finite natural resources constitute a clear risk for the economy and society.

## 7.1

## Measuring compliance with the objectives set out in the Convention on Biological Diversity adopted June 5<sup>th</sup> 1992

The Convention on Biological Diversity defines biodiversity as “the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.”<sup>32</sup>

The three objectives of the Convention on Biological Diversity, adopted on 5 June 1992 at the Earth Summit in Rio de Janeiro, are as follows:

- Conservation of biodiversity,
- Sustainable use of its components,
- Fair and equitable sharing of the benefits arising from the exploitation of energy resources and associated traditional knowledge.

At Amundi, we believe that biodiversity should be approached as a holistic issue. This is why Amundi's approach to biodiversity has several main orientations:

- The inclusion of biodiversity-related criteria in ESG analysis and rating,
- ESG sector research,
- Shareholder dialogue,
- Participation in industry initiatives.

32. Convention on Biological Diversity. Article 2. Use of terms. Biological diversity. Consulted at the following address: <https://www.cbd.int/convention/articles/?a=cbd-02>



## 7.1.1 Biodiversity as a theme for ESG analysis and ratings

### Entities: Amundi AM, BFT IM, CPR AM, S2G

Biodiversity is one of Amundi's ESG research and analysis themes. It is therefore reflected in our methodology via the Biodiversity & Pollution criterion, which is used in assigning the ESG rating of issuers.

The criterion is defined as follows "to preserve and protect biodiversity" (i.e., the genetic diversity of species and ecosystems) by integrating the management of environmental

damage into the Group's strategy, and developing soil conservation programmes. The aim is to minimise waste thanks to the '3Rs': reduce, reuse and recycle. At end 2022, analysis coverage of the 'Biodiversity and Pollution' criterion had been extended to 6,960 issuers.

Details of the rating methodology and how it is used, particularly by the investment teams, can be found in section 1 of this report.

### Entities: Amundi Real Estate, Amundi PEF, AET

#### Amundi Real Estate

Biodiversity is one of the ESG rating criteria for assets. For this criterion, assets are assessed on the basis of their planted surface area (presence of terraces, patios, vegetable plots, gardens, beehives) in relation to their total surface area.

#### Amundi PEF

Biodiversity is one of the 9 ESG rating criteria for assets held by Amundi PEF. The entity collects data on biodiversity indicators (impact analysis, dependency analysis, site exposure, etc.) and directly related themes (water, waste, pollution).

More specifically, the due diligence process involves collecting and analysing data relating to biodiversity. The depth of the biodiversity analysis is defined in the light of the materiality of the subject according to the company's sector. If the topic is material for the investment, it will be the subject of actions to be implemented in the roadmap.

#### AET

For funds with a sustainable investment component classified under Article 8 of the SFDR (Disclosure Regulation)<sup>33</sup> and for funds classified under Article 9 of the same regulation, biodiversity is taken into account via the DNSH (Do Not Significantly Harm) criterion.

Between one and three sustainability criteria have been identified for each sector. For each DNSH area, a key performance indicator (KPI) has been established with a qualitative or quantitative threshold.

33. Regulation on the publication of sustainability information in the financial services sector: Sustainable Finance Disclosure Regulation

Below is an example for wind power, as described in the ESG assessment tool (the full list of DNSH for all assets is available in the ESG assessment tool):

Sector	Theme	Associated PAIs	Indicator	Limit	Type of limit
Wind energy	Waste	Rate of non-recycled waste	Recycling rate (% of assets, by weight, that can be recycled)	- 90% since 2024 - 95% from 2025	Quantitative
Wind energy	Biodiversity	Activities adversely affecting sensitive biodiversity areas	Compliance with biodiversity compensation measures via the environmental impact study	Yes	Quantitative
Wind energy	Health and safety	Accident rates	Number of deaths in the previous year	0	Quantitative

Source: Amundi, 2022, Extract from ESG assessment tool

The ESG analyst retrieves data from the business partner or operator to check that these thresholds have been met. If any of the thresholds is exceeded, the investment cannot be qualified as sustainable and the assessment is terminated.

## 7.1.2 Biodiversity as a subject for ESG sectorial research

It was one of the ESG Research team's priority areas of analysis in 2022, resulting in a ten-part series of research papers entitled "Biodiversity: it's time to protect our only home". The first two were published in early December 2022 on the occasion of the opening of the 15<sup>th</sup> Conference of the Parties (COP15) to the Biodiversity Agreement. The other eight parts, which comprise a focus on specific sectors, will be made available online in 2023.

Eight other parts, which constitute sectorial focuses, will gradually go online in 2023.

In this way, Amundi aims to help disseminate and share knowledge in line with the principles of the Finance for Biodiversity Pledge, of which it is a signatory.

## 7.1.3 Biodiversity as a theme of shareholder dialogue

While businesses both affect and depend on biodiversity, they are only just beginning to understand how to measure, process and report on biodiversity-related data. Nonetheless, there do exist emerging objectives and frameworks, such as the TNFD (Taskforce on Nature-Related Financial Disclosure)<sup>52</sup> and the Post 2020 Global Biodiversity Framework, which seek to better inform companies on how to accelerate action to combat biodiversity loss.

However, this is a constantly evolving process in which there remains a long way to go. Consequently, biodiversity is a particular focus of dialogue with the companies in which Amundi invests. Amundi's engagement strategy is based on 6 themes, the second of which is the preservation of natural capital. In 2022, Amundi engaged with 344 companies on the subject of natural capital.

In line with this theme, Amundi launched dedicated engagement campaigns on plastics in 2019 and on the circular economy in 2020. In 2021, Amundi launched an engagement campaign on biodiversity, to help companies address risks associated with biodiversity losses.

Given the limited data available on the subject, the first objective of this commitment is to assess the extent to which companies take biodiversity into account. This campaign, which initially targeted 56 companies in 8 sectors across 18 countries, therefore had a twofold objective:

- To raise awareness of the growing topic of biodiversity loss to accelerate corporate action

- To identify current industry best practices and broadly share these recommendations with corporates.

In 2022, Amundi continued this engagement and increased the number of companies in the sample to 92.

In addition to this specific campaign, the details and results of which can be consulted in Amundi's 2022 Engagement Report, the topic of biodiversity was an important focus of shareholder dialogue with issuers in 2022.

## 7.1.4 Participation in industry initiatives

In addition to the steps we have taken internally to develop better analysis and consideration of biodiversity for Amundi as an investor, we are also involved in the following industry initiatives

aimed at bringing about change in the financial sector as a whole. At group level, Amundi participates in the initiatives described below.

### Finance for Biodiversity Pledge<sup>34</sup>

In 2021, Amundi joined the collective investor initiative "Finance for Biodiversity Pledge" and thus committed to collaborating and sharing its knowledge, engaging with businesses and assessing its own impacts, as well as setting and publicly disclosing biodiversity targets. Amundi actively participates in the initiative's three working groups:

- Engagement with companies: members share their experiences of ESG engagement with companies on biodiversity, with the aim of

building on (rather than duplicating) the work taking place in other collaborative initiatives,

- Impact assessment (including biodiversity measurement and data): members share case studies, best practices and lessons learned on different approaches to biodiversity assessment,
- Public policy and advocacy: this commitment aims to engage governments in dialogue on public policy to reverse the loss of nature.

### Taskforce for Nature-Related Financial Disclosure (TNFD) pilot programme<sup>35</sup>

In 2022, following the release of the first Nature and Biodiversity Risk and Opportunity Framework by the TNFD (Taskforce on Nature related Financial Disclosure), the latter launched

pilot programmes to test the feasibility of this framework in a variety of ways. Amundi has joined a pilot project supported by UNEP-FI.

34. Working group on nature-related financial disclosure

35. United Nations for Environment Program Finance Initiative and CDC Biodiversité, designed to test the TNFD approach, and more specifically the application of the GBS (Global Biodiversity Score) for financial institutions.

## Biodiversity Impulsion Group

Contributions industry initiatives related to biodiversity can also be made by specific teams when the subject affects a specific activity. For example, Amundi Real Estate participates in the Biodiversity Impulsion Group (BIG) initiative.

Amundi Real Estate is very active in various initiatives to promote green real estate finance, and is particularly involved in market initiatives such as the BIG, which focus on the issue of biodiversity. The BIG aims to develop a common set of indicators and measurement tools to define and improve the biodiversity footprint of real estate projects.

## 7.2 Analysis of contributions to reducing principal pressures and impacts on biodiversity as defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) aims to provide governments, the private sector and civil society with scientifically credible, independent and up-to-date assessments of available knowledge on biodiversity loss. In May 2019, the organisation published a report that synthesises more than 15,000 scientific publications and provides an account of the state and trends of the natural world, the social implications of these trends, their direct and indirect causes and the actions that should be taken.

According to the report, the main factors behind the erosion of biodiversity are:

- Changes in land and sea use,
- Exploitation of natural resources,
- Pollution,
- Climate change,
- Invasive alien species.

### 7.2.1 A Biodiversity Policy aligned with IPBES recommendations

#### Entities: Amundi AM, BFT IM, CPR AM, S2G

Amundi has been taking biodiversity issues into account in its engagement policy and ESG score for many years. To go even further, Amundi has developed a Biodiversity Policy based on these factors, with appropriate policies for each. This policy, based on work that spanned most of 2022, was officially approved in May 2023. The policies relating to each of the factors are at different stages of deployment, as described below:

- Concerning changes in the use of land and sea: the Deforestation policy was validated in 2022 and the Deep-Sea Extraction and Sensitive Areas Extraction policies are currently being implemented,
- Concerning the use of natural resources: a “Water Management” policy is currently being implemented,
- Concerning pollution: policies on “Pesticides” and “Single-use plastics” are currently being implemented;
- With regard to climate change: the ‘Coal’ policy was introduced in 2016 and is gradually being strengthened; the ‘Energy’ policy is also being strengthened.

- The “Unconventional hydrocarbons (oil sands, shale oil and gas)” strategy was implemented in 2022,
- Invasive alien species: Amundi does not cover this dimension at this stage due to a lack of available data.

Amundi’s Biodiversity policy prioritises engagement and ESG score adjustment over divestment, and implements a two-pronged

approach, focusing both on prevention (ex ante approach) and on controversy monitoring (ex post). It takes the form of dedicated campaigns, commitments linked to controversial issues or commitments specific to certain issuers that may present specific risks. It does not replace existing campaigns in this area, but complements them. It makes it possible to maintain a list of securities under surveillance, likely to be subject to escalation.

## 7.2.2 A policy to combat deforestation implemented in 2022

### Entities: Amundi AM, BFT IM, CPR AM, S2G

Amundi’s Deforestation Policy, validated in November 2022, is one of the pillars of its Biodiversity policy and the first to be finalised for the “land and sea use change” factor.

This policy prioritises commitment over divestment. Rather than replacing existing commitments on deforestation it complements them. In line with the guidelines set out in the Biodiversity policy, its purpose is to establish a watchlist of securities identified as critical in relation to deforestation. Securities on the list are subject to engagement and monitoring.

### a. Setting up the watchlist

The process for setting up the watchlist was as conducted as follows:

- We examined companies for significant biodiversity and land use controversies based on data provided by Sustainalytics Controversy Data,
- We identified companies whose activities may have a critical impact on forests, using data provided by CDP Forest;
- We cross-referenced companies with both critical activities and significant controversies.

This process identified an initial group of almost 30 issuers which were placed on the watch list<sup>36</sup>.

Amundi has extended this list to include a number of issuers that were not identified by data providers but which, in our view, still represent a significant risk in terms of deforestation.

It should also be noted that, while the companies identified on the list are systematically subject to engagement, engagement actions on the topic of deforestation are not limited to the watch list.

### b. Engagement and potential escalation

Each company on the list is subject to a specific and detailed engagement that includes demands, targets and results. Depending on the results achieved, the company may be withdrawn from the list, maintained on the list

with potential escalation measures, or proposed for exclusion if the level of risk is high and the engagement fails to yield any progress.

36. As at November 2022

## c. Findings and challenges associated with engagement on deforestation and deployment of the Deforestation Policy in 2022

There is growing momentum on the topic of deforestation. An increasing number of companies are progressing in implementing comprehensive forest-related risk assessments, verifying compliance, setting policies/strategies, and strengthening board oversight on forest related issues.

Nevertheless, reporting on deforestation remains largely elusive in numerous high-risk regions and sectors, particularly where commodities' certifications are still under development. Only a handful of companies have established robust, timebound, and quantifiable targets related to supply chain control systems. There is a demand for more precise data and intelligence to evaluate and manage risks, as well as increased regulation, such as the new EU's Deforestation Free Products regulation, and more reliable monitoring systems to track and report change. Cross-sector collaboration is crucial for addressing this issue, and greater efforts are required to unite stakeholders from different industries and value chains to collaboratively develop solutions.

Although there has been an increase in engagement activity with direct suppliers to address deforestation risks, we have observed minimal evidence of technical or financial assistance being provided. Despite growing awareness of the substantial human costs associated with deforestation, corporate actions remain largely inadequate, leaving a significant gap between the necessary measures and the actions currently being undertaken. Some companies have implemented policies but lack the resources or capabilities for effective execution, while others adopt a reactive approach, addressing issues only when they are identified, rather than proactively preventing them.

For companies that fail to demonstrate sufficient progress, appropriate measures, or timely efforts in the right direction, Amundi will continue to deploy a range of escalation strategies. These include divestment or exclusion from our investment portfolios, exercising voting power at Annual General Meetings, and overriding the internal ESG rating assigned.

Based on all 2022 deforestation engagements, 26 companies were submitted for escalation in 2023. Our objective is to maintain engagement with our existing issuers while broadening our scope to encompass a larger target pool and foster increased action on this critical matter.

## 7.3 Reliance on a biodiversity footprint indicator and, where applicable, how it allows to measure compliance with international biodiversity targets

### Entities: Amundi AM, BFT IM, CPR AM, S2G

In 2022, Amundi began deploying data making it possible to calculate the biodiversity footprint of its portfolios. This information is available in the Art. 29 LEC reports of funds with more than €500 million in assets under management. At this stage, Amundi does not consolidate this data at the level of entities or at Group level. The metric used to express the biodiversity footprint is the MSAppb\* per €bn<sup>37</sup>. This ratio quantifies the impact of companies' activities and their value chain on their environment. The biodiversity footprint of an entity is obtained by dividing the impact value (MSA.ppb\*) by the enterprise value, yielding the "MSAppb\*/EURb." To allocate the impact of a company to a portfolio, this footprint is multiplied by the total value held in the portfolio. To quantify the biodiversity impacts of each company, the upstream physical inventories required to conduct its activities are modelled on the basis of regional and sector-specific sales, using the EXIOBASE input-output model. These physical flows generate pressures on biodiversity, which are modelled using the Commotools (raw materials analysis tool) developed by CDC Biodiversité. And lastly, the GLOBIO model<sup>38</sup> is used to express these pressures in terms of impact on various ecosystems using MSA<sup>39</sup> percentages.

The resulting impacts are expressed in MSA.km<sup>240</sup>, the surface equivalent of MSA and a key metric in the GBS (Global Biodiversity Score) model.

These impacts are divided into four "compartments" according to the biome (terrestrial, aquatic, freshwater) and the temporality of the impact (static, dynamic). To arrive at an aggregate metric, the MSA.km<sup>2</sup> undergoes a double standardisation:

- Standardisation of the difference between land area (~130 million km<sup>2</sup>) and freshwater area (~10 million km<sup>2</sup>), resulting in a MSAppb - MSA.km<sup>2</sup> translated into parts-per-billion and expressed as the surface fraction of their respective biomes.
- Standardisation of the differential between static (initial state vs. the present) and dynamic (produced over the year of analysis) impacts, at the end of which the MSAppb\* is obtained - a metric that integrates the static impact into the footprint of the year under analysis by amortising it over the time required to reconstitute the biodiversity on the surface in question (aka "time integrated").

This double standardisation creates an indicator that takes into account multiple dimensions of the impact a company's activities have on biodiversity.

37. MSAppb\*/EURb (BIA, Biodiversity Impacts Analytics - Carbon4 Finance): aggregates both static and dynamic data for terrestrial and aquatic environments: static impacts result from the past accumulation of biodiversity losses; dynamic impacts represent impacts that occurred in the year under consideration. The MSAppb\* expressed in terms of enterprise value is equal to a company's biodiversity footprint, the MSA.ppb\*/EURb.

38. GLOBIO model: developed by a consortium set up in 2003 comprising PBL, UNEP GRID-Arendal and UNEP-WCMC. The model was designed to calculate the impact of environmental pressures on biodiversity in the past, present and future. It is based on pressure-impact relationships derived from the scientific literature. GLOBIO does not use species data as input to produce its results. Instead, spatial data on the various environmental pressures are mobilised and an impact on biodiversity is estimated. These pressures are mainly derived from the Integrated Model to Assess the Global Environment (IMAGE)

39. MSA (GLOBIO): Mean Species Abundance is an indicator that shows the percentage of local biodiversity integrity

40. MSA.km<sup>2</sup> (GBS): surface version of MSA%. A loss of 1 MSA.m<sup>2</sup> is equivalent to the artificialization of 1 m<sup>2</sup> of a pristine natural ecosystem



## Entity: Amundi Real Estate

Amundi takes part in the Biodiversity Impulsion Group (BIG), which aims to develop a common set of indicators and measurement tools to define and improve the biodiversity footprint of real-estate property projects.

The entity takes part in meetings held by the various research centres, in which we address methodological and operational problems that may arise, as well as collective intelligence workshops to open avenues for analysis. Lastly,

we provide logistical support for scientists involved in the project by providing them access to some of our sites for field work. As part of this research, we also use our real estate holdings to test the ideas we put forward at meetings.

The first version of the indicators should appear in the second half of 2023 and will evolve over time in order to progressively refine the measurements we are able to make.

## Quantitative regulatory data by entity

Quantitative indicators required under III-7 of article D. 533-16-1 of the Monetary and Financial Code				Amundi (Group)	Amundi Asset Managers	BFT Investment Managers	CPR Asset Management	Société Générale Gestion	Amundi Real Assets		
Indicator category	Detail and indicator/paragraph number	Metric	Format						Amundi Real Estate	Amundi Private Equity Funds*	Amundi Energy Transition
		Free metric	Numerical value	N/A	N/R	N/R	N/R	N/R	N/C	12	N/A
		Brief description of the metric	Text	See 7.3	N/R	N/R	N/R	N/R	N/C	Single-choice questionnaire for the following question: "Has the company formalised- a biodiversity conservation policy (commitments, etc.)?and objectives)?"	N/A
		Unit of measurement for free metric	Text	MSAppb* per €bn	N/R	N/R	N/R	N/R	N/C	The possible answers are: -Yes, with supporting documents -Yes, without supporting documents -No, but with actions underway -No, without any action	N/A
		Total AuM covered by the biodiversity footprint indicator	€m	N/A	N/R	N/R	N/R	N/R	N/A	678.69	N/A
		of which collected directly from- counterparties	€m	N/A	N/R	N/R	N/R	N/R	N/A	678.69	N/A
		Percentage of total assets covered by the biodiversity footprint indicator	%	N/A	N/R	N/R	N/R	N/R	N/A	92.1	N/A
		of which, amounts collected directly from counterparties	%	N/A	N/R	N/R	N/R	N/R	N/A	100	N/A

Source: Amundi, 2022

\* This pertains only to directly managed PEF funds

N/C: Not Calculated

N/R: Not Relevant (distinction by entity not relevant, refer to Group level data)

N/A: Not Applicable (entity not concerned by the data)

## 8

# Approaches for taking into account environmental, social and governance criteria into risk management

To best present this information, the points relating to Amundi AM, CPR AM, BFT IM and S2G have all been addressed with in the first sub-section. The second sub-section addresses the same points for AET, Amundi Real Estate and Amundi PEF.

Entities: Amundi AM, CPR AM, BFT IM and S2G

## 8.1

## Identification of environmental, social and governance risks

At Amundi, the Responsible Investment department is the centre of expertise responsible for identifying and assessing the risks and opportunities relating to ESG issues. The department's ESG indicators are used in particular by portfolio managers, and by the Risk and Reporting departments. A detailed description of the department and its organisation is provided in section 2 of the report.



The table below presents the general breakdown of the various ESG risks identified by Amundi, the approach used to assess them and the data providers used to assess and monitor these risks. The risks can have several types of consequences, including, but not limited to, reputational risks, impairment of asset value, litigation and portfolio underperformance.

