
Confidence
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Amundi
ASSET MANAGEMENT

The UK Stewardship Code

Amundi Asset Management

July 2018

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Overview

Amundi Asset Management UK Branch adheres to all of the UK Stewardship Code Principles.

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Principle 1

Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

Amundi's voting policy and the ESG policy are available on the website below:

<http://about.amundi.com/Metonav-Footer/Footer/Quick-Links/Legal-documentation>

<https://www.amundi.com/int/Services-for-Professionals/Responsible-Investing>

Principle 2

Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship which should be publicly disclosed.

For the exercise of their funds' voting rights, asset managers may be faced with conflicts of interest, especially with entities within their group.

To minimise this possibility at Amundi, a procedure has been established for resolving these conflicts. In terms of prevention, the first measure is to publish the voting policy criteria; the policy is approved by senior management.

Established procedure:

Access to the resolutions of the General Meetings, for analysis purposes, means that management heads can be alerted if any potential conflicts are identified. If there is a demonstrated conflicts of interest, the following procedure is applied:

1. Alert the Chief Investment Officer that (a) certain proposed resolution(s) is/are in conflict with voting policy principles.
2. Compile explanatory records.
3. A meeting is held with the heads of fund management, Compliance and legal affairs.
4. This management "panel" makes the voting decision. If the various parties cannot reach an agreement, the decision goes to the Executive Committee.

Principle 3

Institutional investors should monitor their investee companies.

Amundi actively monitors investee companies in order to ensure that they act in the best interests of the shareholders and create long term value for its clients.

When monitoring companies, Amundi is attentive to the overall performance quality of the companies. This includes not only their economic and financial performance, but also their social and environmental performance.

The relationship of confidence and trust that Amundi seeks to maintain with the companies it supports is based not only on the shareholder dialogue process, but also on the transparency and quality of the information they provide, i.e. information on governance quality; strategic documentation that imparts the relevance of the resolutions submitted to the General Meeting; and social and environmental reports that convey senior management's consideration for the impact their business has on society.

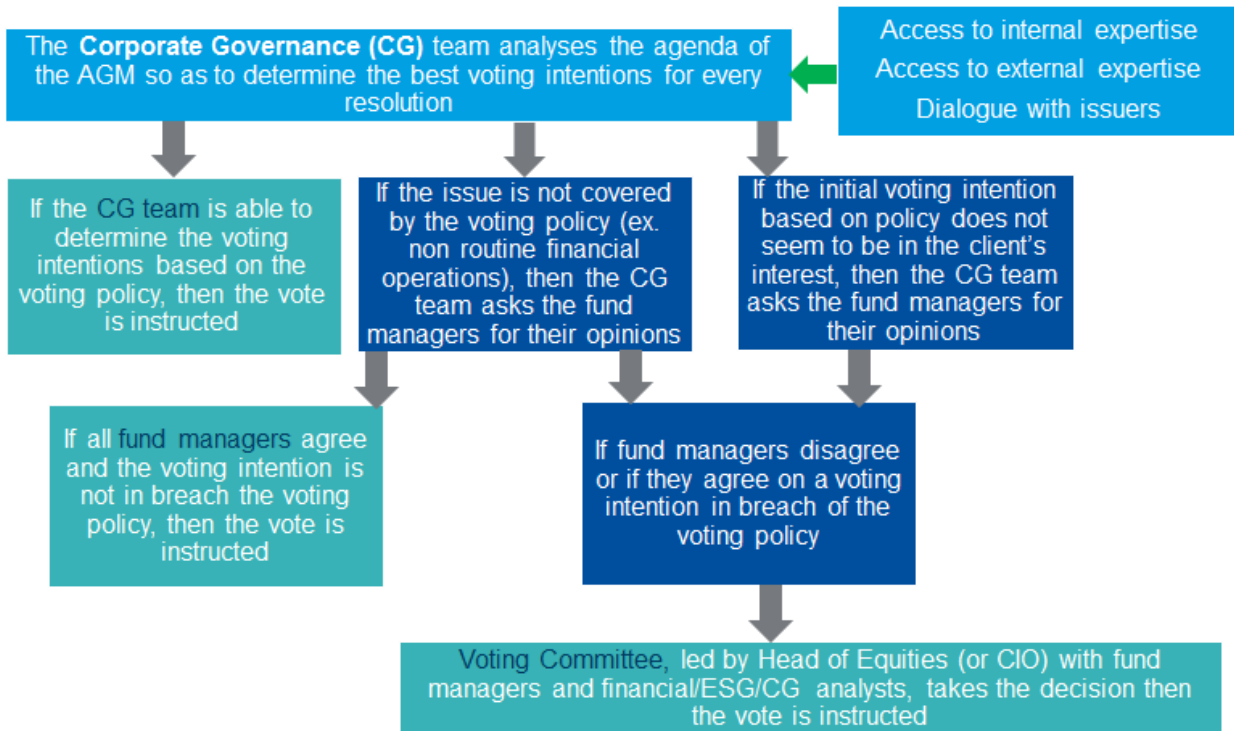
In addition, Amundi has created a formalised, transparent, and traceable process for analysing ESG criteria by ranking issuers on a scale of A to G and combining the extra-financial approach with traditional financial analysis for an optimised risk/return profile.

