

# ESG CRITERIA IN AMUNDI

## THE SOCIAL FACTOR

Extra-financial analysis  
using ESG criteria

E

ENVIRONMENT

ENVIRONMENTAL PROTECTION



SOCIAL

RESPECT FOR PEOPLE

G

GOVERNANCE

RULES OF CONDUCT



Analysing a company using the “S” (“**Social**”) criteria means focusing on the company’s capacity to respond to social issues, adopting corporate practices based on transparency, ethics, respect for its employees and civil society.

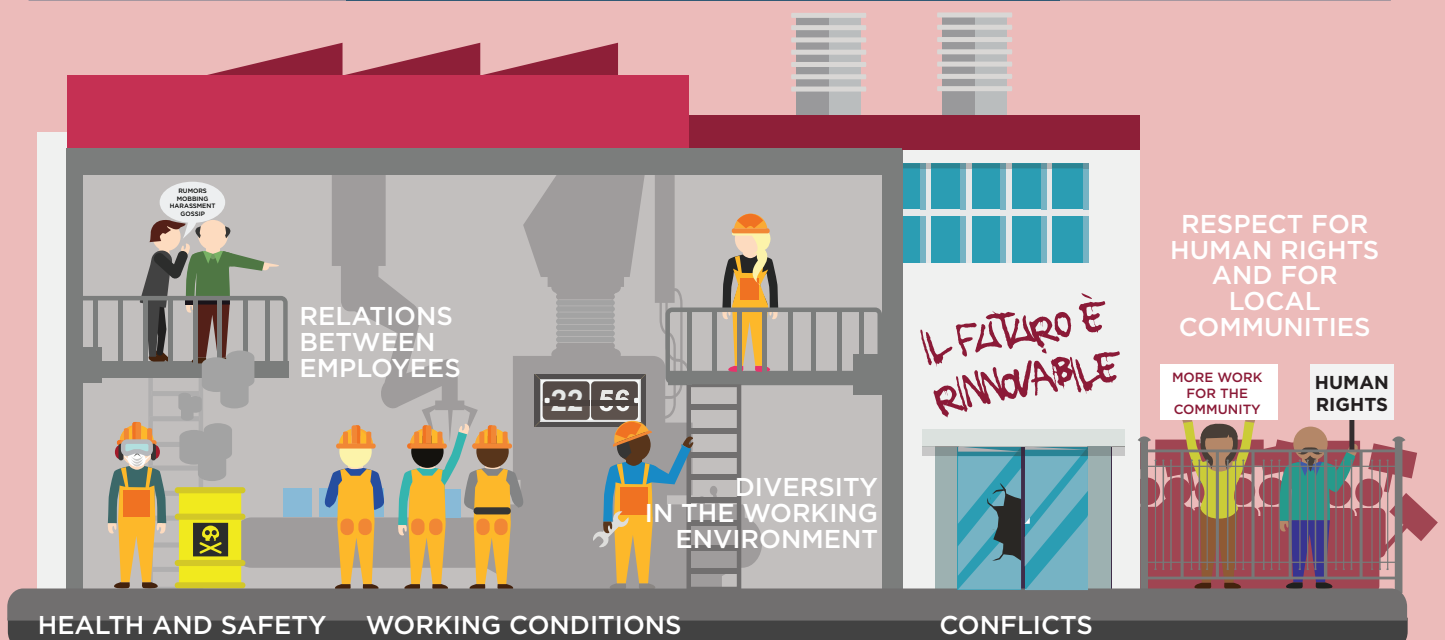


The assessment is related to issues such as **reputation**, **gender policies**, **labour standards** and relations with the **civil community**.



The role of companies in promoting their **social and** environmental impact is also examined.

### SOME OF THE FACTORS EXAMINED



# A CONCRETE EXAMPLE: HARD COAL

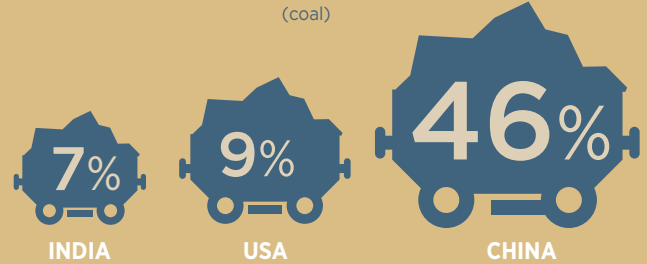
## AVERAGE FATALITIES PER EXTRACTION METHOD

(out of 100,000 workers)



## MAIN PRODUCER COUNTRIES

(coal)



60%

of global production extracted from underground

40%

of global production extracted from open-cast mines

70%

of the metallurgical sector uses it to produce steel

47%

of the utilities sector uses it to generate electricity

Source: Oil, Gas, Coal and Electricity Quarterly statistics - IEA, June 2019

## ESG ANALYSIS<sup>1</sup>

Main social and environmental risk factors associated with the **extraction and burning of hard coal**

S



HEALTH AND SAFETY



VIOLETION OF HUMAN RIGHTS AND WORKERS' RIGHTS



VIOLETION OF RIGHTS LOCAL COMMUNITIES



INDUSTRIAL CONFLICT

E



REPUTATIONAL RISK



DEFORESTATION



WATER AND ATMOSPHERIC POLLUTION



CLIMATE CHANGE

## CONCLUSIONS<sup>1</sup>

✓ The use of coal in the energy industry is increasingly being **called into question owing to controversial methods** relating to safety, the environment and human rights

✓ **Exclusion from Amundi RI portfolios<sup>1</sup>** of companies in the utilities sector depends on:

- failure to publish data on **CO2 emissions**
- **intensity of use of coal** compared with competitors
- **technologies adopted** by coal-fired power stations

## INVEST RESPONSIBLY WITH AMUNDI

**\$828** bn (in USD)  
RI AUM<sup>3</sup>

**+11,000** issuers rated on  
ESG criteria

**A+** assessment  
For the investment approach, according to the annual PRI survey<sup>3</sup>



**35 ESG specialists**  
work with portfolio managers



**Dedicated ESG governance**

**Amundi**  
ASSET MANAGEMENT

**Note:** 1. Source: Amundi Asset Management. Discussion Paper "COAL EXTRACTION AND MINING: SECTOR EXCLUSION OR GREATER SELECTIVITY?" Published in October 2016 on the Amundi Research Center website (<http://researchcenter-amundi.com>). 2. Source: Amundi. Data as of 31/03/2021 3. Survey for 2020. UN PRI: "Principles for Responsible Investment", United Nations international agreement.

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