Identified risk	Description	Amundi's assessment	Data provider used
<b>Environmental Risks</b>	Result from the way in which an issuer controls its direct and indirect environmental impact: energy consumption, reduction of greenhouse gas emissions, fight against the depletion of resources and protection of biodiversity, etc.	Proprietary rating from A to G, established on the basis of an analysis framework (criteria and weights) of the risks and opportunities linked to the "Environment" pillar, specific to each business sector.  A G rating indicates the highest risk.	MSCI, Moody's ESG Solutions, ISS ESG, Sustainalytics
<b>Social Risks</b>	Result from the way in which an issuer manages its human capital and its stakeholders (other than shareholders).  This covers several concepts: the social aspect linked to human capital (accident prevention, employee training, respect for employees' rights, etc.), those linked to human rights in general, and responsibilities towards stakeholders.	Proprietary rating from A to G, established on the basis of an analysis framework (criteria and weights) of the risks and opportunities linked to the "Social" pillar, specific to each business sector.  A G rating indicates the highest risk.	MSCI, Moody's ESG Solutions, ISS ESG, Sustainalytics
<b>Governance Risks</b>	Result from the way in which the issuer manages its development or result from the way in which the company organises its operations and its management bodies. This may give rise to unfair commercial practices, fraud or corruption, non-diversified boards of directors, excessive remuneration, etc.	Proprietary rating from A to G, established on the basis of an analysis framework (criteria and weights) of the risks and opportunities linked to the "Governance" pillar, specific to each business sector.  A G rating indicates the highest risk.	MSCI, Moody's ESG Solutions, ISS ESG, Sustainalytics
<b>Risks of controversy</b>	Possibility that an issuer or investment may become involved in controversy, litigation or events that could damage its reputation or ability to generate profits. May include contested business practices, violations of law, financial scandals, environmental or social problems, or other difficulties that could compromise the issuer's credibility or sustainability.	Proprietary methodology combining a quantitative filter to define the universe to be subjected to a qualitative evaluation. This results in a rating on a scale of 0 to 5 (5 being the worst). Controversies with a score of 3 or more are considered serious.	RepRisk, MSCI, Sustainalytics

<b>Physical risks</b>	<p>Related to adaptation to climate change</p> <p>Result from damage caused by extreme weather and climate events.</p>	<p>Exposure score to the physical risks of 7 extreme weather events (fire, cold wave, heat wave, water stress, coastal flooding, hurricane, flooding) on a scale of 0 to 100.</p> <p>The higher the score, the greater the risk</p>	Trucost / IPCC
<b>Transition risks</b>	<p>Related to mitigating the impact of climate change on the business model</p> <p>Result from the difference between the adjustments made to the company's activity with a view to reducing carbon emissions and a scenario consistent with limiting the rise in temperature to 1.5°C compared with pre-industrial levels. This also covers unforeseen or sudden changes.</p>	Metrics on carbon emissions	Trucost
		Metric on the brown share of a company's activity (negative contribution to mitigation objectives)	MSCI / Trucost
		Metric on carbon reduction targets	CDP /SBTi
		Proprietary energy transition rating, on a scale from A to G*	MSCI, Moody's ESG Solutions, ISS ESG, MSCI, Sustainalytics
		Temperature alignment metric	ICEBERG/CDP/Trucost
<b>Biodiversity risks</b>	<p>Related to the contribution to the transition</p> <p>Result from the company's ability to offer goods and services that are compatible with a trajectory towards low greenhouse gas emissions and development that is resilient to climate change</p>	Metric on the green share of a company's activity (positive contribution to the objectives of the Paris Agreement)	MSCI / Trucost / FT-Russell
		<p>Related to the inclusive transition</p> <p>Result from the transformation of the business model by integrating the social aspects of the energy and ecological transition</p>	<p>Proprietary rating of Just Transition on a scale from A to G</p> <p>A G rating represents the highest risk</p>
<b>Litigation or liability risk related to environmental factors</b>	<p>Arises from the possibility that the entity may become involved in litigation that could damage its reputation or its ability to deliver performance. May include contested business practices, violations of laws, environmental damage or other events that could compromise the entity's credibility or sustainability.</p>	<p>"Biodiversity and pollution" rating criterion integrated into the assessment of the Environment pillar. Proprietary rating on a scale from A to G*.</p> <p>A G rating represents the highest risk</p> <p>Amundi's general approach to biodiversity is presented in section 7 of this report</p>	MSCI, Moody's ESG Solutions, ISS ESG, MSCI, Sustainalytics
		Biodiversity metric	Carbon4 Finance
<b>Litigation or liability risk related to environmental factors</b>		In its risk mapping, Amundi's operational risks include the legal risk arising from Amundi's exposure to civil, administrative or criminal proceedings, the risk of non-compliance arising from failure to comply with the regulatory and legislative provisions or ethical standards that govern its activities, and the reputational risk that may arise.	n/a

Source: Amundi, 2022

\* This metric assesses how issuers are maximising the positive impacts and minimising the negative impacts of the transition to a low-carbon economy in their sectors and industries.

## 8.2 Risks and opportunities assessment

### 8.2.1 Assessing ESG risks and opportunities by setting up a proprietary ESG rating system

The environmental, social and governance risks and opportunities presented in the table above are assessed by means of a proprietary ESG rating assigned to issuers by Amundi's Responsible Investment teams.

#### Rating of corporate issuers

Our ESG analysts are sector specialists tasked with:

- Staying abreast of emerging and advanced ESG topics and monitor trends of each business sector;
- Assessing sustainability risks and opportunities as well as negative exposure to sustainability factors;
- Selecting relevant KPIs and weights associated in Amundi's proprietary ESG scoring system.

Our ESG analysis methodology is comprised of 38 criteria to determine the ESG profile of each sector of activity. Of the 38 criteria presented in section 1, 17 are cross-sector criteria, common to all companies whatever their business sector, and 21 are sector-specific criteria.

The weighting of ESG criteria is a key element of ESG analysis. The weight attribution model considers that ESG criteria can have an influence on the value of a firm by means of 4 vectors: regulation, reputation, business model, operational efficiency.

To weight the ESG criteria, the ESG analyst considers the likelihood and the magnitude of the impact of each factors on the following two materialities:

- 1<sup>st</sup> materiality: Ability to anticipate and manage the sustainability risks and opportunities inherent to its industry and to its individual circumstances
- 2<sup>nd</sup> materiality: Ability of the management team to handle potential negative impact of their activities on the sustainability factors





		Regulation	Reputation	Business Model	Operational Efficiency
1 <sup>st</sup> materiality	Ability to anticipate and manage the sustainability risks and opportunities inherent to its industry and to its individual circumstances	x	x	x	x
2 <sup>nd</sup> materiality	Ability of the management team to handle potential negative impact of their activities on the sustainability factors	x	x	x	x

Source: Amundi, 2022

This approach to analysis through the two materialities allows analysts to prioritise risks by taking into account the particularities and events specific to each sector.

The weightings take into account the intensity of the risk involved, whether it is emerging or established, and its time horizon. In this way, the most material risks are given the highest weighting.

ESG ratings are calculated by using the ESG criteria and weights assigned by the analysts and combining the ESG scores obtained from our external data providers.

At each stage of the calculation process, the scores are normalised into Z-scores. Z-scores are a way to compare results to a “normal” population (deviation in the issuer’s score compared with the average score of the sector, by number of standard deviations). Each issuer is assessed with a score scaled around the average of their sector, enabling to distinguish best-practices from worst practices at sector level. At the end of the process, each company is assigned an ESG score (approximately between -3 and +3) and the equivalent on a scale from A to G, where A is the best, and G the worst. Rating D represents the average scores (from -0.5 to +0.5); each letter corresponds to a standard deviation.



There is only one ESG rating for each issuer, regardless of the benchmark universe chosen. The ESG rating is therefore “sector neutral: no sector is privileged or, conversely, disadvantaged.

As part of the implementation of the SFDR regulation, Amundi has drawn up the following table of environmental and social factors deemed to be material in various sectors:

	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Information Technology	Communication Services	Utilities	Real Estate
<b>Environmental factors</b>											
Emissions & Energy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Environmental Solutions		✓	✓	✓			✓				✓
Water Management		✓		✓	✓			✓		✓	
Biodiversity & Pollution	✓	✓	✓	✓	✓	✓				✓	
Supply chain - Environment			✓	✓	✓			✓			
<b>Social factors</b>											
Working Conditions (including H&S and Labour Relations)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Supply chain - Social			✓	✓	✓			✓			
Product & Customer Responsibility		✓	✓	✓	✓	✓	✓	✓	✓		✓
Community Involvement & Human Rights	✓	✓				✓	✓		✓	✓	✓

Source: Amundi, 2022

The factors are detailed below:

**Emissions & Energy:** Assessment of the climate change strategy, the energy consumption, sourcing and production, and the related greenhouse gas emissions.

**Environmental Solutions:** Assessment of the products and solutions with environmental benefits the company offers. It includes green businesses such as green cars, green chemistry, sustainable construction and green investing.

**Water Management:** Assessment of water resource management and risks, based notably on water withdrawals, consumption efficiency and water stress.

**Biodiversity & Pollution:** Assessment of biodiversity strategy, land use, waste management, pollution prevention and the environmental impact in general. It includes the management of operations as well as products design, sourcing and disposal.

**Supply Chain - Environment:** Assessment of the environmental risks and opportunities management in the supply chain. It notably includes supply chain incidents, procurement policy and product certifications.

**Working Conditions:** Assessment of the human capital management. It considers the management of occupational health and safety and working conditions as well as freedom of association and union representation. It includes fair remuneration, employee turnover, upskilling and career development, as well as equal opportunities through related programs, certifications and incidents.

**Supply Chain - Social:** Assessment of the social risks and opportunities management in the supply chain as well as the relationship with suppliers. It notably includes supply chain incidents, procurement policy and product certifications.

**Product & Customer Responsibility:** Assessment of the management of product safety and customer responsibility. It notably includes data privacy and security; chemical, passenger and food safety; responsible marketing and media.

**Community Involvement & Human Rights:** Assessment of incidents, programs and policies related to the community involvement and the respect of human rights. It notably includes access to social benefits such as access to medicine, and digital or financial inclusion.

## Rating of sovereign issuers

Amundi's ESG sovereign scoring methodology aims at assessing the ESG performance of sovereign issuers. E, S and G factors can have an impact on the issuer's ability to repay its debt in the medium and long-term. They can also reflect on how countries are faring in dealing with major sustainability issues that affect global stability. Amundi's methodology relies on a set of about 50 ESG indicators deemed relevant by Amundi ESG research to address sustainability risks and sustainability factors<sup>41</sup>. Each indicator can weigh in several data points, coming from different sources, including open-source international databases (such as from the World Bank Group, the United Nations, etc.) and proprietary databases. Amundi has defined the weights of each ESG indicator contributing

to the final Amundi sovereign ESG scores, and its various sub-components (E, S and G). The indicators are sourced from an independent data provider<sup>42</sup>. All indicators have been grouped into eight categories in order to provide greater clarity, each category falling into one of the pillars E, S or G. Similar to our corporate ESG rating scale, issuers' ESG score is translated in an ESG rating ranging from A to G.

<b>Environment</b>	Climate change - Natural Capital
<b>Social</b>	Human Rights - Social Cohesion - Human Capital - Civil Rights
<b>Governance</b>	Governance Effectiveness - Economic Environment

41. Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment. Principal adverse impacts are impacts of investment decisions that result in negative effects on sustainability factors. Sustainability factors mean environmental, social and employee matters, respect for human rights and anti-bribery matters

42. See table in section 8.1



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## 8.2.2 Controversy monitoring

Amundi has developed a controversy tracking system that relies on third-party data from three data providers<sup>43</sup> to systematically identify controversies and their level of severity on a scale from 1 to 5 (with 5 being the highest). This quantitative approach is then enriched with an in-depth assessment of every severe controversy (score of 3 or higher), led by ESG

analysts and the periodic review of its evolution. In the most severe and repeated cases, where no credible corrective action is taken, the analyst may propose downgrading the company's ESG rating. This may ultimately lead to exclusion from the active investment universe (G rating), which is validated by the ESG Rating Committee.

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## 8.2.3 Assessment of climate-related risks and opportunities (transition and physical) by deploying proprietary climate assessment and metrics

### Rating

The "Environment" pillar of Amundi's proprietary rating enables climate-related risks and opportunities to be taken into account. Please refer to chapter 8.1 for the criteria used and to chapter 8.2.1 for the assessment methodology.

### Metrics

Amundi is striving to broaden the range of indicators used to integrate climate-related risks and opportunities. The table below presents the physical and transition risks considered, their objectives and the metrics used. The methodologies associated with the metrics are detailed later in this chapter.

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43. See table in section 8.1

	Transition risks		Physical risks
	1. Mitigation	2. Contribution	3. Adaptation
<b>Objectives</b>	Continue efforts to limit global warming to less than +1.5°C vs. pre-industrial era	Make financial flows compatible with low GHG emissions trajectory and climate-change resilient development	Increase adaptive capacity to the adverse effects of climate change and promote climate resilience
<b>Related metrics</b>	<ul style="list-style-type: none"> <li>• Carbon emissions</li> <li>• Energy Transition rating</li> <li>• Exposure to brown activity</li> <li>• Carbon reduction targets</li> </ul>	Involvement in green activities	Physical risk exposure score
	Temperature alignment		
	Just Transition		

Source: Amundi, 2022

Using a wide range of indicators, Amundi is able to set short-, medium- and long-term targets. For this purpose, Amundi relies on a broad set of data providers to guarantee that its measurements and assessments are as accurate as possible.

The following table lists the various metrics employed, the type of data and the data provider:

Metric	Data	Sources
Direct GHG Emissions (Scope 1+2) and Indirect GHG Emissions (Scope 3)	Carbon emissions for Scopes 1, 2 and 3	Trucost
Carbon Reduction Target	Short-, medium- and long-term targets	CDP/SBTi
Temperature Alignment		ICEBERG DATA/CDP/Trucost
Energy Transition (internal rating)	This measure assesses an issuer's exposure to transition risks and ability to manage said risks	MSCI/Vigeo-Eiris/Sustainalytics/ISS-ESG
Green Recipes	Company's involvement in activities generating significant positive impact on climate mitigation and/or adaptation	MSCI/FT-Russel/Trucost
Physical Risks	Physical risk exposure to 7 extreme weather events	Trucost
Just Transition	In-house evaluation	MSCI/Vigeo-Eiris/Sustainalytics/ISS-ESG

Source: Amundi, 2022

The methodologies used for the metrics presented in this table are detailed below:

## Carbon emissions

Amundi has chosen the provider Trucost for carbon emissions data (expressed in tonnes of CO<sub>2</sub>) for private and public issuers.

For corporate issuers, these data cover Scopes 1 and 2 and part of Scope 3, corresponding to indirect emissions linked to first-tier suppliers (Scope 3 upstream first tier).

The data received is then integrated into Amundi's information system and allocated to an issuer. For companies for which we have not received a Trucost value, we apply the rating of their parent company, where available.

For sovereign issuers, this data concerns national emissions (territorial emissions) and emissions resulting from international trade (imported emissions - exported emissions).

Amundi has developed two carbon footprint indicators: carbon emissions in millions of euros invested and carbon emissions in millions of euros of turnover. These data and methodologies are used in fund reports and to inform Amundi's strategy, in order to measure and, where appropriate, reduce the carbon footprint of investment portfolios.

Please refer to the methodological details in [annex 3](#).

## Carbon reduction target

The Science Based Targets Initiative (SBTi) promotes a methodology to assess and track the objectives in reduction of greenhouse gas emissions, in line with the objectives of the Paris Agreement.

It assesses the alignment of corporate reduction targets with sectorial objectives in line with the overall objectives of limiting global warming. Those targets are then categorized according to their level of ambition: 1.5°C, Well-below 2°C and 2°C.

We consider this metric to be a relevant indicator of the corporate commitment in tackling climate change. The commitment to declare an science-based target reflects a level of ambition as well as the willingness to align its objective with reference level defined by climate science. This is key in assessing a portfolio exposure to transition risks because it measures the awareness and the responsiveness of issuers to risks arising with the transition to the low-carbon economy.

## Temperature alignment

The temperature alignment metric aims to assess an issuer's future carbon trajectory. It measures its alignment with global climate objectives. To this end, Amundi takes into account past performance (generally over the last 10 years) and anticipated performance, with regard to the company's stated carbon reduction targets. The company's history and stated carbon reduction targets are used to calculate its trajectory. It can then be compared with global climate scenarios. This comparison is used to estimate the temperature increase associated with the issuer's trajectory. This metric is useful for measuring the ambitions of companies on a global scale.

Amundi relies on temperature scores developed by several providers, including Trucost, Iceberg Data Lab and CDP. These three providers each have different methodologies and scopes of data collection, as, for instance, their inclusion of companies' past emissions trends in addition to carbon reduction targets, credibility discounts and their treatment of non-disclosure. Amundi has chosen to incorporate this methodological heterogeneity to perform the best possible assessment portfolio temperatures.

	Data	Scope	Type	Specificities
<b>CDP</b>	<ul style="list-style-type: none"> <li>Carbon reduction targets from the CDP questionnaire</li> </ul>	Scope 1 + 2 + 3	Absolute and Intensity	<ul style="list-style-type: none"> <li>Carbon reduction targets only</li> <li>Baseline temperature (3.2°C)</li> </ul>
<b>Iceberg Data Lab</b>	<ul style="list-style-type: none"> <li>Background: GHG emissions since 2010</li> <li>outlook: CDP and SBTi carbon reduction targets</li> </ul>	Scope 1 + 2 + 3	Intensity only	<ul style="list-style-type: none"> <li>Assessment of the issuer's credibility</li> <li>Sector-specific methodology for several non-SDA sectors</li> </ul>
<b>Trucost</b>	<ul style="list-style-type: none"> <li>Background: Own GHG emissions since 2010</li> <li>Outlook: CDP &amp; SBTs target + estimated production projections</li> </ul>	Scope 1 + 2	Intensity only	<ul style="list-style-type: none"> <li>S&amp;P physical output data used to estimate trajectories</li> </ul>

Source: Amundi, 2022

There are some notable differences between the three methodologies. All three providers analyse the issuer's ambition. However, Trucost and Iceberg Data Lab include past emissions in their trajectory estimates.

- Iceberg Data Lab is the only provider to proactively take into account the credibility of issuers. They analyse the actions taken in relation to issuers' commitments.
- Many issuers have not yet published carbon

emission reduction targets. As a result, CDP has chosen to apply a default +3.2°C degree trajectory for these issuers.

- Trucost has developed a different methodology for aggregating temperatures at portfolio level. Instead of using a weighted average, Trucost takes into account the carbon budgets of each company in relation to a reference scenario in order to aggregate them at portfolio level.



### Focus on Iceberg Data Lab's SB2A methodology

**Issuer's previous carbon emissions**

**Issuer's published carbon reduction targets**

**Comparison between issuer's trajectory and global climate scenarios**

- Historical data and carbon reduction targets make it possible to calculate the issuer's carbon trajectory
- This trajectory may be compared to global climate scenarios
- The comparison with a climate scenario yields an implicit temperature rise for the trajectory of a particular issuer

**ISSUER TEMPERATURE SCORE**

Source: Amundi, ICEBERG Data Lab

For the purpose of assessments and measurements, the GHGs taken into account are tonnes of CO<sub>2</sub> equivalent, i.e., primarily CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.

## Energy transition rating

Calculated for each individual issuer, the ET rating assesses not only their exposure to climate transition risk, but also the ability to anticipate and manage such risk.

The energy transition rating includes:

- The level of the company's carbon intensity and its dynamics;
- Involvement in activities such as renewable energies, electric vehicles, green financing, etc

For example, a company heavily involved in activities presenting a significant climate risk that lacks a divestment strategy may receive an ET rating of E or lower. Conversely, an issuer with an identified climate transition risk may receive a higher ET rating if they demonstrate a clear strategy for managing it.

## Physical risk exposure score

Amundi's approach to physical climate risk assessment is based on data and methodology developed by Trucost.

Trucost maps the location data for companies' physical assets against seven climate hazards (fire, cold wave, heatwave, sea level rise, flood, tornado and drought) to analyse issuers' sensitivity to these different risks.

## Green share / brown share

The green share of a portfolio covers the activities that positively contribute to targets under the Paris Agreement. The brown share covers all activities related to thermal coal (mining and power generation), oil and gas production and exploration, and power generation from fossil fuels.

This score is calculated according to the location of the assets and by looking at the prospective exposure of each region of the globe to such events. The composite score aggregates the exposure to each risk event in a non-linear way. The score is based on a scale of 0 to 100 (100 being the highest risk).

To measure the green and brown shares of the investment portfolio Amundi relies on methodologies developed by three data providers: MSCI, Trucost and FTSE-Russell, the latter being used solely for the green share.



## 8.2.4 Assessing biodiversity-related risks and opportunities by deploying a proprietary biodiversity assessment and metric

### Rating

The “Biodiversity and pollution” rating criterion is integrated into the Environment pillar of Amundi’s proprietary rating. Biodiversity and

pollution risks and opportunities are assessed on a scale from A to G, with G representing the highest risk.

### Metric

The metric used to express the biodiversity footprint is the MSAppb\* per €bn<sup>44</sup>. This ratio quantifies the impact of companies’ activities and their value chain on their environment. The biodiversity footprint of an entity is obtained by dividing the impact value (MSA.ppb\*) by the enterprise value, yielding the “MSAppb\*/EURb. To allocate the impact of a company to a portfolio, this footprint is multiplied by the total value held in the portfolio.

The measurement of the biodiversity footprint is detailed in section 7 in chapter 7.3.



44. MSAppb\* / EURb (BIA, Biodiversity Impacts Analytics - Carbon4 Finance): aggregates both static and dynamic data from terrestrial and aquatic environments:

Static impacts result from the past accumulation of biodiversity losses;

Dynamic impacts represent impacts taking place in the year under consideration.

The MSAppb\* relative to enterprise value is equal to the biodiversity footprint of a company, the MSA.ppb\*/EURb.



## 8.3 Sustainability risk management

Amundi’s approach to sustainability risk management is based on the following three pillars:

- The exclusion policy, which deals with the most significant ESG risks, detailed in section 1 in chapter 1.1.1 “An ambitious responsible investment policy”;
- The ESG risk assessment detailed in section 8.2 and the integration of these assessments into the investment process detailed in chapter 1.1.1;
- The stewardship policy, which helps to trigger positive changes in the way companies manage their impact on key sustainability issues, and thus mitigate the associated risks.

## 8.4 Integrating sustainability risks into the entity’s conventional risk management framework

Sustainability risks are integrated into Amundi’s internal control and risk management system. The table below details the internal control system implemented by Amundi.