Principle 4

Institutional investors should establish clear guidelines on when and how they will escalate their stewardship activities.

The below flowchart illustrates the guidelines on how and when stewardship activities are escalated:

Proxy-voting flowchart



Principle 5

Institutional investors should be willing to act collectively with other investors where appropriate.

Amundi is committed to increasing shareholder value by enhancing the quality of corporate governance practices in investee companies and ensuring that they act in the best interest of all investors. Therefore, if and when necessary, Amundi is willing to act collectively with other investors.

Principle 6

Institutional investors should have a clear policy on voting and disclosure of voting activity.

Amundi's Voting Policy can be found on the website: <http://about.amundi.com/Metanav-Footer/Footer/Quick-Links/Legal-documentation>

Voting scope: for French companies, the funds exercise their voting rights at the meetings of the companies in which they have an equity investment. However, again in the interests of cost control and increased efficiency, Amundi has decided to vote at international meetings only where its consolidated vote will represent more than 0.05% of the company's share capital. Nevertheless, this criterion may not be applied for General Meetings that are of particular importance or for funds that specifically require a full vote.

Voting records: Amundi publishes, on an annual basis, the voting rights report and a detailed annex disclosing voting records. See <http://about.amundi.com/Metanav-Footer/Footer/Quick-Links/Legal-documentation>

Current method for exercising voting rights: in most cases, voting rights are exercised by correspondence / proxy. Attending a General Meeting to directly exercise voting rights may be useful or necessary in certain cases.

Proxy voting: Amundi acknowledges that proxy voting alone may not be sufficient in its responsible investor commitment to improve practices of companies. Thus, for several years, an alert has been sent to certain major issuers before their General Meeting if any of their resolutions contradict the voting policy principles. The scope of companies alerted is determined by the Corporate Governance Analysts in their geographic area, primarily according to the weight of Amundi's holdings and consequently Amundi's ability to wield influence.

Once a constructive dialogue with an issuer has been established, Amundi naturally tries to maintain the relationship from one year to the next, regardless of any potential reduction in its holdings.

After the final decision, voting instructions are entered into the tools that are used to transfer the orders to intermediaries who will be in charge of their successful routing.

The team uses the ISS Proxyexchange platform to send its voting instructions or print out proxy cards. A gateway has been set up between ISS and Broadridge for funds whose custodian uses the services of Broadridge.

The team uses analysis from ISS, Glass Lewis and ECGS to more efficiently identify problematic resolutions.

Policy on Securities Lending: Voting rights are exercised for securities held in the portfolio by the fund at the time of the General Meeting. To fully exercise these rights, the lent securities are recalled in accordance with local laws, technical constraints and the interest of the meeting. Shares are automatically recalled for all meetings considered sensitive.

Principle 7

Institutional investors should report periodically on their stewardship and voting activities.

Amundi publishes a yearly voting rights report on an annual basis including a detailed annex disclosing voting records. We also produce a Shareholder Dialogue Report.

See: <http://about.amundi.com/Metonav-Footer/Footer/Quick-Links/Legal-documentation>

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DISCLAIMER

Amundi Asset Management London Branch

41 Lothbury- London EC2R 7HF- United Kingdom

Tel: (+44) 20 7074 9300 - Fax: (+44) 20 7074 9309 - FC No 025334 BR No 007675

VAT No. GB 805 3303 67

Amundi Asset Management

Head office: 90, boulevard Pasteur, 75015 Paris - France.

Postal address: 90, boulevard Pasteur, CS 21564, 75730 Paris Cedex 15 - France.

Tel : +33 (0)1 76 33 30 30 - Website : www.amundi.com

Siren no. 437 574 452 RCS Paris - Siret no. 43757445200029 - APE code: 6630 Z - VAT identification no. FR58437574452.

“*Société par Actions Simplifiée*” incorporated under the laws of France no. 437 574 452 RCS Paris, with a capital stock of €1 086 262 605
Portfolio management company approved by the French *Autorité des Marchés Financiers* - under no.GP 04000036- and subject to limited
regulation by the Financial Conduct Authority for the conduct of its UK investment business (through Amundi Asset Management London
Branch).

Amundi Asset Management is entered on the FCA Register under number 401 883. This may be checked at <https://register.fca.org.uk/>.

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