**Diagram of the internal control system**



Source : Amundi, 2022

Responsibilities for sustainability risks are spread between:

- The first level of controls performed by the investment teams themselves, and
- The second level of controls performed by the Risk teams, who monitor compliance with ESG objectives and constraints.

The Risk department is part of Amundi’s “Responsible Investment” governance. It oversees adherence to regulatory requirements and management of risks related to these topics.

Risk teams monitor ESG rules in the same way as the other management rules. They rely on the same tools and procedures and cover our exclusion policies as well as eligibility criteria and ESG rules specific to funds. Compliance controls are automated in Amundi’s proprietary compliance tool (ALTO\* Investment Compliance) with:

- Pre-trade alarm or blocking alerts, in particular with regards to exclusion policies;
- Post-trade alerts: fund managers are notified of potential breaches and are required to quickly bring portfolios back into compliance.

All the risks associated with the asset management business are presented in the Universal Registration Document in part 5.2.

## 8.5 Frequency of risk management framework review

Each ESG analyst reviews the sectors for which s/he is responsible at least every 18 months, in order to reassess the relevance of the criteria and the associated weightings. We are continually seeking to improve our analysis by assessing their materiality.

Amundi's responsible investment policy is updated every year.

## 8.6 Action plan to reduce the entity's exposure to the main environmental, social and governance risks identified

### 8.6.1 Reducing exposure to risk through a strategic plan

The ESG Ambitions 2025 plan is a new social and environmental plan that will enable us to continue to deepen the ESG integration of our investment solutions, strengthen Amundi's savings offer for sustainable development and set internal alignment objectives in line with our ESG commitments.

Further information on Amundi's ESG Ambitions 2025 Plan is available in section 1 "Information on the entity's general approach" of this report.



## 8.6.2 Reducing exposure to risk by addressing the principal adverse impacts

Principal Adverse Impacts (PAI) have been defined by the European Union in the Regulatory Technical Standards (RTS) of the SFDR Regulation, as “negative effects, material or likely to be material on sustainability factors that are caused, aggravated by or directly linked to investment decisions and advice performed by the legal entity”.

The table below shows the measures implemented by Amundi to address the principal adverse impacts (PAI).

#	Metric	Measures implemented	Scope of application - general principles
1	<b>GHG emissions (Scope 1, 2, 3 and total)</b>	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Requirement of energy transition criteria in executive remuneration for sectors with a significant impact on the climate, use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi’s proprietary ESG model)
2	<b>Carbon footprint</b>	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Requirement of energy transition criteria in executive remuneration for sectors with a significant impact on the climate, use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi’s proprietary ESG model)
3	<b>GHG intensity of investee companies</b>	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Requirement of energy transition criteria in executive remuneration for sectors with a significant impact on the climate, use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi’s proprietary ESG model)

4	Exposure to companies active in the fossil fuel sector	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Requirement of energy transition criteria in executive remuneration for sectors with a significant impact on the climate, use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>Exclusion policy:</b> Included in the exclusion policy for coal and unconventional hydrocarbons	<b>Exclusion policy (coal and unconventional hydrocarbons):</b> active funds and ESG passive funds (that apply Amundi's Sector Policy)
5	Share of non-renewable energy consumption and production	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
6	Energy consumption intensity per high impact climate sector	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches
7	Activities negatively affecting biodiversity sensitive areas	<b>Engagement:</b> Engagement theme on the preservation of natural capital	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account biodiversity and land use alert levels	<b>Controversy monitoring:</b> active funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
8	Emissions to water	<b>Engagement:</b> Engagement theme on the preservation of natural capital	<b>Engagement:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account biodiversity and land use alert levels	<b>Controversy monitoring:</b> active funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
9	Hazardous waste ratio	<b>Engagement:</b> Engagement theme on the preservation of natural capital	<b>Engagement:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account alert levels relating to toxic emissions, discharges and waste	<b>Controversy monitoring:</b> active funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)

4 (table 2*)	Investments in companies without carbon emission reduction initiatives	<b>Engagement:</b> Engagement theme on the transition to a low-carbon economy	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Requirement of energy transition criteria in executive remuneration for sectors with a significant impact on the climate, use of voting rights as an escalation mechanism in the event of significant negative impacts	<b>Voting:</b> active funds and passive funds
		<b>ESG score integration:</b> Included in the environmental pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>			
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines	<b>Exclusion:</b> Issuers that repeatedly and seriously violate one or more of the Global Compact's ten principles without credible corrective action are excluded	<b>Exclusion (UN Global Compact principles):</b> active funds and passive ESG funds (which apply Amundi's sector-specific policy).
		<b>Engagement:</b> Engagement theme on social cohesion	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Use of the vote as an escalation mechanism for companies with controversial social practices	<b>Voting:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account alert levels relating to UNGC violations	<b>Controversy monitoring:</b> active funds
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for multinational companies	<b>Engagement:</b> Engagement theme on strong governance for sustainable development	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Use of the vote as an escalation mechanism for companies with controversial social practices	<b>Voting:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account alert levels relating to public policy and governance incidents	<b>Controversy monitoring:</b> active funds
12	Unadjusted gender pay gap	<b>Engagement:</b> Engagement theme on social cohesion	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Priority theme of the social cohesion voting policy	<b>Voting:</b> active funds and passive funds
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account alert levels relating to labour relations and employee management	<b>Controversy monitoring:</b> active funds
13	Board gender diversity	<b>Engagement:</b> Increasing gender diversity is part of the Group's commitment policy through the launch in 2020 of the 30% Club France Investor Group, of which Amundi has become co-chair	<b>Engagement:</b> active funds and passive funds
		<b>Voting:</b> Gender diversity criterion in the voting policy	<b>Voting:</b> active funds and passive funds
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)	<b>Exclusion policy:</b> Controversial weapons are excluded in accordance with the weapons exclusion policy. As part of its exclusion policy, Amundi may enter into a dialogue with certain issuers to confirm their exposure to controversial weapons	<b>Exclusion policy:</b> active funds and passive funds
		<b>Voting:</b> Using voting as an escalation mechanism for companies with controversial social practices	<b>Voting:</b> active funds and passive funds

\*Table 2 "Additional climate and other environment-related indicators" from Annex 1 of the SFDR's RTS

9 (table 3*)	<b>Lack of a human rights policy</b>	<b>ESG score integration:</b> Included in the social pillar of the proprietary ESG rating model	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
		<b>Controversy monitoring:</b> Screening within a broad universe of issuers, taking into account alert levels relating to UNGC violations	<b>Controversy monitoring:</b> active funds
<b>INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS</b>			
15	<b>GHG intensity</b>	<b>ESG score integration:</b> Included in the environmental pillar of Amundi's proprietary ESG rating model for sovereigns	<b>ESG score integration:</b> active funds with ESG rating upgrade and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
16	<b>Investee countries subject to social violations</b>	<b>Exclusion:</b> Countries on the European Union (EU) sanctions list with a sanction consisting of an asset freeze and a sanction index at the highest level (taking into account US and EU sanctions) are excluded, after formal review and validation by Amundi's Rating Committee	<b>Exclusion:</b> active funds and passive ESG funds

\*Table 3 "Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters" from Annex 1 of the SFDR's RTS.

## 8.7 Quantitative estimate of the financial impact of the main environmental, social and governance risks identified

Amundi has been working to enhance the way to assess and take into account sustainability risks including climate and environmental risks in the fund management of the portfolios moving from a qualitative assessment towards a more quantitative approach.

The objective is to determine among the wide range of existing and available indicators and climate-related data a list of selected indicators

that may be considered as key indicators representing the most relevant impacts in terms of climate and environment impacts on the portfolios, but also social and governance impacts.

On the basis of these indicators, the ultimate aim is to improve the integration of sustainability risks into the ESG risk framework.

## 8.8 Indication of changes in methodological choices and results

As a player in the financial markets, Amundi has complied with the requirements of European regulations relating to the implementation of the SFDR and the Taxonomy Regulation.

Amundi is also working on the definition of a synthetic sustainability risk indicator, the aim of which will be to provide simplified information on trends in sustainability risks for fund management teams.

Entities: AET, Amundi Real Estate, Amundi PEF

## 8.1 Identification and assessment of environmental, social and governance risks

### AET

The initial risk identification process involved an assessment of all the risks that could impact the assets in a portfolio. This list was then reviewed with a focus on the most significant risks in terms of likely occurrence and magnitude, in order to identify the greatest risks to the portfolio. Finally, the six most significant risks identified were analysed in greater depth to describe them fully, assess the probabilities of occurrence and the most likely timeframe for occurrence.

For each investment, exposure to each risk is analysed asset by asset, as the level of exposure can vary from one asset to another (e.g., the risks relating to the supply of raw materials are higher for solar PVs and batteries than for heating and cooling networks). This asset-by-asset analysis enables AET to identify portfolio exposure to sustainability risks.

Risk	Type of risk	Description of the risk	Probability of occurrence <sup>45</sup>	Time horizon for occurrence
Extreme weather events and natural disasters	Physical risk	Heatwaves, storms, floods, hurricanes, etc.	High	Short term
Regulatory changes	Transition risk	Recyclability levels, carbon tax, air emissions levels, energy efficiency thresholds, etc.	High	Medium term
Technological and scientific changes	Transition risk	New carbon-free products and infrastructures	High	Medium term
Supply of raw materials	Transition risk	Depletion of natural resources, conflicts over some resources, etc.	Medium	Medium term
Health and safety	Social risk	Accidents, injuries and the inability of employees or service providers to work	High	Short term
Corruption	Governance risk	Corruption at the project operator or service provider level	Medium	Short term

Source: AET, 2022

45. The probability and timeframe of occurrence may vary depending on a number of factors, such as asset size, activity and geographical location. Consequently, the information provided above is generic and will be adapted to each asset in the portfolio.

For each risk identified, AET follows a two-step approach:

**1.** Identifying the actual asset and portfolio exposure to sustainability risks before making new investments, and once a year during holding. Reviews take place at the time of the annual asset valuation review assessing gross risk exposure. For example, AET will measure an asset's exposure to extreme weather events and to potential physical damage to infrastructure.

**2.** Defining an action plan for each risk to mitigate the impact, enabling the gross risk exposure to become a residual risk. For example, AET will include the cost of maintenance in case of physical damage in its business plan and subscribe to additional insurance policies for this kind of damage.

This approach is replicated for each risk identified, and for each asset. It enables AET to identify residual risks once the action plan has been implemented.

## Amundi PEF

Amundi PEF's approach is to analyse the ESG risks and opportunities of its investments at every stage of the investment cycle, from initial due diligence to portfolio exit.

Risks are assessed at key points in the life of an Amundi PEF investment:

### 1. Upstream of the investment

At this stage, ESG risks are assessed in the following stages:

- Verification of investment's compliance with Amundi's Responsible Investment policy,
- ESG due diligence to identify ESG risks and the company's response to them,
- The ESG opinion is presented to the Investment Committee, which gives a favourable or unfavourable opinion.

This first stage provides a precise assessment of the ESG risks associated with the investment.

### 2. During the holding period

A CSR roadmap is gradually put in place for invested companies and shareholder dialogue is initiated between Amundi PEF and the portfolio company. These two processes help to improve companies' approach to taking ESG risks into account, to develop an appropriate response when that of the holding can be strengthened, and to continue exploring what business model the company needs to adopt to be resilient in a world where the rules of the game are changing.

### 3. At exit

Lastly, at the time of exit, Amundi PEF endeavours to provide a presentation of the improvements the portfolio has made over the holding period as well as an assessment of residual risks, as part of the exit documentation.

In the case of Amundi PEF Indirect (funds of funds), risk and compliance officers are invited to attend the Deal Flow Committee and participate in the Investment Committee. If they are absent, their written opinion is required. They also take part in all committees involved in monitoring the life of the funds (Product Committee, Financial Committees).

Pre-investment checks cover the following points:

Risk control:

- The investment complies with the applicable management rules (regulatory, client, tax, internal);
- Feedback from operational due diligence and ESG questionnaires complies with market standards. A summary of the analysed feedback is then recorded in a tracking file and presented at Risk Committee meetings.

Amundi PEF and fund-of-fund portfolio reviews:

- The management team takes into account some of our customers' specific expectations (e.g. requests for information enabling investments to be qualified with regard to Solvency II);

- The Risk team also ensures that the side letters<sup>46</sup> include the various Amundi Group exclusions, as well as the reporting requirements for analysing extra-financial data (ESG/Sustainable Investment/principal adverse impacts).

Reports on these controls are appended to the quarterly Risk and Compliance Committees and to the half-yearly Risk Portfolio Reviews.

Post-investment control covers the following points:

- We monitor the ESG ratings of our funds.
- achieved (exclusion of ESG ratings < E) and, where applicable, the minimum percentages of sustainable investment and Taxonomy alignment are checked;

## Amundi Real Estate

Amundi Real Estate's sustainability risk analysis enables us to assess the associated risk and the sustainable nature of investment opportunities, not only on the basis of economic and financial criteria, but also by integrating environmental, social and governance (ESG) factors both at the time of the investment decision and during the asset management phases.

Amundi Real Estate has mapped its main ESG risks in order to integrate them into its ESG analysis coverage process. As part of its asset management activities, Amundi Real Estate covers both risks linked to climate change (transition and physical) and so-called 'regulatory' risks.

- An ESG portfolio review is carried out annually with the management, ESG and control function teams in order to discuss the ESG ratings of the funds/ ESG assessment methodology of the management companies and according to the positioning of the investor funds, their percentage of sustainable investment, taxonomy and principal adverse impacts assessed.

Checks on the extent to which sustainability risks and PAIs are taken into account are carried out by the Risk and Compliance team on an annual basis, on the basis of information gathered by Amundi Funds of Funds through questionnaires and due diligence.

Type of risk	Risk analysed
Physical risks linked to climate change affecting the building and its occupants	<ul style="list-style-type: none"> <li>• Sea level rise</li> <li>• Flooding due to rain</li> <li>• Increase in average temperature</li> <li>• Heatwaves</li> <li>• Storms</li> <li>• Droughts</li> <li>• Forest fires</li> </ul>
Risks associated with the loss of biodiversity	<ul style="list-style-type: none"> <li>• Percentage of green areas in order to assess the artificialisation of spaces</li> </ul>
Liability risks	<ul style="list-style-type: none"> <li>• Legionella contamination</li> <li>• Fire safety</li> <li>• Asbestos &amp; Lead</li> </ul>
Risk of resilience to climate change	<ul style="list-style-type: none"> <li>• Drawing up a financial Carbon/CO<sub>2</sub> emissions balance sheet</li> <li>• Measuring GHG emissions</li> </ul>
Social risks	<ul style="list-style-type: none"> <li>• Accessibility for people with reduced mobility</li> <li>• Security of use and building</li> </ul>
Governance	<ul style="list-style-type: none"> <li>• Risk of fraud, corruption and money laundering</li> </ul>

Source: Amundi Real Estate, 2022



## 8.2 Risks and opportunities assessment

Amundi Real Assets (ARA) has developed a proprietary ESG rating methodology to measure ESG performance across all asset classes and locations, i.e. the ability to anticipate and manage the sustainability risks inherent in its sector and the specific characteristics of the asset.

These ESG ratings are used to take sustainability risks into account in making investment decisions.

### AET

Each investment opportunity is subject to ESG due diligence before being presented to the Investment Committee. The scope of ESG due diligence covers:

- analysis of the investment target,
- analysis of co-shareholders,
- analysis of the asset operator,
- analysis of the electricity buyer in the case of B2B contracts (excluding any operator mandated by the public authorities to serve as a reference counterparty for public tenders for the supply of electricity sourced from renewables).

Sustainability risks are analysed and can be mitigated through the ESG assessment performed by investment teams prior to each investment. This assessment is then presented during binding offer investment committees in order to be integrated within the investment decision. It's worth noting that assets with high ESG performances are typically less exposed to sustainability risks. The ESG assessment includes the following steps:

- Identification of the investment activity,
- Assessment of how ESG criteria are promoted,
- Evaluation of the contribution to a sustainability objective,
- Evaluation of the Do No Significant Harm (DNSH) criteria,
- Good governance tests,
- Conclusion on eligibility for funds classified as Article 8 and Article 9 under SFDR, and
- Contributions to the Sustainable Development Goals (SDGs).

Sustainability risks are tracked and reviewed throughout the holding period at quarterly monitoring committees and annual general meetings. In the event of a significant increase in the asset's risk exposure during the holding period, AET will either engage with the asset operator and attempt to agree an action plan, or alternatively, update its own business plan and asset valuation within a reasonable timeframe to reduce its risk exposure.

### Amundi PEF

ESG due diligence is carried out for each investment opportunity by Amundi PEF's ESG team and/or by specialist external consultants, in close collaboration with the investment managers.

Amundi PEF has adapted the ESG analysis framework and rating methodology developed by Amundi for listed issuers.

This methodology therefore meets needs specific to the private equity business:

- Long holding period (between 7 and 10 years),
- Deferred investment liquidity,
- Target companies (SMEs and midcaps) are less mature when it comes to ESG issues, and often lack independent third-party ratings.

Amundi PEF analyses the ESG behaviour of companies and assesses their exposure to ESG risks and opportunities, including sustainability factors and risks, and how companies manage these challenges:



- Environmental dimension: assessment of the management of risks and opportunities related to environmental issues and the company's ability to control its direct and indirect environmental impact by limiting energy consumption, reducing greenhouse gas emissions, combating resource depletion and protecting biodiversity.
- Social Dimension: assessment of the company's management of human capital and stakeholders based on universally recognised fundamental principles. The "S" in ESG covers several concepts: the social aspect linked to a company's human capital, human rights in general, and responsibilities towards stakeholders.
- Governance dimension: assessment of the company's ability to ensure an effective governance framework that enables the achievement of its long-term objectives and, in particular, long-term value.

Our analysis process has 3 steps:

- Step 1: identify material ESG criteria and their weighting for each business sector
- Step 2: gather information from companies and carry out ESG analysis
- Step 3: calculate the ESG rating to validate the company's eligibility for investment

At the end of this process, companies are given an ESG rating, ranging from A (best) to G (worst). G-rated companies are excluded from investment; the ESG team exercises its veto, even if the financial, legal, social, tax and strategic analyses have not identified any impediments to investment.

The results of the ESG due diligence, as well as the ensuing rating and qualitative information are systematically presented to the Investment Committee by the ESG team.

When an investment is approved, an ESG clause is systematically included in the legal documents linking the fund and the investment, confirming the ambitions of both parties on these issues.

With respect to Amundi PEF's indirect expertise (fund-of-funds), the investment team monitors the underlying funds on an annual basis, using multiple information channels. These include

analysis of quarterly reports (collected by Financial Control), participation in the funds' annual general meetings, participation on advisory boards where appropriate, and contacts with management companies. The most relevant information is recorded in a proprietary database. Comments are submitted for each underlying fund at least once a year. This annual control is the subject of a new rating at the end of the questionnaire campaign conducted jointly by Amundi PEF funds of funds and the specialist external service provider, Reporting 21. These ratings are included in the annual ESG Report.

This is how the annual reporting campaign conducted jointly by Amundi Funds of Funds and the specialist service provider, [Reporting 21](#), works:

#### Step 1

Launch of the ESG reporting campaign for Management Companies. Portfolio companies answer the ESG questionnaire directly in the reporting software (via Reporting 21).

#### Step 2

Review of ESG data for each Management Company

- Analysis of responses to the ESG questionnaire submitted and identification of the main best practices of Management Companies already in place as well as areas for improvement.
- The results of the analysis are presented in the form of an ESG factsheet for each Management Company.

#### Step 3

Consolidation of ESG data at portfolio level and drafting of the ESG report.

The consolidation of ratings makes it possible to publish indicators such as the percentage of management companies with a formal ESG policy, the proportion with someone in charge of ESG, an exclusion policy, in-house ESG practices, those providing a breakdown of ESG issues addressed in the management process, and the percentage adhering to industry standards (e.g. Principles for Responsible Investment).

Alongside this report, indicators on internal practices are also published, such as cyber security risk prevention, diversity indicators within the workforce (including management), integration of employees with disabilities, gender equality and the presence of independent directors at the governance level, any philanthropic measures and whether the carbon footprint has been calculated.

Lastly, Amundi funds of funds publishes consolidated indicators at fund level, such as the breakdown by SFDR classification (Articles 6, 8 and 9), carbon emissions (by scope), the proportion of energy generated from renewable sources, the impact on biodiversity, indicators relating to accident tracking, or the number of women on the boards of portfolio companies.

Amundi Fund of Funds ensures that all three pillars (E, S and G) are covered in its reporting.

## Amundi Real Estate

### Assessing ESG risks and opportunities by setting up an ESG rating system

Amundi Real Estate has developed its own ESG rating method aimed at measuring ESG performance for all asset classes and locations, in short, its ability to anticipate and manage the sustainability risks inherent in its sector of activity and the specific characteristics of the asset.

ESG ratings and analysis are carried out by Amundi Real Estate's ESG analysis team, with technical support from independent third-party auditors. These ESG ratings are used to factor sustainability risks into investment decisions.

Amundi Real Estate's ESG rating is a quantitative ESG score translated into a seven-point, graded scale ranging from A (best grade) to G (worst grade). This rating is first carried out when a property is acquired, and then repeated at least every 3 years. If necessary, the rating is used to draw up an action plan for reducing the building's exposure to major sustainability risks.

According to Amundi Real Estate's ESG rating scale, assets on the exclusion list are rated F or G.



To determine the ESG rating, Amundi Real Estate evaluates the performance of each asset on the following dimensions:

- Environmental dimension: This aspect examines the ability of assets to limit their direct and indirect environmental impact, by controlling their energy consumption, reducing their greenhouse gas emissions, combating the depletion of resources, protecting biodiversity, etc.
- Social dimension: This takes into account indicators such as the well-being of tenants and how the main players (property manager, management company, facility manager<sup>47</sup>, maintenance firm, developer etc.) interact positively with the building and its occupants, while remaining consistent with the fund's strategy.
- Governance dimension: This aspect assesses the management company's ability to institute a collaborative process involving the building's main stakeholders (property manager, management company, facility manager, maintenance firm, developer etc.) that contributes positively to achieving the building's objectives.

47. General Services Manager

Each building is graded on 14 themes, sorted into the 3 main pillars E , S and G.

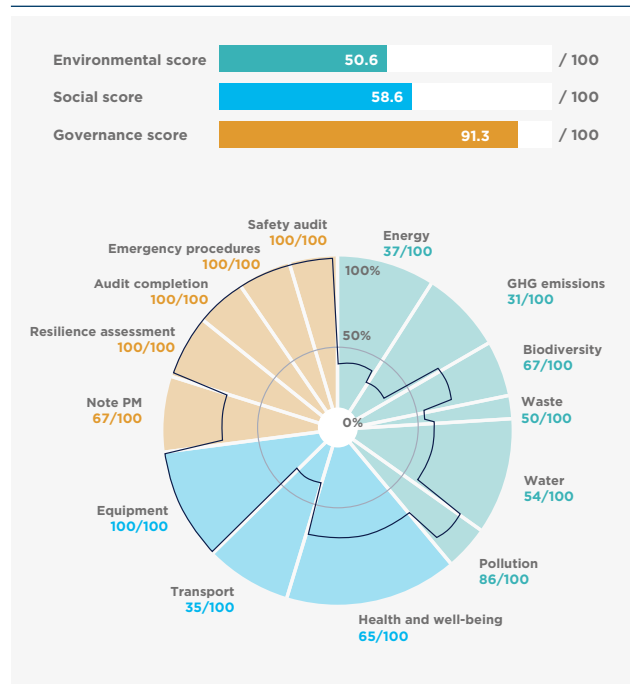
Environmental aspects	Social aspects	Governance aspects
<ul style="list-style-type: none"> <li>• Energy</li> <li>• Greenhouse gas emissions</li> <li>• Biodiversity</li> <li>• Waste</li> <li>• Water</li> <li>• Pollution</li> </ul>	<ul style="list-style-type: none"> <li>• Health and Wellbeing</li> <li>• Transport</li> <li>• Equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Asset manager’s performance</li> <li>• Assessment of resilience to climate change</li> <li>• Completion of audits (energy and technical)</li> <li>• Safety audit</li> <li>• Emergency procedures</li> </ul>

Source: Amundi Real Estate, 2022

The 47 criteria are assigned different weightings and divided into three areas: Environmental (39%), Social (34%) and Governance (27%), making it possible to assess the building’s environmental and social performance. A total of more than 100 questions are used to determine the building’s environmental and social performance.

These analysis grids are used during the acquisition and operating phases to take a proactive management approach, identifying viable solutions for improving the ESG performance of assets that do not meet the minimum criteria of the fund concerned. These action plans are then deployed by the asset management teams.

### Example of an ESG analysis



Source: Amundi Real Estate, 2022

## Climate risks

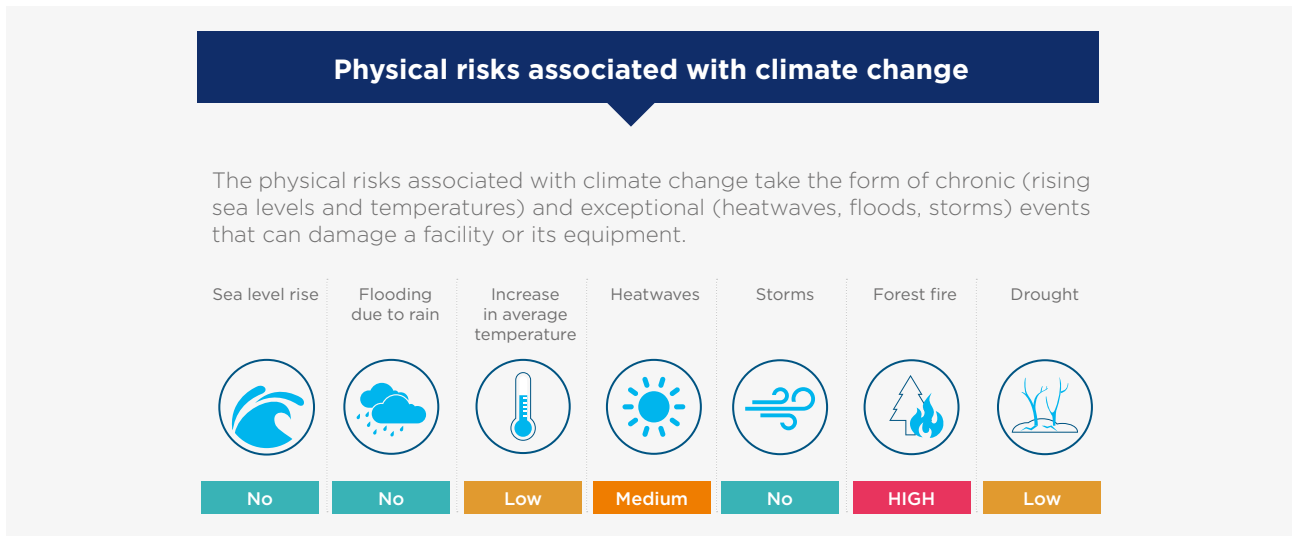
To identify the exposure of property assets to climate risks, a decision matrix is used, making it possible to create a visual synthesis for the two fundamental criteria, which are: “risks related to climate change” and “transition risks.”

Physical risks are the result of interactions between three themes:

- the precise geolocation of the asset, which makes it possible to determine its exposure to climate change
- the asset’s ability to resist this exposure thanks to its equipment and facilities,
- Any aggravating factors that may derive from the asset’s adjacent environment.

To determine their exposure to these risks, we work from an analysis of prospective climate change scenarios. For France, we use a database designed under the aegis of the Ministry of the Energy and Solidarity Transition which consolidates the climate projections prepared in French climate modelling laboratories. For our international investments, we use the prospective scenarios of the European Union. The risks considered here are limited to identified risks that can be attributed to climate change. Therefore, seismic risks, which are not attributable to climate change, are not taken into account by our methodology.

### Example of a physical risk analysis for a specific asset



Source: Amundi Real Estate, 2022

For transition risks, the carbon footprint and greenhouse gas emissions are evaluated for each asset across scopes 1, 2 and 3.

This separation is necessary because construction (scope 3) is the main factor in a building’s carbon emissions. Without this distinction, comparisons between new and an old assets would not be possible.

- **Scope 1** - direct emissions: emissions linked to gas, fuel oil and refrigerant leaks;
- **Scope 2** - indirect emissions linked to energy consumption: emissions stemming from electricity, water and heating and cooling networks;
- **Scope 3** - other indirect emissions: emissions linked to construction/renovation materials.

This carbon assessment is carried out for each building. On the basis of this assessment, reduction targets can then be set to ensure that progress is compatible with the objectives of the Paris Agreement.

## 8.3 Sustainability risk management

Amundi's approach to sustainability risk management is based on the following three pillars, which are detailed in section 1 of this report:

- The exclusion policy, which deals with the most significant ESG risks,
- The integration of ESG ratings into the investment process, which provides a holistic understanding of the company and makes it

possible to identify the ESG risks specific to the company,

- The voting and engagement policy, which helps induce positive change in the way companies manage their impact on key sustainability issues, and thus mitigate the associated risks.

## 8.4 Integrating sustainability risks into the entity's conventional risk management framework

### Amundi Real Estate

The ESG assessment methodology, which addresses the major sustainability risks, is applied during both the investment and operating phases.

- All opportunities received and presented to the Investment Committee are subject to ESG due diligence, which provides an in-depth analysis of the extra-financial risks identified. Results are submitted to the Management Company's Investment Committee and may, where appropriate, be a discriminating criterion in the investment decision.
- Amundi Real Estate's internal control system comprises three levels. 1<sup>st</sup> level controls are carried out by the operational teams, while 2<sup>nd</sup> level controls are overseen by teams specialising in risk management and compliance.

To guarantee their independence from the operational teams, 2<sup>nd</sup> level control functions report both to the General Management of Amundi Real Estate and to the Risk and Compliance Departments of the Amundi group. Periodic 3<sup>rd</sup> level controls are carried out independently by the Amundi Group's Internal Audit Department. Amundi Real Estate's internal control system focuses especially on the application of ESG rules set out for management of the fund. A procedure for implementing the Responsible Investment approach details the responsibilities devolving to the various participants within the management company.

### Amundi PEF

Amundi PEF's sustainability risk management is aligned with Amundi's risk management policy overall. Responsibilities are divided between:

- The 1<sup>st</sup> level of controls, carried out by the management teams themselves, and
- The 2<sup>nd</sup> level, which is carried out by the risk management teams, who can verify funds' compliance with their ESG objectives and constraints at all times.

The Risk Department also contributes to Amundi's "Responsible Investment" governance system, by monitoring compliance with regulatory requirements and the management of related risks.

ESG rules are monitored by the risk management teams, in the similarly to other management constraints. Controls are carried out by the Risk

and Compliance departments prior to an asset's inclusion in one of Amundi PEF's funds.

## 8.5 Frequency of risk management framework review

Amundi's responsible investment policy is updated every year.

For Amundi Real Estate, the ESG rating is carried out at the time of acquisition and at least every 3 years or whenever there are significant changes or works to the building.

For Amundi PEF, companies respond to an annual ESG questionnaire which allows Amundi PEF to re-score the participation and

assess the company's ESG risk management. This questionnaire serves as the basis for the commitment between Amundi PEF and the portfolio company and feeds into the ESG Roadmap update, which proposes the next steps to be taken within the company to ensure that ESG risks are properly covered.

For AET, ESG data collection and rating are carried out prior to investment/acquisition and then on an annual basis.

## 8.6 Action plan to reduce entity's exposure to the main environmental, social and governance risks identified

### 8.8.1 Reducing exposure to risk through a strategic plan

The "ESG Ambitions 2025" plan is a new social and environmental plan that will enable us to continue to deepen the ESG integration of our investment solutions, strengthen Amundi's savings offer for sustainable development and set internal alignment objectives consistent with our ESG commitments.

Further information on Amundi's "ESG Ambitions 2025" plan is available in section 1 of this report "Information on the entity's general approach."

These objectives, which provide a framework for all the Group's areas of expertise, have naturally been applied to the Amundi Real Assets platform.

## ESG objectives for 2025 applied to the Amundi Real Assets platform

### For asset managers

- ✓ Determine the carbon footprint of every investment we make
- ✓ Offer at least one open-ended fund with a management objective of achieving net zero by 2050, for each area of expertise
- ✓ Double the AUM within impact funds for all our areas of expertise

### For all employees

- ✓ In 2022, extend the integration of ESG criteria into the remuneration policy for managers and sales teams
- ✓ Reduce direct emissions per employee by 30% (with 2018 as the reference year)

Source: Amundi, 2022

## 8.8.2 Reducing exposure to risk by addressing the principal adverse impacts

The table in paragraph 8.6 of Section 8: “Approaches for taking into account environmental, social and governance criteria into risk management” (paragraph specific to Amundi AM, CPR AM, BFT IM and S2G) presents the measures implemented by Amundi to address the principal adverse impacts.

The table below sets out the measures for the principle adverse impacts specific to Amundi Real Estate:

#	Metric	Measures implemented	Scope of application - general principles
17	Exposure to fossil fuels via property assets	<b>Integration into the ESG score:</b> pollution issues are included in ESG ratings	<b>ESG analysis:</b> all assets are subject to ESG analysis during the investment and operating phases
18	Exposure to energy-inefficient property assets	<b>Integration into the ESG score:</b> the level of energy performance is taken into account in the ESG rating	<b>Integration of the ESG score:</b> the energy performance of buildings is taken into account in our rating system
19	Energy consumption intensity	<b>Integration into the ESG score:</b> the level of energy performance is taken into account in the ESG rating	<b>ESG analysis:</b> all property investments

## 8.7 Quantitative estimate of financial impact of the main environmental, social and governance risks identified

Amundi has been working to enhance the way to assess and take into account sustainability risks including climate and environmental risks in the fund management of the portfolios moving from a qualitative assessment towards a more quantitative approach.

The objective is to determine among the wide range of existing and available indicators and climate-related data a list of selected indicators

that may be considered key indicators, representing the most relevant impacts on the portfolio in terms of climate and environment as well as social and governance impacts.

Based on these indicators, the ultimate aim is to improve the integration of sustainability risks into the ESG risk framework.

## 8.8 Indication of changes in methodological choices and results

As a player in the financial markets, Amundi has complied with the requirements of European regulations relating to the implementation of the SFDR and the Taxonomy Regulation.

Amundi is also working on the definition of a synthetic sustainability risk indicator, the aim of which will be to provide simplified information on trends in sustainability risks for fund management teams.



# 9 Continuous improvement plan

Appendix E - Correspondence table with the provisions of Article D. 533-16-1 of the French Monetary and Financial Code, including any improvement plans

Reference in article D. 533-16-1 of the Monetary and Financial Code/ Information required by article D. 533-16-1 of the Monetary and Financial Code	Is expected information presented in this report, and if not, why?	Section and pages of this Report addressing the topic	If the information is not presented, narrative explanation of the reasons for that omission and presentation of the improvement plan					
			Reason for omission	Full explanation of omission	Improvement plan		Timeline for inclusion	
					Entities concerned	O050		O060
O010	O020	O030	O040					
<b>6: Strategy for alignment with the international objectives of Articles 2 and 4 of the Paris Agreement relating to the mitigation of greenhouse gas emissions and, where applicable, for financial products whose underlying investments are made entirely on French territory, its national low-carbon strategy referred to in Article L. 222-1 B of the Environment Code (consistent with d) of 2 of Article 4 of the Disclosure Regulation - SFDR).</b>								
A quantitative target for 2030, reviewed every five years until 2050. This target must be reviewed no later than five years before it expires. The target includes direct and indirect greenhouse gas emissions in either absolute terms or in terms of intensity vs. a reference scenario and baseline year. It can be expressed in terms of implicit temperature rise or total volume of GHG emissions	O190	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.2	Other	Determining the alignment of a financial product with the objectives of the Paris Agreement remains, to date, a challenge. Despite the significant progress of scientific knowledge and methodological applications, the broad spectrum of asset classes and regions of the world in which Amundi invests does not allow for a systematic or homogenous approach (lack of analytical framework, lack of data..., etc.). In addition, the Amundi Group's asset management companies have fiduciary responsibilities towards their clients, supplemented by commitments made in the context of investment management contracts (or other equivalent agreements or conventions). Integrating criteria regarding the mitigation of greenhouse gas emissions into existing investment strategies for alignment with the international objectives of Articles 2 and 4 of the Paris Agreement on Climate Change requires that existing management contracts be updated, and therefore agreement by the parties, in accordance with amendment conventions in force.  With regard to collective investment undertakings (or equivalent financial products), Integrating criteria regarding the mitigation of greenhouse gas emissions into existing investment strategies for alignment with the international objectives of Articles 2 and 4 of the Paris Agreement on Climate Change in the management of natural resources also requires compliance with modification procedures in force governing the extra-financial (and financial where applicable) approach.	The information is presented for Amundi AM, BFR IM, CPR AM, S2G, AET and Amundi Real Estate. The information is not presented for Amundi PEF as PEF wishes to establish carbon footprints for all its assets before committing to carbon reduction targets.	The three Amundi Real Asset entities (AET, Amundi Real Estate, Amundi PEF) aim to achieve the following objectives by 2025:  - establish a carbon footprint for 100% of investments (AET uses the EIB's Project Carbon Footprint Methodologies)  - offer at least one open-ended fund with an investment objective aligned with the Net Zero 2050 scenario  Amundi is also committed to supporting its clients in their efforts to align their investment portfolios with the Net Zero trajectory. In this context, Amundi makes its research on climate challenges and Net Zero trajectories available to them. It organises training courses on ESG and Net Zero. It is gradually proposing to its institutional clients that they manage their portfolios with a view to alignment.	The target of 18% of funds and mandates having objectives compatible with a Net Zero* trajectory is to be achieved by 2025.
Where the entity uses an internal methodology, details of the methodology used to assess the alignment of the investment strategy with the Paris Agreement or national low-carbon strategy	O200	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.2	Other				
Quantitative results that rely on at least one indicator	O210	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.3	Other				
For entities managing index funds, information on the use of the EU's "climate transition" and "Paris Agreement" benchmarks as defined under Regulation (EU) 2019/2089 of the European Parliament and the Council of 27 November 2019	O2201	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.4	Other				
The role and use of alignment evaluation in the investment strategy, and in particular the complementarity between the evaluation methodology chosen and other indicators for environmental, social and governance criteria used more broadly in the investment strategy	O230	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.5	Other				
Changes to the investment strategy in line with the strategy of alignment with the Paris Agreement, and the policy established with a view to gradual phase-out of coal and non-coal hydrocarbons. Policies, specifying the exit timetable adopted and the proportion of total assets managed or held covered by these policies	O240	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.5	Other				
Any action taken to monitor results and any ensuing changes	O250	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.6	Other				
The frequency of assessment, projected update dates and relevant development factors employed	O260	Information presented for Amundi AM, BFR IM, CPR AM, S2G and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF and AET	Part: 6.6	Other				

\* This objective is designed as follows:

- In the numerator, only asset classes with recognised Net Zero standards are taken into account: listed equities, corporate bonds and real estate. Asset classes for which insufficient data is available and/or methodologies are not fully developed are excluded at this stage. This is notably the case for sovereign bonds.

- The following assets are not included in the denominator: assets under joint ventures, fund hosting and specific advisory mandates for which Amundi does not have full management discretion.

7: Strategy for alignment with long-term biodiversity objectives. The entity provides a strategy for alignment with long-term biodiversity objectives, specifying the scope of the value chain covered, and including objectives set for 2030, subject to revision every five years, for the following elements								
Measures compliance with objectives set out in the Convention on Biological Diversity adopted in 1992	0270	Explanation(s) given for omissions	Part: 7. a)	Lack of data	Determining the alignment of a financial product's investment policy or management strategy with long-term biodiversity objectives remains a challenge to date. Despite significant progress in scientific knowledge and methodological applications, the broad spectrum of asset classes and regions of the world in which Amundi invests does not allow for a systematic or homogenous approach (lack of analytical framework, lack of data, etc.) to measuring compliance with the objectives set out in the Convention on Biological Diversity adopted in 1992.	All	Amundi provides qualitative information on manner in which it takes into account the impact on biodiversity, particularly through its ESG analysis and rating, shareholder dialogue, internal research on the subject and the market initiatives in which it participates. The improvement plan is based on two ongoing actions:  - in terms of data: data analysis relating to the biodiversity indicator is now in place and a measure of the biodiversity impact is proposed at fund level. This information will be available in the Art. 29 LEC reports of funds with more than 500 million euros in assets under management. At this stage, Amundi has not consolidated this data at management company and Group level. For property assets, biodiversity impact will be measured using indicators specific to the asset class; work is currently underway with the Biodiversity Impulsion Group to identify the most appropriate indicators.  - Amundi is in the process of rolling out a broad biodiversity policy based on factors established by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). This policy is detailed in section 7. The pillars are at various stages of implementation.	By joining the Finance for Biodiversity Pledge, Amundi has committed to the following by 2024:  - set and publicise targets to increase significant positive impacts and reduce significant impacts on biodiversity  - set up annual reporting on its portfolios' contribution to biodiversity objectives
Analysis of the contribution to reducing the main pressures and impacts on biodiversity defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services	0280	Explanation(s) given for omissions	Part: 7. b)	Lack of data	Amundi publishes PAIs for funds listed under Article 8 and Article 9. Difficulties remain for reporting on funds classified under Article 6.			
Reference to the use of a biodiversity footprint indicator and, where appropriate, the way in which this indicator is used to measure compliance with international biodiversity targets	0290	Explanation(s) given for omissions	Part: 7. c)	Lack of data	In 2022, Amundi was able to begin deploying data that will enable calculation of the biodiversity footprint for its portfolios.  The metric used to display the biodiversity footprint of companies is the MSAppb* per billion euros. This quantifies the impact of companies' activities and value chain on their environment.			
8: Approach to incorporating environmental, social and governance criteria in risk management. Consistent with Article 3 of Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 November 2019, the publication of information on the consideration of environmental, social and governance quality criteria in risk management includes, in particular, physical, transition and liability risks related to climate change and biodiversity and, in particular								
Reference to the use of a biodiversity footprint indicator and, where appropriate, the way in which this indicator is used to measure compliance with international biodiversity targets	0300	Information presented	Part: Excl. ARA - Section 8.1a to 8.1d ARA - Section 8.2a to 8.2c					
A description of the main ESG risks taken into account and analysed, including for each risk a characterisation, a segmentation, an indication of the economic sectors and geographical areas concerned by these risks, and an explanation of the criteria used.	0310	Information presented for Amundi AM, BFR IM, CPR AM and S2G, AET and Amundi Real Estate  Explanation(s) provided for omission for Amundi PEF	Part: Amundi PEF - Section 8.2a	Lack of data	For direct investments, Amundi PEF still receives incomplete information from the companies held in its portfolios. As a result, the identification of ESG risks to which portfolios may be exposed requires further improvement.	Amundi PEF	Amundi PEF: In 2022, the entity began the process of formalising a roadmap for each portfolio company. In addition, an annual portfolio review of ESG aspects conducted jointly by the management teams and the ESG team was established in 2023. The aim of this review is to discuss progress on the ESG roadmap and the percentage of investments qualifying as sustainable/aligned under the EU Taxonomy as well as the PAI indicators for the funds concerned.	An ESG-focussed annual review of portfolios with the management team and the ESG team was established in 2023. The aim of this review is to discuss progress on the ESG roadmap and the percentage of investments qualifying as sustainable and/or aligned under the EU Taxonomy as well as the PAI indicators for the funds concerned.
An indication of how often the risk management framework will be reviewed	0320	Information presented	Part: Excl. ARA - Section 8.1e ARA - Section 8.2d					
An action plan to reduce the entity's exposure to the main environmental, social and governance risks taken into account.	0330	Information presented	Part: Excl. ARA - Section 8.1f ARA: Section 8.2e					

\* This objective is designed as follows:

- In the numerator, only asset classes with recognised Net Zero standards are taken into account: listed equities, corporate bonds and real estate. Asset classes for which insufficient data is available and/or methodologies are not fully developed are excluded at this stage. This is particularly the case for sovereign bonds.

- The following assets are not included in the denominator: assets held under joint ventures, fund hosting and specific advisory mandates for which Amundi does not have full management discretion.

<p>A quantitative estimate of the financial impact of the main ESG risks identified and the proportion of assets exposed, and the time horizon associated with these impacts at the level of the entity and the assets concerned, including the impact on the valuation of the portfolio. If a qualitative statement is published, the entity should describe the difficulties encountered and the measures envisaged to assess the financial impact of these risks quantitatively.</p>	<p>0340</p>	<p>Explanation(s) given for lack of information</p>	<p>Part: Excl. ARA - Section 8.1g ARA - Section 8.2f</p>	<p>Lack of data</p>	<p>Climate data and relevant indicators are currently being analysed.</p>	<p>All</p>	<p>Amundi is working to improve the assessment and integration of sustainability risks, including climate and environmental risks, into the management of its funds. The aim is to move from a qualitative to a more quantitative approach by identifying the key indicators that represent the most relevant impacts for portfolios, taking into account climate, environmental, social and governance factors.</p> <p>The project is structured in three stages:</p> <ul style="list-style-type: none"> <li>- Define a list of sustainability risk indicators, focusing on material risks and their financial impact on issuers</li> <li>- Gradually implement monitoring of these indicators, evaluating their results and defining limits on the basis of these indicators.</li> <li>- Improving the ESG risk management framework, including the integration of indicators into risk strategies and investment restrictions</li> </ul> <p>Our current work consists of identifying the main sustainability risk factors and matching them with issuers' financial variables. This work will be completed once the indicators have been validated and approved by Amundi's corporate governance.</p> <p>The preliminary indicators envisaged include measures that quantify the potential impact of sustainability risks in terms of financial materiality and the use of proxies for reputational risk. The next step, scheduled for the second half of this year, is to monitor the defined sustainability risk indicators and assess their impact on the portfolios under management. This monitoring will feed into discussions with the portfolio management teams and will be included in the various risk management reports. The final stage will focus on improving the ESG risk management framework and possibly defining internal risk alerts or limits based on the indicators. This stage should be completed in the first half of 2025.</p> <p>It should be noted that the deadlines, indicators and implementation targets may be subject to change throughout the project.</p>	<p>The deadlines are indicative and will be updated in the next report.</p> <ul style="list-style-type: none"> <li>- S2 2024: monitor the sustainability risk indicators defined and assess their impact on the portfolios under management.</li> <li>- H1 2025: ESG risk management framework enhanced and defined internal risk alerts or limits based on the indicators.</li> </ul>
<p>An indication of changes in methodological choices and results</p>	<p>0350</p>	<p>Information presented</p>	<p>Part: Excl. ARA - Section 8.1h ARA - Section 8.2g</p>					

\* This objective is designed as follows:

- In the numerator, only asset classes with recognised Net Zero standards are taken into account: listed equities, corporate bonds and real estate. Asset classes for which insufficient data is available and/or methodologies are not fully developed are excluded at this stage. This is particularly the case for sovereign bonds.

The following assets are not included in the denominator: assets held under joint ventures, fund hosting and specific advisory mandates for which Amundi does not have full management discretion.

# Appendices

## Annex 1:

### Targeted exclusion policy (as applicable on 31.12.2022)

As part of its fiduciary responsibility, Amundi applies a targeted exclusion policy to all its portfolios. These rules are applicable to all active management strategies over which Amundi has full discretion. They are also applicable to passive management ESG funds whenever possible (with the exception of highly concentrated indices). They concern issuers exposed to the exclusion rules and thresholds set out in our sector policy, issuers that do not comply with internationally recognised agreements and/or frameworks or national regulations. This exclusion policy is implemented in the portfolios subject to compliance with applicable laws and regulations, and unless otherwise requested by clients.

Please refer to the Responsible Investment Policy 2022 for further information.

#### Normative Exclusions

Amundi excludes the following activities:

- issuers involved in the production, sale, storage or services for and of anti-personnel mines and cluster munitions, prohibited by the Ottawa and Oslo treaties,
- issuers involved in the production, sale or stockpiling of chemical, biological or depleted uranium weapons.
- issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact<sup>48</sup>, without credible action. In 2022, new exclusions were introduced for the following activities:
- issuers involved in the production, sale, storage of nuclear weapons of States that are non-parties to the Treaty on the Non-Proliferation of Nuclear Weapons,

- issuers that produce nuclear warheads and/or whole nuclear missiles,
- issuers that derive over 5% of their total revenues from the production or sale of nuclear weapons.

These are G-rated issuers according to Amundi's rating system.

#### Sector exclusions

Furthermore, Amundi implements targeted sector exclusions specific to the coal and tobacco industries and extended this to non-conventional oil and gas activities at the end of 2022. These sector exclusions apply to passively managed ESG funds<sup>49</sup> and, by default, to all active management strategies<sup>50</sup>.

#### Tobacco exclusion policy

Tobacco not only has a negative impact on public health, but its value chain faces human rights abuses, has an impact on poverty, has environmental consequences, and bears substantial economic costs, believed to be more than USD 1 trillion a year globally, according to World Health Organisation estimates<sup>51</sup>. Amundi introduced a tobacco exclusion policy in 2018.

In 2020, Amundi became a signatory to the Tobacco-Free Finance Pledge and strengthened its sector policy. Amundi thus applies the following rules:

- exclusion rules: companies that manufacture complete tobacco products (thresholds for application: revenues above 5%) are excluded,
- limit rules: companies involved in tobacco production, supply and retailing activities are limited to an ESG rating of E (on a best-to-worst rating scale from A to G) (thresholds for application: revenues above 10%).

48. United Nations Global Compact: "A call for companies to align their strategies and operations with universal principles on human rights, labour, the environment and anti-corruption, and to take action to advance societal goals"

49. With the exception of highly concentrated indices

50. Subject to compliance with applicable laws and regulations, and unless otherwise requested by clients. to Subject to compliance with applicable laws and regulations, and unless otherwise requested by clients.

51. <https://www.hrw.org/report/2014/05/13/tobaccos-hidden-children/hazardous-child-labor-united-states-tobacco-farming>

## A strengthened thermal coal exclusion policy

As coal is the largest single contributor to human-induced climate change, Amundi is committed to phasing out thermal coal from its investments by 2030 in OECD and EU countries, and by 2040 in other countries. In order to achieve this, Amundi introduced a specific sector policy on thermal coal in 2016, which has been strengthened every year since, and which results in the exclusion of certain companies and issuers. These commitments result from the Crédit Agricole Group's climate strategy.

Consistent with the United Nations Sustainable Development Goals and the 2015 Paris Agreement, this strategy is based on the research and recommendations of a Scientific Committee, which takes into account energy scenarios produced by the IEA (International Energy Agency), Climate Analytics Report and the Science-Based Targets initiative (SBTi).

In 2020, Amundi extended its policy to coal developers. In 2022, Amundi lowered the tolerance thresholds to further increase its efforts.

Amundi thus excludes:

- Mining, utilities, and transport infrastructure companies that are developing coal projects that have permitted status and are in the construction phase as defined in the coal developers list of the Crédit Agricole Group,
- All companies with revenue in thermal coal mining extraction and thermal coal power generation > above 50% of their revenue without analysis,
- All coal power generation & coal mining extraction companies with a threshold between 20% and 50% with a poor transition path<sup>52</sup> (1),

- Companies generating more than 20% of their revenue from thermal coal mining extraction,
- Companies with annual thermal coal extraction of 70 million tonnes or more without intention to reduce.

In addition, companies with coal projects in earlier stages of development, including announced or proposed projects with pre-permitted status, are monitored on a yearly basis and subject to engagement campaigns.

This exclusion policy is conducted in conjunction with engagement actions, whereby Amundi seeks to exercise its role as an investor to influence issuers to phase-out thermal coal. As such, Amundi calls on companies exposed to thermal coal and in which it is a shareholder to publish a thermal coal phase-out policy in line with the 2030/2040 phase-out schedule.

For companies excluded from Amundi's active investment universe under our responsible investment policy, and for those whose thermal coal policies Amundi deems insufficient, Amundi's policy is to vote against the discharge of the Board or Management or the re-election of the Chairman and certain Directors.

## A new sector exclusion policy for unconventional hydrocarbons

Since the end of 2022, Amundi also excludes companies whose activity is exposed by over 30% to exploration and production of unconventional oil & gas (covering "shale oil and gas" and "oil sands"). This is one of the commitments made in the ESG Ambitions 2025 plan.

52. Amundi carries out an analysis to assess the quality of the exit plan.

## Exclusion Policy scope of application

**Table 1: Exclusion Policy scope of application by asset class<sup>53</sup>**

		Anti-personnel mines and cluster bombs (Ottawa and Oslo treaties)	Chemical, biological and depleted uranium weapons	Global Compact's principles	Tabacco	Thermal Coal
<b>ACTIVE FUNDS</b>	Open-ended funds	<b>Applied</b>				
<b>PASSIVE FUNDS</b>	Non-ESG ETFs and index funds <sup>54</sup>	<b>Applied</b>		<b>Not applied</b>		
	ESG ETFs and index funds <sup>55</sup>	<b>Applied</b>				
<b>FORMULA FUNDS</b>	New funds (since October 2021)	<b>Applied</b>				
	Former funds	<b>Applied</b>		<b>Not applied</b>		
<b>MULTI MANAG- MENT</b>	Funds of funds ("wrappers"), external funds	<i>Application under certain conditions</i> <sup>56</sup>				
<b>FUND HOST- ING</b>	Amundi-controlled Funds	<b>Applied</b>				
	Other investment funds	<b>Not applied</b>				
<b>SUB-ADVI- SORY</b>	Fund Channel funds	<b>Applied</b>				

53. For any new mandate or dedicated fund, Amundi's exclusion policy shall be implemented in accordance with our pre-contractual documentation, unless otherwise requested by a client.

54. For non-ESG passive funds: The fiduciary duty in passive management is to replicate as closely as possible an index. The portfolio manager has thus limited leeway and has to meet the contractual objectives to get passive exposure fully in line with requested benchmark. Amundi index funds/ETFs replicating standard (non-ESG) benchmarks cannot apply systematic sector exclusions.

55. Following the acquisition of Lyxor, Amundi's Responsible Investment Policy has been progressively applied to the vast majority of Lyxor's ESG passive funds, with the exception of a small number of funds for which it will be effective as soon as possible and in all cases by June 2023 at the latest.

56. When Amundi selects external managers, specific due diligence is carried out as part of the systematic review process, to assess the ESG profile of external funds, using a two-pronged approach. Firstly, we carry out a qualitative assessment based on the organisation's responsible investment policy (25%), its approaches (Best in Class, ESG integration, impact, etc.), its exclusion policy (25%) and finally on the fund/delegation itself (50%). We then calculate a quantitative ESG score using Amundi's ESG methodology to support the results of the qualitative analysis. The qualitative and quantitative assessments of the manager's ESG approach are part of a wider process of due diligence conducted for the fund/mandate and the company.

When we delegate funds and portfolios to managers, we also send them a monthly list of companies to exclude. When Amundi provides fund hosting services only, the exclusion list does not necessarily apply.

**Table 2: Exclusion Policy scope of application by instrument**

	Anti-personnel mines and cluster bombs (Ottawa and Oslo treaties)	Chemical, biological and depleted uranium weapons	Global Compact's principles	Tabacco	Thermal Coal
<b>EQUITIES</b>	Applied				
<b>SECURITIES HELD DIRECTLY</b>	Applied				
<b>SINGLE NAME DERIVATIVES</b>	Applied				
<b>INDEX DERIVATIVES</b>	Not applied				
<b>SECURITIES RECEIVED AS COLLATERAL<sup>57</sup></b>	Applied				
<b>CONVERTIBLES</b>	Applied				
<b>CASH INSTRUMENTS</b>	Applied				

Source: Amundi Responsible Investment Policy.

57. This includes securities received in the context of securities lending transactions or over-the counter (OTC) transactions, as well as repurchase agreements in exchange for cash placed on the other hand. Securities received that are rated G by Amundi are sent back to the counterparty (ex post)



## **Annex 2 :**

# **List of financial products cited per Article 8 and Article 9 of Regulation (EU) 2019/2088 of the European Parliament and the European Council on 27 November 2019**

The list of open-ended funds is available on the websites of the entities listed below at the following links:

- [Amundi Asset Management](#)
- [BFT Investment Managers](#)
- [CPR Asset Management](#)
- [Amundi Real Estate](#)

The full list of Article 8 and Article 9 funds managed by Société Générale Gestion (S2G), Amundi Private Equity Funds (Amundi PEF) and Amundi Energy Transition (AET) is available on request.

The list of dedicated funds and mandates for each of these entities is also available on request.

## Annex 3:

# Methodology and scope for calculating the carbon footprint of portfolios under management

Amundi has chosen Trucost to provide carbon emissions data (expressed in tonnes of CO<sub>2</sub>) for private and public issuers. For corporate issuers, these data cover Scopes 1 and 2 and a portion of Scope 3 corresponding to indirect emissions linked to first-tier suppliers ('Scope 3 upstream first tier'). The data received is then integrated into Amundi's information system and allocated to an issuer. In the case of companies for which no value is available from Trucost, data is supplemented with the parent company's data where available.

For public-sector issuers, these data concern national emissions (territorial emissions) and emissions resulting from international trade (imported emissions - exported emissions).

To calculate the carbon footprint of a portfolio, we first calculate the total assets under management that can be rated in the portfolio. This excludes unrated and unrateable securities (securities issued by governments, derivatives, UCITS held, etc.). In a second phase we calculate the total rated assets under management, i.e., the assets held for which we have Trucost data.



### Carbon emissions per million euros invested in corporate issuers

This indicator is used to quantify the carbon emissions induced by the investment in the portfolio. It is calculated using the formula below:

$$\text{Portfolio emissions} \left( \frac{t\text{CO}_2\text{e}}{\text{€m invested}} \right) = \frac{\sum \text{Emissions of portfolio company (tCO}_2\text{e)}}{\text{AuM of portfolio being rated (€m)}}$$

Where:

$$\text{Company's emissions in the portfolio (tCO}_2\text{e)} = \text{Share of ownership (\%)} \times \text{Company's emissions (tCO}_2\text{e)}$$

And:

$$\text{Share of ownership (\%)} = \frac{\text{Total invested in the company (equity or debt) (in €m)}}{\text{Enterprise Value (equity + debt) (in €m)}}$$

### Carbon emissions per million euros invested in sovereign issuers

This indicator is used to quantify the carbon emissions induced by the investment in the portfolio. It is calculated according to the formula below:

$$\text{Portfolio emissions} \left( \frac{t\text{CO}_2\text{e}}{\text{€m invested}} \right) = \frac{\sum \text{Emissions of portfolio company (tCO}_2\text{e)}}{\text{AuM of portfolio being rated (€m)}}$$

Where:

$$\text{Company's emissions in the portfolio} = \text{Share of ownership (\%)} \times \text{Country emissions (tCO}_2\text{e)}$$

And:

$$\text{Share of ownership (\%)} = \frac{\text{Total invested in the country (in €m)}}{\text{Public debt of the company (in €m)}}$$

### Carbon emissions per million euros of turnover for corporate issuers

This indicator is used to quantify the carbon intensity of the value chain for issuers within the portfolio. It is equal to the weighted sum of the carbon footprints of the stocks in the portfolio, i.e.:

$$\text{Portfolio emissions} \left( \frac{t\text{CO}_2\text{e}}{\text{€m turnover}} \right) = \sum \text{relative weight of company as \% of rated universe in portfolio} \times \frac{\text{Company emissions (tCO}_2\text{e)}}{\text{Company turnover (in €m)}}$$

## Annex 4:











# List of initiatives

### Amundi

#### Initiatives

RESPONSIBLE INVESTMENT	
2003	UN Global Compact
2006	PRI - <i>Principles for Responsible Investment</i>
2017	Institute for Sustainable Finance ( <i>formerly Finance for tomorrow</i> )
2017	IFC Operating Principles for Impact Management
2021	WBA - <i>World Benchmarking Alliance</i>
2022	GISD - <i>Global Investors for Sustainable Development Alliance</i>
2022	European Commission High-Level Expert Group on Scaling up Sustainable Finance in Low and Middle-income countries
ENVIRONMENT	
2003	IIGCC - <i>Institutional Investors Group on Climate Change</i>
2004	CDP - <i>Disclosure Insight Action</i>
2010	Water Disclosure Project
2016	CBI - <i>Climate Bonds Initiative</i>
2017	Climate Action 100+
2017	ICMA - <i>Green Bonds Principles</i>
2017	TCFD - <i>Task Force on Climate-related Financial Disclosures</i>
2017	CDP - <i>Non Disclosure Campaign</i>
2019	Initiative Climat International (ICI) - Private Equity Action on Climate Change
2019	One Planet Sovereign Wealth Fund Asset Manager Initiative
2019	The Japan TCFD Consortium
2020	CDP Science-Based Targets (SBTs) Campaign
2020	AIGCC - <i>Asia Investor Group on Climate Change</i>
2020	PPCA - <i>Powering Past Coal Alliance</i>
2020	FAIRR - <i>Farm Animal Investment Risk &amp; Return</i>
2021	Finance for Biodiversity Pledge
2021	NZAM - <i>Net Zero Asset Managers</i>
SOCIAL	
2010	Access to Medicine Index
2010	FAIR - <i>Financer Accompagner Impacter Rassembler</i>
2013	Access to Nutrition Index
2015	PRI Human Rights Engagement
2017	ICMA - <i>Social Bond Principles</i>
2017	WDI - <i>Workforce Disclosure Initiative</i>
2018	PLWF - <i>Platform for Living Wage Financials</i>
2020	Investor Action on AMR initiative (lead by both FAIRR Initiative and Access to Medicine Foundation)
2020	The 30% Club France Investor Group
2020	Tobacco-Free Finance Pledge
2021	Coalition Finance for Tomorrow's "Investors for a Just Transition"
GOVERNANCE	
2013	ICGN - <i>International Corporate Governance Network</i>
2022	CII - <i>Council of Institutional Investors</i>

## Amundi Real Assets

	Name of the initiative	Amundi Real Assets' involvement	Website
	Finance For Tomorrow	Amundi is a founder member of the initiative and actively participates in a number of working groups including the "Impact Finance" group.	<a href="https://financefortomorrow.com/">https://financefortomorrow.com/</a>
	Association Française des sociétés de Placement Immobilier (ASPIM)	Amundi Real Estate is a member of the association and sits on a number of ASPIM working group on the real estate SRI label.	<a href="https://www.aspim.fr/">https://www.aspim.fr/</a>
	Association Française de la Gestion financière (AFG)	Amundi Real Estate is a member of the AFG and sits on the AFG's Real Estate Committee.	<a href="https://www.afg.asso.fr/">https://www.afg.asso.fr/</a>
	Observatoire de l'immobilier durable (OID)	Amundi Real Estate is a founder member of the OID and contributes to various working groups (tertiary eco-energy initiative, responsible finance, etc.). Amundi Real Estate is a member of the OID's Bureau and Board of Directors.	<a href="https://o-immobilierdurable.fr/en/home/">https://o-immobilierdurable.fr/en/home/</a>
	Biodiversity Impulsion Group (BIG)	Amundi Real Estate sponsors this research programme, which seeks to measure and accelerate the contributions of urban stakeholders and to improve our biodiversity footprint. Amundi Real Estate coordinates the "Indicator of potential for increasing biodiversity" working group.	<a href="https://o-immobilierdurable.fr/aux-cotes-de-loid-16-entreprises-lancent-un-programme-de-recherche-sur-lempreinte-biodiversite-des-batiments/">https://o-immobilierdurable.fr/aux-cotes-de-loid-16-entreprises-lancent-un-programme-de-recherche-sur-lempreinte-biodiversite-des-batiments/</a>
	European Sustainability Real Estate (ESREI)	Amundi Real Estate sponsors this programme, which seeks to offer insights into ESG issues for the real estate sector at the European level and to create a network of European sustainable real estate organisations.	<a href="https://o-immobilierdurable.fr/loid-initie-esrei-programme-europeen-soutenu-par-7-maitres-douvrage/">https://o-immobilierdurable.fr/loid-initie-esrei-programme-europeen-soutenu-par-7-maitres-douvrage/</a>
	France Invest	Amundi is a member of France Invest's "Impact" committee, a signatory of the France Invest Charter on equality and actively participates in two working groups (the "ESG Questionnaire" and "Sustainable-linked Bonds" groups).	<a href="https://www.francinvest.eu/">https://www.francinvest.eu/</a>
	European Leveraged Finance Association (ELFA)	Amundi is one of the founding members of the initiative and actively participates in the ESG committee with a view to improving ESG reporting associated with leveraged loans.	<a href="https://elfainvestors.com/">https://elfainvestors.com/</a>
	Initiative Climat International	Amundi is a member of the initiative Initiative Climat International, which seeks to help management companies to assess the climate risk associated with their investments.	<a href="https://collaborate.unpri.org/system/files/2020-07/call_to_action.pdf">https://collaborate.unpri.org/system/files/2020-07/call_to_action.pdf</a>
	FAIR	Amundi is a member of FAIR, which was founded in 2021 as a result of a merger between Finansol and Impact Invest Lab, an historic stakeholder and an impact innovation lab.	<a href="https://www.finance-fair.org/">https://www.finance-fair.org/</a>
	Business for Inclusive Growth	Amundi is a member of the Business for Inclusive Growth international coalition and participates in working groups with a view to contributing to the introduction of more equal growth models.	<a href="https://www.b4iq.org/">https://www.b4iq.org/</a>
	The European Venture Philanthropy Association (EVPA)	Amundi is a member of the EVPA, which seeks to help organisations involved in philanthropy and social investment to boost their impact through dedicated resources and collaborations.	<a href="https://evpa.eu.com/about-us/about-evpa">https://evpa.eu.com/about-us/about-evpa</a>
	France Énergie Éolienne	Amundi is a member of the France Énergie Éolienne association, which promotes and defends wind power in France.	<a href="https://fee.asso.fr/">https://fee.asso.fr/</a>

## Annex 5:

# Say on Climate progress status as of end 2022

→: In line with the objective

✓: Achieved

★: Aim of the ESG Ambitions 2025 plan

			Target/ex-post measurement	Maturity	Achieved at 31/12/2022	Progress status
<b>1. INTEGRATION OF CLIMATE ISSUES INTO THE CONDUCT OF BUSINESS</b>						
<b>A. Putting climate at the centre of governance, aligning and empowering</b>						
<b>Role of the Board of Directors</b>	<i>"Concerned with developing their skills in this area, every year since 2020 members of the Board have received training on topics related to climate issues."</i>	- Number of hours devoted by the Board of Directors to climate issues	No. of hours	Annual	4	→
		- Average attendance rate at sessions on Climate and Responsible Investment	>80%	Annual	94%	→
<b>Employee Alignment System, through a new compensation policy</b>	<i>"The implementation of the climate strategy can only be achieved by raising awareness among all Amundi's stakeholders and by aligning the employee compensation policy with Amundi's ESG and climate strategy. This decision is currently being rolled out."</i>	- Existence of a compensation plan for the CEO indexed to ESG and CSR objectives	100%	Annual	100%	✓ ★
		- Existence of a compensation plan for 200 senior executives indexed to ESG and CSR objectives	100%	Annual	100%	✓ ★
		- % of employees with ESG objectives in the group in question sales representatives and portfolio managers	100%	Annual	99%	✓ ★
<b>B. Setting objectives for reducing direct emissions</b>						
<b>Aligning the CSR policy with the Net Zero 2050 challenges</b>	<i>"A 30% reduction in its CO<sub>2</sub> emissions from energy consumption (scopes 1 and 2) and from business travel (scope 3), between now and 2025 in comparison with the 2018 reference year." Elements relating to climate change and aiming to reduce the carbon footprint generated by purchasing (scope 3) will be included in the purchasing policy from 2022. And suppliers will be engaged in an approach to evaluate their CO<sub>2</sub> emissions with a view to setting decarbonisation objectives."</i>	- Reduction in energy-related GHG emissions (scope 1 + 2) per FTE compared to 2018	-30%	2025	-51%	✓ ★
		- Reduction in GHG emissions related to business travel (Scope 3) per FTE compared to 2018	-30%	2025	-75%	✓ ★
		- Integration of the carbon footprint reduction objective into the Purchasing policy	Objective to be defined in 2023	2025	Work in progress within the Crédit Agricole Group	→
<b>C. Deploying the resources necessary to achieve the objectives</b>						
<b>Deployment of resources dedicated to our ESG and climate commitments</b>	<i>"As such, Amundi has almost doubled the size of its ESG team over the past three years, reaching 40 employees, and its target is to increase it by a further 40% in 2022."</i>	- 40% increase in the number of employees in the ESG - Responsible Investment team	100%	2022	100%	✓
<b>Continuous training of employees</b>	<i>"From 2022 onwards, a climate and ESG training programme created with Amundi experts and covering all staff will be implemented, with modules tailored to different levels of expertise, to ensure that over time every employee receives bespoke climate and ESG training."</i>	- Percentage of employees trained in Responsible Investment	100%	2023	Launch of the "Responsible Investment Training" programme for all employees	→



			Target/ex-post measurement	Maturity	Achieved at 31/12/2022	Progress status
<b>Contribution to industry efforts</b>	<i>"In addition, ensuring that senior executives and members of key committees have the necessary climate knowledge is essential to enabling the robust, high-quality implementation of a climate strategy. Amundi is thus developing a specific training programme for the audience."</i>	- Number of training hours dedicated to Climate issues provided to the SLT (Senior Leadership Team)	No. of hours	Annual	3	✓
	<i>"Amundi is actively involved in market initiatives that are essential for improving market standards."</i>	- Activity report on collective commitments	Activity report	Annual	100%	✓
	<i>"Furthermore, Amundi is committed to helping its clients as they align their investment portfolios. To this end, Amundi is making available its research and education documents relating to the climate challenge and the terms of net zero trajectories."</i>	- Activity report on Climate-related research publishes by Amundi on Amundi Research Center website	Activity report	Annual	Scheduled for Q1 2023	→
	<i>"It is gradually offering its institutional clients the opportunity to manage their portfolios with a view to alignment."</i>	- Number of institutional clients canvassed on Net Zero challenges	Number of clients	Annual	3	→
	<i>"Lastly, to better contribute to empowerment of its clients on climate issues, and as part of its Ambition 2025 Plan, Amundi announced the launch of ALTO* Sustainability, a technological analysis and decision-making solution for investors on environmental and societal issues."</i>	- ALTO* Sustainability marketed and number of modules offered	No. of modules marketed	Date of distribution & 2025	Content of first module defined	→ ★
<b>D. Implementing this strategy in a fully transparent manner</b>						
<b>Voting and responsible investment policies</b>	<i>"The manner in which Amundi integrates the climate challenge and ESG issues within its investments policy, as well as within its use of voting rights, is explained in various documents (...)."</i>	- Voting policy	Publications	Annual 2022	100%	✓
		- Responsible investment policy			100%	✓
<b>The Stewardship Report</b>	<i>"This report, which meets the standards of the UK Stewardship Code as well as other similar codes (...), provides an annual summary of actions implemented in the delegation of management for third parties in order to fully enhance our clients' interests. The Engagement Report and Voting Report, both published annually, summarise the campaigns conducted by Amundi in its shareholder dialogue, and the use of its voting rights."</i>	- Stewardship Report approved by the FRC			Scheduled for Q4 2023	→
		- Voting policy			Scheduled for Q1 2023	→
		- Engagement Report			Scheduled for Q1 2023	→
<b>The Climate Report - TCFD</b>	<i>"This Annual Report, which meets the requirements of the TCFD (...), describes the governance structure in place to address climate issues, risk management and initiatives to support transitions to a low-carbon economy."</i>	- Climate and Sustainability Report			Scheduled for Q2 2023	→



			Target/ex-post measurement	Maturity	Achieved at 31/12/2022	Progress status
<b>2. INTEGRATING CLIMATE CHANGE INTO ITS MANAGEMENT FOR THIRD PARTIES</b>						
<b>A. Systematically incorporating the assessment of transition into actively managed open ended funds</b>						
<b>Incorporating 100% of the assessment of transition into actively managed open-ended funds</b>	<i>"Amundi is thus working on the implementation of a rating methodology in order to assess, via a best-in-class approach, the transition efforts of issuers in relation to a net zero scenario, specifically through the effort made to decarbonise their business and develop their green activities. By 2025, the stated objective of the portfolios in question will be to have a better environmental transition profile than their benchmark investment universe."</i>	- Implementing environmental transition assessment in the investment process	100%	2025	Preliminary work started	→ ★
<b>B. Developing Net Zero 2050 transition funds on major asset classes</b>						
<b>Active management Net Zero range on the main asset classes</b>	<i>"By 2025, Amundi will also offer open-ended funds for all major asset classes asset classes, open-ended funds for the transition to Net Zero 2050 objective."</i>	- Number of asset classes offering a Net Zero transition investment product	6	2025	4	✓ ★
<b>C. Contributing to the energy transition financing effort</b>						
<b>Supporting the energy transition financing effort</b>	<i>"In 2022, Amundi will continue its efforts to develop solutions aimed at investing businesses or financing projects that make a positive environmental contribution."</i>	- Activity report on green solutions, climate	BilanActivity report	Annual	Scheduled for Q1 2023	→
<b>3. INTEGRATION OF CLIMATE ISSUES INTO BUSINESS INITIATIVES</b>						
<b>Unconventional hydrocarbons &gt; 30%</b>	<i>"Amundi is committed to publishing its exclusion policy for the oil and gas sectors, following the announcement of its intention to divest from companies with more than 30% exposure to unconventional hydrocarbons by the end of 2022."</i>	- Published policy & eligible scope disinvested	100%	2022	100%	✓ ★
<b>A. Establishing an active dialogue to speed up and further urge the transformation of models</b>						
<b>Climate Commitment extended to over 1,000 companies</b>	<i>"As part of its Ambition 2025 Plan, Amundi will begin a cycle of engagement with 1,000 additional businesses by 2025."</i>	- Additional number of committed companies on climate	+1,000	2025	+418	→ ★
<b>B. Promoting a socially acceptable energy transition</b>						
<b>Activity report on the "Fair Transition"</b>	<i>"The social dimension of the energy transition remains an important focus for Amundi, which will continue to invest resources in terms of both research and commitment."</i>	- Activity report on the "Fair Transition"	Activity report	Annual	Scheduled for Q1 2023	→

## Annex 6:

# PAB / CTB index strategies

The 28 Amundi index strategies whose benchmark indices are EU Paris-aligned Benchmarks (PABs) and Climate Transition Benchmarks (CTBs) at 31.12.2022 are listed below:

<b>ETF NAME</b>
<b>EQUITY</b>
<b>EQUITY - GLOBAL</b>
AMUNDI INDEX MSCI WORLD SRI PAB UCITS ETF DR
AMUNDI MSCI WORLD CLIMATE PARIS ALIGNED PAB UCITS ETF DR
AMUNDI MSCI WORLD CLIMATE PARIS ALIGNED PAB UMWELTZEICHEN UCITS ETF DR
AMUNDI MSCI WORLD CLIMATE TRANSITION CTB UCITS ETF DR
LYXOR NET ZERO 2050 S&P WORLD CLIMATE PAB (DR) UCITS ETF
LYXOR MSCI WORLD CLIMATE CHANGE (DR) UCITS ETF
<b>EQUITY - EUROPE</b>
<b>COUNTRY</b>
AMUNDI MSCI UK IMI SRI PAB UCITS ETF DR
<b>REGION - EURO ZONE</b>
AMUNDI EURO ISTOXX CLIMATE PARIS ALIGNED PAB UCITS ETF DR
AMUNDI INDEX MSCI EMU SRI PAB UCITS ETF DR
LYXOR NET ZERO 2050 S&P EUROZONE CLIMATE PAB (DR) UCITS ETF
<b>REGION - EUROPE</b>
AMUNDI INDEX MSCI EUROPE ESG BROAD CTB UCITS ETF DR
AMUNDI INDEX MSCI EUROPE SRI PAB UCITS ETF DR
AMUNDI MSCI EUROPE CLIMATE PARIS ALIGNED PAB UCITS ETF DR
AMUNDI MSCI EUROPE CLIMATE TRANSITION CTB UCITS ETF DR
LYXOR NET ZERO 2050 S&P EUROPE CLIMATE PAB (DR) UCITS ETF
LYXOR MSCI EUROPE ESG CLIMATE TRANSITION CTB (DR) UCITS ETF
<b>EQUITY - NORTH AMERICA</b>
<b>COUNTRY</b>
AMUNDI INDEX MSCI USA SRI PAB UCITS ETF DR
LYXOR MSCI USA ESG BROAD CTB (DR) UCITS ETF
LYXOR MSCI USA ESG CLIMATE TRANSITION CTB (DR) UCITS ETF
LYXOR NET ZERO 2050 S&P 500 CLIMATE PAB (DR) UCITS ETF
<b>EQUITY - ASIA PACIFIC</b>
<b>COUNTRY</b>
AMUNDI INDEX MSCI JAPAN SRI PAB UCITS ETF DR
AMUNDI INDEX MSCI JAPAN ESG BROAD CTB
<b>REGION</b>
AMUNDI INDEX MSCI PACIFIC EX JAPAN SRI PAB UCITS ETF DR
<b>EQUITY - EMERGING</b>
<b>BROAD</b>
AMUNDI INDEX MSCI EMERGING ESG BROAD CTB UCITS ETF DR
AMUNDI INDEX MSCI EMERGING MARKETS SRI PAB UCITS ETF DR
LYXOR MSCI EM ESG CLIMATE TRANSITION CTB UCITS ETF
<b>REGION</b>
AMUNDI INDEX MSCI EM ASIA SRI PAB UCITS ETF DR
<b>FIXED INCOME</b>
AMUNDI ICPR EURO CORP CLIMATE PARIS ALIGNED PAB UCITS ETF DR

## Annex 7:

# Data providers' methodologies

### Estimated alignment with regulations Taxonomy

MSCI's approach is described below. Companies must:

- Substantially contribute to at least one of the six environmental objectives as defined in the Taxonomy Regulation through the Technical Screening Criteria: MSCI Sustainable Impact Metrics are designed to identify companies that derive revenue from products or services with a positive impact on the environment. Issuers under consideration must generate revenue from products and services that address one or more of the six environmental objectives under the EU Taxonomy Regulation.
- Do No Significant Harm (DNSH) to any of the other five environmental objectives and comply with minimum social safeguards:

the MSCI Estimated Taxonomy Regulation Alignment Screen excludes companies with significant controversies relating to environmental issues based on DNSH. The Technical Expert Group of sustainable finance also requires companies to comply with the UN Global Principles on Business and Human Rights (UNGP) and OECD Guidelines for their business activities to qualify as sustainable. The MSCI ESG Controversies (Social and Governance controversies) and Global Norms (Business Involvement screening) assess companies' involvement in events that constitute violations of global norms and pose risks to society and the environment.

### Calculations to determine the percentage of assets under management invested in companies active in the fossil fuel sector

- MSCI
- FTSE Russel
- Trucost

The methodology is available on the provider's website.

## Annex 8:

# Correspondence table for TCFD recommendations

Themes	TCFD recommendations	Corresponding section of the report
Governance: Describe the organisation's governance of climate-related risks and opportunities.	<p><b>a.</b> Describe the Board's oversight of climate-related risks and opportunities.</p> <p><b>b.</b> Describe the role of management in assessing and managing climate-related risks and opportunities.</p>	<b>3.</b> Information on the approach to take account of environmental, social and governance quality criteria at entity-governance level
Strategy: Describe the existing and potential impacts of climate-related risks and opportunities on the organisation's activities, strategy and financial planning, insofar as the information is relevant.	<p><b>a.</b> Describe the climate-related risks and opportunities that the organisation has identified for the short, medium and long term.</p> <p><b>b.</b> Describe the impacts of climate-related risks and opportunities on the organisation's activities, strategy and financial planning.</p> <p><b>c.</b> Describe the resilience of the organisation's strategy taking into account different climate scenarios, including at least a 2°C scenario.</p>	<p><b>1.</b> Information on the entity's general approach</p> <p><b>2.</b> Information on the in-house resources rolled out by the entity</p> <p><b>6.</b> Information the strategy for alignment with the international climate change limitation objectives of the Paris Agreement</p> <p><b>7.</b> Information on the strategy for alignment with long-term biodiversity goals</p>
Risk management: Describe how the organisation identifies, assesses and manages climate-related risks.	<p><b>a.</b> Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p><b>b.</b> Describe the organisation's processes for managing climate-related risks.</p> <p><b>c.</b> Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organisation's risk management.</p>	<b>8.</b> Procedures on approaches to taking environmental, social and governance quality criteria into account when managing risks
Indicators & targets : Describe the indicators and targets used to assess and manage climate-related risks and opportunities, insofar as the information is relevant.	<p><b>a.</b> Describe the indicators used by the organisation to assess climate-related risks and opportunities, in relation to its strategy and risk management process.</p> <p><b>b.</b> Publish Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions. Scope 3, and the corresponding risks.</p> <p><b>c.</b> Describe the objectives used by the organisation to manage climate-related risks and opportunities, and its performance against these objectives.</p>	<p><b>6.3</b> Quantification of indicators used</p> <p><b>8.2.3</b> Assessment of climate-related risks and opportunities (transition and physical) using a proprietary assessment and climate metrics</p>

## Annex 9:

# Methodology for calculating responsible investment assets under management

Amundi calculates the total amount of assets qualifying as responsible investment within the scope of open-ended funds, dedicated funds and mandates for the Group as a whole. These assets cover open-ended funds and dedicated solutions that incorporate ESG characteristics into their investment process, broken down as follows:

- actively managed open-ended funds which are intended to have an ESG rating higher than that of their investment universe, wherever technically possible,
- open-ended funds subject to other types of management, such as passive management and real assets: ESG investment criteria relating either to all ESG issues or to a specific environmental or social theme are incorporated into their management strategy.
- dedicated funds and discretionary mandates: these incorporate specific ESG investment criteria tailored to the client's needs, corresponding to the full spectrum of ESG issues or to a specific theme (environmental, social or governance).

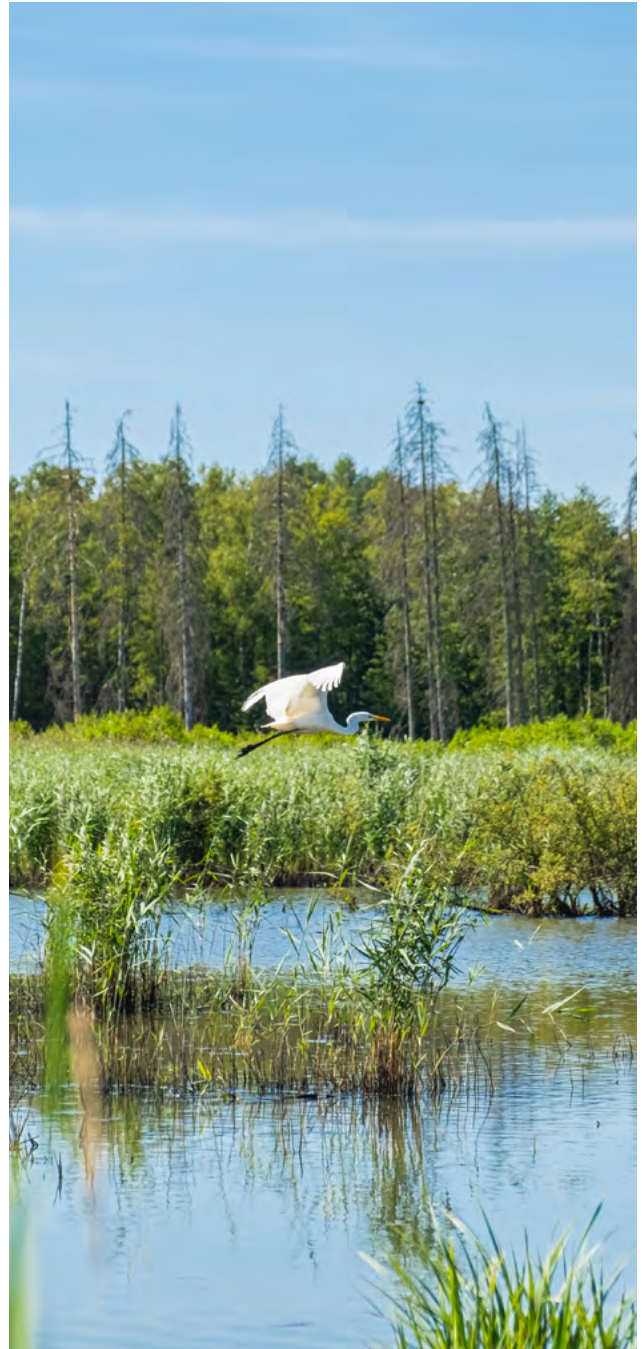
# PAI REPORT

# Introduction

Amundi entities listed below consider the principal adverse impacts (PAI) of their investment decisions on sustainability factors. The present document is the consolidated statement on principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of :

- Amundi Asset Management (Amundi AM)
- BFT Investment Managers (BFT IM)
- CPR Asset Management (CPR AM)
- Société Générale Gestion (S2G)
- Amundi Real Estate
- Amundi Private Equity Funds (PEF)
- Amundi Energy Transition (AET)

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January through 31 December 2022.





A summary of Principal Adverse Indicators considered by Amundi is presented in the table below:

Applicable to	Theme	PAI indicator	Number
Investment companies	Greenhouse gas emissions	GHG emissions	1
		Carbon footprint	2
		GHG intensity of investee companies	3
		Exposure to companies active in the fossil fuel sector	4
		Share of non-renewable energy consumption and production	5
		Energy consumption intensity per high impact climate sector	6
	Biodiversity	Activities negatively affecting biodiversity-sensitive areas	7
	Water	Emissions to water	8
	Waste	Hazardous waste and radioactive waste ratio	9
	Emissions	<i>Additional PAI: Investments in companies without carbon emission reduction initiatives</i>	4 (Table 2)
	Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	10
		Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	11
		Unadjusted gender pay gap	12
		Board gender diversity	13
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)		14	
Human rights	<i>Additional PAI: Lack of a human rights policy</i>	9 (Table 3)	
Sovereigns & supranationals	Environment	GHG intensity	15
	Social	Investee countries subject to social violations	16
Real Estate	Fossil fuels	Exposure to fossil fuels through real estate assets	17
	Energy efficiency	Exposure to energy-inefficient real estate assets	18
	Energy consumption	<i>Additional PAI: Energy consumption intensity</i>	19 (Table 2)

# 2 Description of the principal adverse impacts of investment decisions on sustainability factors

## Description of PAIs on sustainability factors

### Amundi AM

#### 1. Indicators applicable to investee companies

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>					
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions - tCO <sub>2</sub> eq	49,152,045.02	This indicator is calculated based on the assets invested in companies and not on all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
		Scope 2 GHG emissions - tCO <sub>2</sub> eq	8,513,921.64	This indicator is calculated based on the assets invested in companies and not on all assets under management.	
		Scope 3 GHG emissions - tCO <sub>2</sub> eq	19,335,857.48	This indicator is calculated based on the assets invested in companies and not on all assets under management. This indicator includes scope 3 (tier 1)* GHG emissions.	
		Total GHG emissions - tCO <sub>2</sub> eq	77,021,824.14	This indicator is calculated based on the assets invested in companies and not on all assets under management. This indicator includes scope 3 (tier 1)* GHG emissions.	
	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	92.54	This indicator is calculated based on the assets invested in companies and not on all assets under management. This indicator includes scope 3 (tier 1)* GHG emissions.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
	3. GHG intensity of investee companies	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	220.49	This indicator is calculated based on the assets invested in companies and not on all assets under management. This indicator includes scope 3 (tier 1)* GHG emissions.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	13.47	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>Exclusion Policy:</b> Part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons</p>

Please refer to the European documentation on NACE codes for more information.

\*Upstream emissions linked to first-tier suppliers. First-tier suppliers are those with whom the company has a privileged relationship and over whom it may have a direct influence.

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
Greenhouse gas emissions	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Non-renewable energy consumption	65.06		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
		Non-renewable energy production	77.76				
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million euros of revenue of investee companies, per high impact climate sector - GWh/€m revenues	NACE A	0.44		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			NACE B	1.30			
			NACE C	0.49			
			NACE D	2.73			
			NACE E	2.66			
			NACE F	0.19			
			NACE G	0.31			
NACE L			0.37				
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	0.04		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement policy:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	348.40		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	12.23		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>					
<b>Social and employee matters</b>	<b>10.</b> Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0.27	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded</p> <p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on UNGC breaches</p>
	<b>11.</b> Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	13.54	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development.</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance incidents</p>
	<b>12.</b> Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	12.56	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Voting:</b> Part of Amundi's voting priority theme on social cohesion.</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on labour relations employee management</p>
	<b>13.</b> Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	34.94	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
	<b>14.</b> Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %.	0.02	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p>

## 2. Indicators applicable to investments in sovereign and supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
<b>Environmental</b>	<b>15.</b> GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	253.59	<p>This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.</p> <p>This indicator includes territorial and import GHG emissions minus export GHG emissions.</p>	<b>ESG Score Integration:</b> Part of Amundi ESG sovereign methodology under the environmental pillar	
<b>Social</b>	<b>16.</b> Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	Absolute number of investee countries	7	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Exclusion:</b> Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee
			Relative number divided by all investee countries	6.23	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	

### 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Fossil fuels</b>	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	NA		NA
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	NA		NA

### 4. Other indicators associated with principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	NA		NA
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	69.13	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Human rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy - %	17.35	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>

# BFT IM

## 1. Indicators applicable to investee companies

The scope covered by this report does not include funds delegated to managers outside the Group.

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period																	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>																						
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions - tCO <sub>2</sub> eq	1,209,929.75	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>																	
		Scope 2 GHG emissions - tCO <sub>2</sub> eq	195,391.64	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.																		
		Scope 3 GHG emissions - tCO <sub>2</sub> eq	420,775.28	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.																		
		Total GHG emissions - tCO <sub>2</sub> eq	1,826,096.67	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.																		
	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	105.25	This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>																
							3. GHG intensity of investee companies	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	169.90	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>											
												4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	11.61	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>Exclusion Policy:</b> Part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons</p>						
																	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Non-renewable energy consumption	76.10	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
																			Non-renewable energy production	71.01		

\*Upstream emissions linked to first-tier suppliers. First-tier suppliers are those with whom the company has a privileged relationship and over whom it may have a direct influence.



Indicator for adverse impact on sustainability factors		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - GWh/€m revenues	NACE A	0.44	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
			NACE B	1.17		
			NACE C	0.33		
			NACE D	3.32		
			NACE E	3.59		
			NACE F	0.15		
			NACE G	0.26		
			NACE H	2.12		
		NACE L	0.40			
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	0.00		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation <b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
Water	8. Activities negatively affecting biodiversity-sensitive areas	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	238.40		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	1.16		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0.00		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded <b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion <b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on UNGC breaches
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	12.02		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development. <b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance incidents



Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	18.11		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Voting:</b> Part of Amundi's voting priority theme on social cohesion</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	38.13		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %.	0.00		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion Policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Voting:</b> Use of voting rights as escalation for companies with controversial social practices</p>

## 2. Indicators applicable to investments in sovereign or supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
Environmental	15. GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	293.77		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. This indicator includes territorial and import GHG emissions minus export GHG emissions	<p><b>ESG Score Integration:</b> Part of Amundi ESG sovereign methodology under the environmental pillar</p>	
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	Absolute number of investee countries	7		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee</p>
		Relative number divided by all investee countries - %		7.42		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	

### 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Fossil fuels</b>	17. Exposure to fossil fuels through preal estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	NA		NA
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	NA		NA

### 4. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	NA		NA
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	76.88	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Human rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy - %.	24.46	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>

## CPR AM

### 1. Indicators applicable to investee companies

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions – tCO <sub>2</sub> eq	2,619,251.32		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
		Scope 2 GHG emissions – tCO <sub>2</sub> eq	692,451.54		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
		Scope 3 GHG emissions – tCO <sub>2</sub> eq	1,853,644.73		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
		Total GHG emissions – tCO <sub>2</sub> eq	5,165,347.59		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
					This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.		
	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	99.46		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
	3. GHG intensity of investee companies	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	204.96		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	9.96		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>Exclusion Policy:</b> Part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons</p>	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Non-renewable energy consumption	64.18		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			Non-renewable energy production	77.98			

\*Upstream emissions linked to first-tier suppliers. First-tier suppliers are those with whom the company has a privileged relationship and over whom it may have a direct influence.

Indicator for adverse impact on sustainability factors		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - GWh/€m revenues	NACE A	0.34	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			NACE B	1.29		
			NACE C	0.42		
			NACE D	2.81		
			NACE E	1.71		
			NACE F	0.17		
			NACE G	0.18		
			NACE H	1.85		
NACE L	0.51					
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	0.00		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
Water	8. Activities negatively affecting biodiversity-sensitive areas	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	213.92		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	5.80		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0.32		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded</p> <p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	17.16		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development.</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance incidents</p>

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	11.82		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Voting:</b> Part of Amundi's voting priority theme on social cohesion</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	32.69		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %.	0.01		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion Policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Voting:</b> Use of voting rights as escalation for companies with controversial social practices</p>

## 2. Indicators applicable to investments in sovereign or supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
Environmental	15. GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	263.54		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. This indicator includes territorial and import GHG emissions minus export GHG emissions	<p><b>ESG Score Integration:</b> Part of Amundi ESG sovereign methodology under the environmental pillar</p>	
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	Absolute number of investee countries	4		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee</p>
			Relative number divided by all investee countries - %	5.99			

### 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Fossil fuels</b>	17. Exposure to fossil fuels through preal estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	NA		NA
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	NA		NA

### 4. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	NA		NA
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	66.37	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Human rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy - %.	16.06	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>ESG Score Integration:</b> Inclus dans le pilier social du modèle de notation ESG propriétaire</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>



## S2G

## 1. Indicators applicable to investee companies

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions - tCO <sub>2</sub> eq	2,252,036.33		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
		Scope 2 GHG emissions - tCO <sub>2</sub> eq	415,510.00		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
		Scope 3 GHG emissions - tCO <sub>2</sub> eq	923,449.22		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.  This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.		
		Total GHG emissions - tCO <sub>2</sub> eq	3,590,995.56		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.  This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.		
	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	89.77		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.  This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
	3. GHG intensity of investee companies	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	199.30		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.  This indicator includes scope 1, 2 and 3 (tier 1)* GHG emissions.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	11.56		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>Exclusion Policy:</b> Part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons</p>	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Non-renewable energy consumption	68.96		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			Non-renewable energy production	80.02			

\*Upstream emissions linked to first-tier suppliers. First-tier suppliers are those with whom the company has a privileged relationship and over whom it may have a direct influence.



Indicator for adverse impact on sustainability factors		Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - GWh/€m revenues	NACE A	0.61	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			NACE B	1.26		
			NACE C	0.40		
			NACE D	3.08		
			NACE E	3.45		
			NACE F	0.11		
			NACE G	0.25		
			NACE H	1.49		
NACE L	0.38					
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	0.07	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
Water	8. Activities negatively affecting biodiversity-sensitive areas	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	290.86	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	4.34	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>	
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0.19	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded</p> <p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>	
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	10.79	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development.</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance</p>	

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	13.84		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> part of Amundi's commitment focusing on social cohesion</p> <p><b>Voting:</b> Part of Amundi's voting priority theme on social cohesion</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	37.11		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %.	0.05		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion Policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p>

## 2. Indicators applicable to investments in sovereign or supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
Environmental	15. GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	267.38		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. This indicator includes territorial and import GHG emissions minus export GHG emissions	<p><b>ESG Score Integration:</b> Part of Amundi ESG sovereign methodology under the environmental pillar</p>
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	Absolute number of investee countries	6	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee</p>
		Relative number divided by all investee countries - %	6.45			

### 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Fossil fuels</b>	17. Exposure to fossil fuels through preal estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	NA		NA
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	NA		NA

### 4. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	NA		NA
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	71.02	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Human rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy - %.	20.53	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>

## Amundi Real Estate

Amundi Real Estate's PAIs are calculated on an annual rather than a quarterly basis. As the unlisted real-estate business does not have recourse to data providers, it requires that investors collect data directly from building users (tenants), operators and asset managers.

### 1. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
<b>Fossil fuels</b>	<b>17.</b> Exposure to fossil fuels through preal estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	0		Coverage rate in AuM	<b>ESG analysis:</b> ESG analysis during the acquisition and managements phases
<b>Energy efficiency</b>	<b>18.</b> Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	86.9			<b>ESG scoring methodology:</b> ESG analysis during the acquisition and managements phases

### 2. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period	
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	0,000067			<b>ESG scoring methodology:</b> ESG analysis during the acquisition and managements phases

## Amundi PEF

Amundi Private Equity Funds' PAIs are calculated on an annual rather than a quarterly basis. The unlisted nature of the investments precludes recourse to data providers, such that data must be collected directly from portfolio companies.

### 1. Indicators applicable to investee companies

Indicator for adverse impact on sustainability factors	Metric	Impact [year n] - PEF Direct	Impact [year n] - PEF FoF	Impact [year n] - PEF Consolidated	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions - tCO <sub>2</sub> eq	23,693.5	4,362,288.08	4,385,981.58		Coverage rate in % of AuM: 21%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy
		Scope 2 GHG emissions - tCO <sub>2</sub> eq	6,606.6	333,131.70	339,738.30		Coverage rate in % of AuM: 21%. <b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts
		Scope 3 GHG emissions - tCO <sub>2</sub> eq	216,976.41	5,710,625.04	5,927,601.45		Coverage rate in % of AuM: 19%. <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
		Total GHG emissions - tCO <sub>2</sub> eq	231,657.51	10,377,102.08	10,608,759.59		Coverage rate in % of AuM: 20%.
	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	31.79	35.72	35.41		Coverage rate in % of AuM: 21%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
	3. GHG intensity of investee companies	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	0.98	4.55	4.27		Coverage rate in % of AuM: 23%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	6	2	2.1		Coverage rate in % of AuM: 47%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts <b>Exclusion Policy:</b> Part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Consumption: 12 Production: 19	Consumption: 27	Consumption: 26		Coverage rate in % of AuM: 30%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model	
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - GWh/€m revenues	0.05	3.01	5.56		Coverage rate in % of AuM: 10%. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model	

\*Please note that Amundi Real Assets invests in unlisted companies with limited voting systems and media coverage. Therefore, Amundi Private Equity Funds engages company management through meetings, interviews, ESG roadmaps, etc. and controversy monitoring is carried out by Amundi analysts during the pre-investment and holding periods through company information gathering and media analysis.

Indicator for adverse impact on sustainability factors	Metric	Impact [year n] - PEF Direct	Impact [year n] - PEF FoF	Impact [year n] - PEF Consolidated	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Biodiversity</b>	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	10	1	1.7	Coverage rate in % of AuM: 26%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Water</b>	8. Rejets dans l'eau	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	2.49	0.05	0.24	Coverage rate in % of AuM: 53%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Waste</b>	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	14.1	2.06	2.98	Coverage rate in % of AuM: 53%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>							
<b>Social and employee matters</b>	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0	9	8	Coverage rate in % of AuM: 54%	<p><b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded</p> <p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	61	41	42	Coverage rate in % of AuM: 38%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development.</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance incidents</p>
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	13.8	14	14	Coverage rate in % of AuM: 32%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Voting:</b> Part of Amundi's voting priority theme on social cohesion</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance</p>
	13. Mixité au sein des organes de gouvernance	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	14	16	16	Coverage rate in % of AuM: 42%	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %	0	0	0	Coverage rate in % of AuM: 34%	<p><b>Exclusion Policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p>



## 2. Indicators applicable to investments in sovereign or supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n] - PEF Direct	Impact [year n] - PEF FoF	Impact [year n] - PEF Consolidified	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	NA	NA	NA	NA	NA
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	NA	NA	NA	NA	NA

## 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n] - PEF Direct	Impact [year n] - PEF FoF	Impact [year n] - PEF Consolidified	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through preal estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	NA	NA	NA	NA	NA
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	NA	NA	NA	NA	NA

## 4. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n] - PEF Direct	Impact [year n] - PEF FoF	Impact [year n] - PEF Consolidified	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Emissions	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	93	76	77	Coverage rate in % of AuM: 43%	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
Human rights	Lack of a human rights policy	Share of investments in entities without a human rights policy - %	44	91	88	Coverage rate in % of AuM: 55%	<p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>



# AET

Amundi Energy Transition’s PAIs are calculated on an annual rather than a quarterly basis. The unlisted nature of the investments precludes recourse to data suppliers, meaning that data must be collected directly from operators.

## 1. Indicators applicable to investee companies

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>							
<b>Greenhouse gas emissions</b>	<b>1. GHG emissions</b>	Scope 1 GHG emissions - tCO <sub>2</sub> eq			This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi’s commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi’s proprietary ESG model</p>	
		Scope 2 GHG emissions - tCO <sub>2</sub> eq			This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
		Scope 3 GHG emissions - tCO <sub>2</sub> eq			This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.		
		Total GHG emissions - tCO <sub>2</sub> eq	552,390		Scope 1 & 2. This indicator is calculated based on the assets invested in companies and not on all assets under management		
	<b>2. Carbon footprint</b>	Carbon footprint - tCO <sub>2</sub> eq/€m invested	757		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi’s commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi’s proprietary ESG model</p>	
	<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies - tCO <sub>2</sub> eq/€m revenues	784		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi’s commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi’s proprietary ESG model</p>	
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Share of investments in companies active in the fossil fuel sector - %	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi’s commitment focusing on transition towards a low carbon economy</p> <p><b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><b>Exclusion Policy:</b> Part of Amundi’s exclusion policy dedicated to coal and to unconventional hydrocarbons</p>	
	<b>5. Share of non-renewable energy consumption and production</b>	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources - %	Non-renewable energy consumption	56		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi’s commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi’s proprietary ESG model</p>
			Non-renewable energy production	85			

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - GWh/€m revenues	NACE A	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
			NACE B		
			NACE C		
			NACE D		
			NACE E		
			NACE F		
			NACE G		
			NACE H		
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %	NA	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement policy:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Voting:</b> Use of voting rights as escalation in the event of significant negative impacts</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and land use</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	NA	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on biodiversity and waste</p> <p><b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model</p>
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average - t/€m invested	NA	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on natural capital preservation</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on toxic emission, effluents and waste</p> <p><b>ESG Score Integration:</b> Included under the environmental pillar of Amundi's proprietary ESG mode</p>
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>					
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion:</b> Issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded</p> <p><b>Engagement:</b> Part of Amundi's commitment focusing on social cohesion</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches</p>
Social and employee matters	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %	0	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Part of Amundi's commitment focusing on strong governance for sustainable development.</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p> <p><b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on public policies and governance incidents</p>
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	NA	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	NA
Social and employee matters	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members - %	28	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Engagement:</b> Making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair.</p> <p><b>Voting:</b> Gender diversity criteria in the voting policy</p>
Social and employee matters	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %.	0	This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management.	<p><b>Exclusion Policy:</b> Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><b>Vote:</b> Use of voting rights as escalation for companies with controversial social practices</p>

## 2. Indicators applicable to investments in sovereign or supranational issuers

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Environmental</b>	15. GHG intensity	GHG intensity of investee countries - tCO <sub>2</sub> eq/€m GDP	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>ESG Score Integration:</b> Part of Amundi ESG sovereign methodology under the environmental pillar
<b>Social</b>	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - absolute number and relative number in %	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>Exclusion:</b> Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee

## 3. Indicators applicable to investments in real estate assets

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Fossil fuels</b>	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel - %	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>ESG analysis:</b> ESG analysis during the acquisition and managements phases
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets - %	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>ESG analysis:</b> ESG analysis during the acquisition and managements phases

## 4. Other indicators relating to principal adverse impacts on sustainability factors

Indicator for adverse impact on sustainability factors	Metric	Impact [year n]	Impact [year n-1]	Explanation	Actions taken, actions planned, and targets set for the next reference period
<b>Energy consumption</b>	Energy Consumption Intensity	Energy consumption in GWh of owned real estate assets per square meter - GWh/m <sup>2</sup>	NA		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>ESG scoring methodology:</b> ESG analysis during the acquisition and managements phases
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	45		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>Engagement:</b> Part of Amundi's commitment focusing on transition towards a low carbon economy <b>Voting:</b> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model
<b>Human rights</b>	Lack of a human rights policy	Share of investments in entities without a human rights policy - %.	0		This indicator is calculated based on the proportion of assets covered invested in companies and not in relation to all assets under management. <b>ESG score integration:</b> Included under the environmental pillar of Amundi's proprietary ESG model <b>Controversy monitoring:</b> Screening among a large universe of issuers taking into account flags on Human Rights UNGC breaches

## Objectives

Defining principal adverse indicator (PAI) targets aligned with scientific scenarios remains a challenge. Given that tracking began only this year and considering the broad spectrum of asset classes and global regions in which Amundi invests, we do not yet have possess the analytical frameworks or data necessary

for dedicated objectives for each PAI. Amundi will continue to develop its approach regarding PAIs in the coming years, according to the recognised scientific reference scenarios and in close connection with the goals of its clients'.

## Historical comparison

A historical comparison of the reported period versus previous years will be made starting with the 2024 PAI report.





## 3 Description of policies to identify and prioritise principal adverse impacts on sustainability factors

### 3.1 Policy priorities

Amundi has made responsible investment one of its founding pillars since it was created in 2010. In 2018, Amundi launched a three-year action plan aimed at integrating ESG into 100% of its open funds under active management. On 8 December 2021, with the aim of further strengthening its commitments, Amundi set up a new ESG Ambitions 2025 plan.

The plan sets out three objectives:

- Increase the level of ambition of its savings solutions in terms of responsible investment.
- Engage as many businesses as possible in defining credible strategies for alignment with the Net Zero 2050 target
- Align its employees and shareholders with its new ambitions.

The following policies support the ESG Ambitions 2025 plan and inform Amundi's processes for identifying, monitoring and mitigating the principal adverse impacts deriving from its investment activities:

Amundi Group Policy	Principal adverse impacts - thematic mitigation priorities	Approval and revision process
Amundi Global Responsible Investment Policy 2022	<p><b>Normative exclusions:</b> Controversial weapons, UN Global Compact controversies</p> <p><b>Sector exclusions:</b> Tobacco, Coal, Unconventional Oil and Gas</p> <p><b>ESG integration:</b> 38 material ESG issues identified and prioritised per economic sector</p> <p><b>Product policies:</b> ESG mainstream, Net Zero, Impact</p>	Published 12/10/22
Amundi Climate Strategy ("Say on Climate") 2022	Climate change Energy transition	General Meeting, 18/05/22
Amundi Voting Policy 2023	<p>Energy transition, in particular the decarbonisation of our economies</p> <p>Social cohesion, in particular through controls of the wage balance within the framework of remuneration policies, employee involvement in companies' governance and employee share ownership</p>	<p>Amundi Asset Management Board of Directors, 07/02/23</p> <p>Updated annually</p>
Amundi Real Assets Responsible Investor Charter	<p>Climate action</p> <p>Increasing transparency</p> <p>Aligning the interests of all stakeholders</p>	Amundi Real Assets Management Board, July 2022
AET Voting Policy 2023	Voting policy in line with the company's assets and usual policies	2023
AET Responsible Investment Policy	Specific PAIs defined for different technologies	2023
Amundi Real Estate Responsible Investor Charter	<p>Climate action</p> <p>Increasing transparency</p> <p>Aligning the interests of all stakeholders</p>	Amundi Real Estate Management Board, September 2021

Amundi will continue to adjust its climate strategy in the coming years, according to the scientific reference scenarios and in close connection with its clients' objectives, both by developing investment solutions to accelerate the transition and by progressively aligning its portfolios with the 2050 neutrality objective.

## 3.2 Policy governance

### Internal organisation dedicated to monitoring and managing the responsible investment strategy

Please refer to chapter 3.1 of section 3 "Information on the approach for taking into account environmental, social and governance criteria at the entity's governance level".

## Entities: Amundi Real Estate, Amundi PEF, AET

### Focus on Amundi Real Assets' ESG governance

#### - An ESG team dedicated to the Amundi Real Assets platform

This team, whose missions are detailed in section IV of [Amundi Real Assets' responsible investment policy](#), works closely with the management teams and the members of the Amundi group's central ESG team.

#### - A Real Assets Management Committee dedicated to ESG

The Amundi Real Assets Management Committee puts ESG-related issues and their impact on real assets on its agenda at least once a quarter.

#### - A community of ESG front runners

These ESG representatives have been identified within the various teams of the Amundi Real Assets platform (management, ESG analysis, sales, marketing, legal, etc.) to share information on all the common issues relating to responsible investment within the real assets areas of expertise and, more generally, to ensure consistency and convey the collective ambition. In practical terms, these meetings give rise to exchanges on regulatory developments and the sharing of information and best practice between expertises.

At the same time, issues relating to the Environmental, Social and Governance pillars are integrated into all the Investment Committees of Amundi Real Assets' six different expertises.

## Amundi PEF

### Specific ESG governance within Amundi Private Equity Funds

- Amundi PEF's Management Committee is informed of all ESG developments in order to integrate them into its governance and fund management.

- The Investment Committee of Amundi PEF integrates all ESG aspects in the study of its investment files. In particular, the Committee's support documents include reports on ESG due diligence carried out in advance, which

are taken into account by the Committee members when making their investment decisions.

- ESG issues are systematically discussed at weekly meetings of the management teams (direct funds and multi-management), including regulatory developments, the results of due diligence, reporting and any client requests.

## Risk management

### Entities: Amundi AM, BFT IM, CPR AM, S2G, Amundi PEF, AET

Please refer to chapter 8.4 of section 8. "Approaches for taking into account environmental, social and governance criteria into risk management".

### Amundi Real Estate

Please refer to chapter 8.4, specific to Amundi Real Estate, of section 8 "Approaches for taking into account environmental, social and governance criteria into risk management".



## 3.3 Methodologies and data sources

### General principles

In order to disclose metrics that have the closest representation of the sustainability indicators related to adverse impacts at entity level (“Management Company” or “ManCo”), Amundi has adopted an approach for the calculation and management of sustainability indicators related to principal adverse impacts that it is based on the principle of portfolio covered. Therefore covered data are divided by to the sole assets they relate to.

While Amundi has identified both short- and long-term adverse impacts that are principal to the investment portfolios, the information available for assessing and reporting on the adverse impacts is limited and often lacks standardisation across sectors and regions. Therefore, Amundi’s approach to principal adverse impact assessment is applied bottom up at the portfolio level. Moreover, investment portfolios may be exposed to variably acute and chronic adverse impacts depending on companies’ sectors and geography.

The perimeter for the calculation of our PAI has been identified based on the following assumptions:

- Portfolios that we delegate to an external manager are in scope of the PAI statement. Portfolios that we manage by delegation are also in the perimeter of the PAI statement.
- Investments in an internal underlying fund (managed by the same Manco) are not included as the investments made by this internal fund are already included in the scope (to avoid double counting).

Additional information on the calculation methodology can be provided by Amundi on request.

### Methodology limitations

Our methodology limitations are by construction mainly linked to the use of ESG data. The ESG data landscape is currently being standardised, which can impact data quality; data coverage is also a limitation. Les réglementations actuelles Current and future regulations will improve standardised reporting and corporate disclosures on which ESG data rely.

Finally, in some specific cases portfolio data may not be easily obtained. Despite our best effort approach to retrieve all necessary figures (see also section below), a lack of data availability may result in a certain margin of error in our calculations.

We are aware of these limitations, which we mitigate by a combination of approaches:

### Entities: Amundi AM, BFT IM, CPR AM, S2G, Amundi Real

The use of several data providers, a structured qualitative assessment by our ESG research team of the ESG scores, and the implementation of a strong governance.

## Entities: Amundi PEF, AET

### Amundi PEF

A structured qualitative assessment of ESG scores by our ESG research team, the implementation of strong governance, a data collection campaign carried out directly with

invested companies, technical and logistical support for companies collecting data and a process to ensure the reliability of ESG data.

### AET

Controversy monitoring, ongoing monitoring and training of the entire team and individuals on these subjects, ad hoc data collection by

third parties, structured qualitative evaluation and the implementation of strong governance.

## Entities: Amundi Real Estate, Amundi PEF, AET

Amundi Real Assets also faces a second level of difficulty in collecting ESG data, as the companies it invests in are not listed and are therefore less mature when it comes to ESG data. In addition, the forthcoming standardisation

of extra-financial reporting practices mainly concerns companies of a certain size. However, many of the companies invested in the PEF do not meet these criteria.

### Amundi Real Estate

The main limitation of the ESG analysis methodology developed by Amundi Real Estate is the accessibility of energy consumption data at the level of each building. We are aware of

this limitation and have put in place a policy of engagement with key stakeholders, in particular with tenants and property managers, to improve the feedback of useful data.

## Different approaches depending on data coverage

Data coverage is uneven across principal adverse impact indicators. In the case of indicators with a coverage below 100% (e.g. gender pay gap, or emissions to water), Amundi has adopted a reweighting approach across holdings for which data is available. This avoids setting missing data at zero which would “dilute” the indicator over all assets.

For investments in third-party funds, the PAI data source used has been the PAI values reported by the investment managers in their publicly available EET<sup>58</sup>.

Amundi reserves the right to modify this methodology and our data sources in the future.

58. European ESG Template (EET) data exchange model created by Findatex

## AET

The data received, and in particular the PAIs' indicators, are not homogeneous between the different participations. By their very nature, they differ from one sector to another, but the approach remains unchanged and as standardized as possible (production data, emissions, social and governance data, etc.) in the analysis and calculation, enabling us to calculate the carbon footprint, for example.

The completion rate for the collection of indicators of the principal adverse impacts is 80% for investments made by AET.

## Selection of additional indicators of the main adverse impacts

Amundi has identified the additional principal adverse impact indicators from Table 2 and 3 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 assessing:

- their relevance to Amundi ESG strategic priorities as outlined in the overarching policies described in section 3.1;

- the availability of data for measuring the severity of impact of those risks within the investment universe.

## AET

For investments in Article 9 funds (if any) and Article 8 funds where a portion of the investment could qualify as contributing to a sustainable objective. In line with our understanding of the SFDR, between one and three sustainability criteria inspired by the SFDR's PAI were identified for each sector. For each DNSH, a KPI, together with a qualitative or quantitative threshold, was defined.

AET has committed to report the PAI for its Article 8 funds when requested by investors, and to take into account and report the PAI for its Article 9 funds (if any). Taking into account PAI means that AET's investment decisions and fund management will be impacted by PAI results. This means that from 2023, every year AET will publish on 30 June a PAI report with data on the 14 compulsory PAI and two additional social and environmental PAI for each of its investments.

### Selection of additional principal adverse impact indicators

One additional PAI per asset has been chosen from the additional social PAIs, depending on the nature of the assets in the portfolio and the information requested from institutional investors. AET calculates and communicates the carbon footprint of the projects it finances in order to ensure the transparency of its financing activities in terms of greenhouse gas emissions. This calculation is carried out using the EIB method available at the link [EIB Project Carbon Footprint Methodologies](#).

## Data sources: Data providers used exclusively for the principal adverse impacts

**Entities: Amundi AM, BFT IM, CPR AM, S2G, Amundi Real Estate**

Entity	Agency
Company	<ul style="list-style-type: none"> <li>• MSCI</li> <li>• Trucost</li> <li>• Refinitiv (LSEG)</li> <li>• SBT</li> </ul>
Sovereigns and supranationals	<ul style="list-style-type: none"> <li>• MSCI</li> <li>• Verisk Maplecroft</li> </ul>

**Entities: Amundi Real Estate, Amundi PEF, AET**

### Amundi Real Estate

Data collected directly from main stakeholders (property managers, tenants, technical managers, etc.).

Energy consumption data is collected from each tenant of the properties under management via a dedicated service provider.

### Amundi PEF

Amundi Private Equity Funds does not use external data providers. Data is therefore collected directly from invested companies and GPs.

Sirsa, an ESG consultancy and publisher of reporting software (Reporting21), assists Amundi PEF in this task.

### AET

PAIs are collected from our investments and counterparties by sending them a questionnaire with various headings to complete (greenhouse gas emissions, biodiversity, water, waste, human rights, anti-corruption, etc.).

Sources may be reviewed in the future and include more data providers.

# 4 Engagement policies and other considerations of the principal adverse impacts

**As a responsible asset manager, Amundi understands its fiduciary duty as encompassing the need to contribute positively to addressing major socio-economic and environmental challenges in the interests of our clients, our stakeholders and of society. For this reason, Amundi has embraced the concept of “double materiality” around which we build our ESG analysis and rating methodology. This means that not only do we assess the way ESG factors can materially impact the value of companies, but we also assess how the companies impact the environment, and social matters or human rights.**

## A. Engagement<sup>59</sup>

For Amundi, engagement is an ongoing process to influence the activities or behaviour of companies so that they improve their ESG practices and their impact on key sustainable development issues. It focuses on concrete results to be achieved within a given timeframe, is proactive and is part of our overall responsible investment strategy.

A major pillar of the responsible investment policy, engagement occurs throughout the

year via discussions between analysts and the companies in which we invest, and through individual or collaborative actions on major sustainable development issues, in order to promote real change and the shift towards a sustainable, inclusive and low-carbon economy.

For more details, please refer to chapter 4.3 of section 4 : Information on the engagement strategy for issuers or management companies and its implementation

### Amundi Real Estate

Amundi Real Estate has introduced a Suppliers' Charter to engage its key stakeholders. This Charter is accompanied by an assessment of the main parties concerned with the building, such as property managers and technical maintenance staff.

<sup>59</sup>. Please refer to Amundi's Responsible Investment Policy for more information on the scope of application and systematically consult the fund's contractual documents for full information on ESG criteria and integration.

## b. Voting

Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy and Amundi's Voting Report<sup>60</sup>. This approach applies by default to all of Amundi products.

Amundi Real Assets invests mainly in assets without a voting system. Amundi's voting policy is therefore best expressed through actions and commitments to the companies invested in.

For more details, please refer to chapter 4.2 of section 4 "Information on the engagement strategy for issuers or management companies and its implementation".

## c. Exclusion

Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Sustainable Finance Disclosure Regulation (SFDR). This approach applies to all Amundi funds in scope of Amundi exclusion policy<sup>61</sup>.

For further details, please refer to chapter 1.1.1 of section 1 "Information on the entity's general approach".

## d. Integration of ESG factors

Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score than the applicable ESG benchmark).<sup>91</sup> The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect. All criteria are available in fund managers' front office portfolio management system.

For more details, please see:

- Chapter 1.1.1 of section 1 "Information on the entity's general approach".
- Chapter 8.2 of section 8 "Approaches for taking into account environmental, social and governance criteria into risk management", specific to Amundi Real Estate.

60. Wherever technically feasible: some exceptions have been defined with regard to the general ESG objective: they concern funds for which active management is limited, such as "Buy and Watch" funds or securitisation undertakings, real estate and alternative funds, funds not managed on Amundi's investment platforms and delegated funds, funds with a high concentration in the index or those with limited coverage of rated issuers, and fund hosting platform products. Please refer to Amundi's Responsible Investment Policy for further information on the scope of application and systematically consult the fund's offering documents for full information on ESG criteria and integration.

61. Additional information on Amundi's exclusion policy is available in our [Responsible Investment Policy 2022](#)

## e. Controversy monitoring

The table presented in chapter 8.6 of section 8 "Approaches for taking into account environmental, social and governance criteria into risk management" sets out the approach generally used by Amundi for each indicator of adverse impact on sustainability. Specific approaches may also be applied at the level of each product; in this case, the specific approach is also described in the pre-contractual documentation. Where possible, adverse sustainability indicators are prioritised according to the sustainability objectives or characteristics of the fund, provided that all minimum standards are met.

These engagement policies are reviewed and adapted based on the results of the principal adverse impact indicators for each reporting period.

As this is Amundi's first year of reporting on principal adverse indicators (PAI), progress on indicators is not yet taken into account in our review of entities' Engagement policies.

### **Entities: Amundi AM, BFT IM, CPR AM, S2G**

For more details, please refer to chapter 8.2.2 of section 8 "Approaches for taking into account environmental, social and governance criteria into risk management".

### **Entities: Amundi Real Estate, Amundi PEF, AET**

Controversies are monitored through the due diligence process during the pre-investment phase and the annual ESG reporting campaign (data collection, ESG interviews) during the holding period.



## 5

# Reference to international standards

Please refer to chapter 1.4 of section 1 “Information on the entity’s general approach”.

Principal Adverse Impacts		Standards, initiatives and public policies relevant to principal adverse impacts
1, 2, 3, 4, 5, 6 and 4 (table 2)	GHG emissions (Scope 1, 2, 3 and total) Carbon footprint GHG intensity of investee companies Exposure to companies active in the fossil fuel sector Share of non-renewable energy consumption and production Energy consumption intensity per high impact climate sector Investments in companies without carbon emission reduction initiatives	Paris Agreement on Climate Sustainable Development Goals (SDGs) EU Taxonomy Net Zero Asset Managers Initiative (NZAMI) Climate Action 100+ Carbon Disclosure Project (CDP) Science-based Targets initiative Task Force on Climate-related Financial Disclosures (TCFD) The Japan TCFD Consortium Montréal Carbon Pledge Portfolio Decarbonisation Coalition (PDC) Institutional Investors Group on Climate Change (IIGCC) Asia Investor Group on Climate Change (AIGCC) Investors for a Just Transition
7,8,9	Activities negatively affecting biodiversity sensitive areas Emissions to water Hazardous waste ratio	Task Force on Nature-related Financial Disclosures (TNFD) Finance for Biodiversity Pledge Farm Animal Investment Risk and Return (FAIRR) Investor Action on Antimicrobial Resistance CDP Water CDP Forest Fondation de la Mer Global Reporting Initiative (GRI)
10, 11	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines  Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines	UN Global Compact  OECD Guidelines on Multinational Enterprises  UN Guiding Principles on Business and Human Rights  PRI Human Rights Engagement  Human Rights Reporting and Assurance Frameworks Initiative
12	Unadjusted gender pay gap	Workforce Disclosure Initiative (WDI) Platform Living Wage Financials (PLWF)
13	Board gender diversity	The 30% Club France Investor Group International Corporate Governance network (ICGN)
14	Exposure to controversial weapons	Ottawa and Oslo treaties
9 (table 3)	Lack of a human rights policy	UN Guiding Principles on Business and Human Rights
15	GHG intensity of investee countries	Paris Agreement on Climate Green bond principles
16	Investee countries subject to social violations	International Bill of Human Rights
17	Exposure to fossil fuels through real estate assets	SFDR regulation
18	Exposure energy-inefficient real estate assets	Energy performance diagnostics - calculation methodology is determined by the regulations in each country
19 (table 2)	Energy consumption intensity	

The following paragraphs detail the internationally recognised standards that are most relevant to addressing the principal adverse impacts.

## Paris Agreement: Net Zero Asset Managers initiative (NZAM)

Principal adverse impacts 1-6: Greenhouse gas (GHG) emissions

### Methodologies used

- Net Zero Asset Owner Alliance Target Setting Protocol
- Net Zero Investment Framework

### GHG emission scopes

- Scopes 1, 2 and 3 upstream (tier 1)<sup>62</sup>

### Scenario

- IEA Net Zero Emissions 2050 – Developed in 2021

Please refer to chapter 6.1 of section 6 "Information on the strategy for alignment with international targets of the Paris Agreement to limit global warming".

## Finance for Biodiversity Pledge

Principal adverse impacts 7: Biodiversity

Please refer to chapter 7.1 of section 7 "Information on the strategy's alignment with long-term biodiversity objectives".

## United Nations Global Compact and OECD Guidelines for Multinational Enterprises

Principal adverse impacts 10-11 and 9 (table 3): Personnel and social matters

As an asset manager, we recognize our responsibility to uphold human rights and address human rights abuses in our investment activities. We see human rights violations as a breach of Amundi's investment principles, therefore, we pay particular attention to company exposure to human rights risks.

Amundi's parent company, Crédit Agricole, is a signatory of the UN Global Compact and Amundi endorses it through its normative exclusions and controversy monitoring methodology. Please refer to Amundi's 2022 Global Responsible Investment Policy for more detail about the scope of application.

"DNSH test": Amundi considers that to qualify as Sustainable Investment, among other criteria,

an investment should pass the two Do No Significant Harm tests below:

1. The first DNSH Test relies on the monitoring of specific Principal Adverse Impacts. In order to pass the test, a company should have a CO<sub>2</sub> intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors) (unit: tCO<sub>2</sub>e/€m<sup>63</sup> revenues, source: Trucost);
  - have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector (unit: %, source: Refinitiv);
  - be cleared of any severe controversy in relation to work conditions and human rights (unit: yes or no, source: MSCI and Sustainalytics);
  - be cleared of any severe controversy in relation to biodiversity and pollution (unit: yes or no, source: MSCI and Sustainalytics).

62. Upstream emissions linked to first-tier suppliers. First-tier suppliers are those with whom the company has a privileged relationship and over whom it can have a direct influence.

63. Tonnes of carbon dioxide equivalent per million euros

Amundi already considers specific principal adverse impacts (“Principal Adverse Impacts” or “PAIs”) within its exclusion policy as part of its Global Responsible Investment Policy. These exclusions, which apply on top of the tests detailed above, cover the following topics: controversial weapons, violations of UN Global Compact Principles, coal and tobacco<sup>64</sup>.

**2.** Beyond the specific sustainability factors covered in the first test, Amundi implements a second DNSH Test in order to verify that the company does not belong to the worst performers on environmental or social matters compared to the other companies within its sector. The approach relies on Amundi’s ESG scoring methodology. Amundi has set a threshold for this test that corresponds

approximately to excluding the worst ~7% on environmental or social performance pillars across each sector. Using Amundi’s ESG scoring methodology, this means that a company should have an environmental and or a social score better or equal to E

In addition to research and monitoring, Amundi exercises leverage with issuers through engagement. Human rights engagement follows a two-pronged approach. First, we aim to engage proactively with companies on identification and management of human rights risks. Second, we can engage reactively when an abuse or allegation occurs. In this case, we would seek to ensure that companies are taking appropriate measures for effective remediation.

## Amundi Real Estate

Amundi Real Estate adheres to the Charter of commitment in favour of the development of SRI Management in real estate of the French Association of Real Estate Investment Companies (ASPIM).

In addition, Amundi Real Estate benefited from the working group for the creation of the SRI label dedicated to real estate funds within this same structure. Amundi Real Estate is also one of the founding members of the Sustainable Real Estate Observatory (OID).

The OID is an independent and transparent space for exchange that promotes sustainable development and innovation in French real estate. It brings together private and public actors in a shared vision around its raison d’être: “Thinking responsible real estate”.

In line with Amundi’s commitment to biodiversity through Act4nature, Amundi Real Estate has decided to implement a biodiversity axis in its Responsible Investment policy by becoming the

partner company of the “Biodiversity Impulsion Group.”<sup>65</sup> This applied research program brings together a large number of players in the real estate sector in order to better integrate biodiversity issues into the design and management of real estate projects in France.

At the same time, Amundi Real Estate is supporting the implementation of the “ESREI” program led by the OID aimed at bringing together players in the sector around ESG issues and the state of regulations in this area across Europe. The management company is also a member of the BBKA Association<sup>66</sup> (Label Bas Carbone).

The BBKA label attests the exemplary carbon footprint of a building. It quantifies and values, thanks to an independent certified measurement, the reduction of the carbon footprint of the building over its entire life cycle (construction-operation-end of life-carbon storage), achieved thanks to the implementation virtuous low-carbon practices.

64. The remaining Principle Adverse Impacts are not included yet in the DNSH test because of a lack of good quality data or because of a limited coverage.

65. <https://biodiversity-impulsion-group.fr/initiative-big/>

66. “Association pour le développement du bâtiment bas carbone” (Association for the development of low-carbon buildings)

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The information contained in this document is deemed accurate as of June 2023.

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