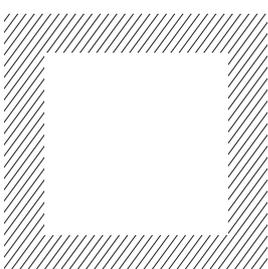
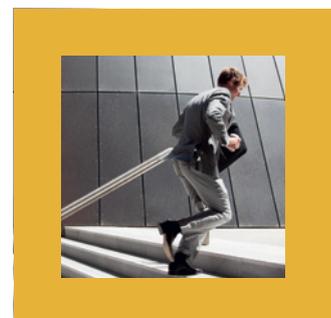
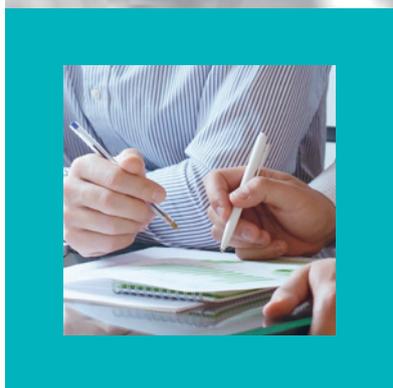
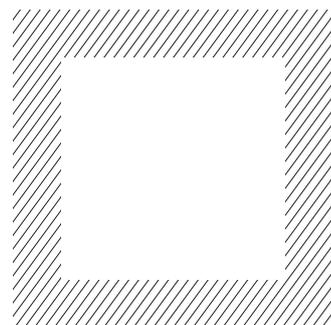
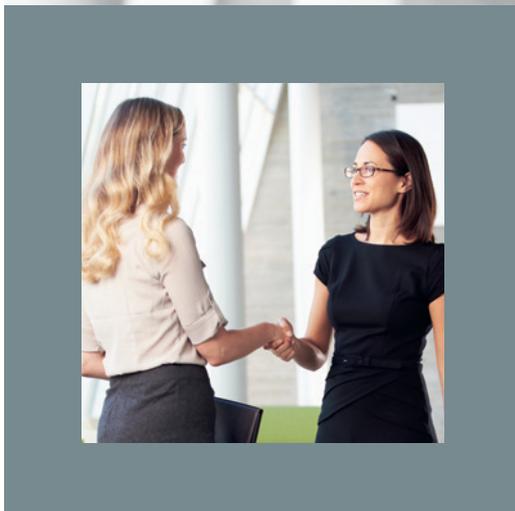
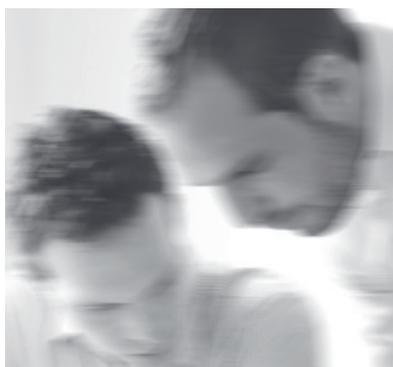


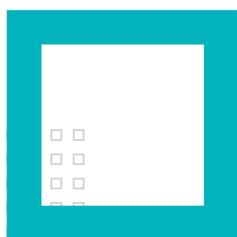
THE AUTORITÉ DES MARCHÉS FINANCIERS





What is the AMF?

The Autorité des Marchés Financiers is a public body with a remit to safeguard investments. This means ensuring that investors are treated fairly and have all the material information they need to make informed investment decisions, and that the products offered to investors are suitable for their particular investment profile. In order to achieve this, the AMF provides investors with a secure framework and ensures that the financial markets are functioning properly.



The AMF, which was created by the Financial Security Law of 1 August 2003, is a genuinely independent body. It is funded by fees levied on the professionals under its supervision, for example when they perform transactions on the financial markets, submit documents to the AMF or request authorisations.



#SUPERVISION2022

Early 2018, the French Autorité des Marchés Financiers (AMF) unveiled its 2018-2022 strategy. It will play its part to build a strong and competitive future EU27, while taking on board the digital revolution under way and helping to meet the new needs for the financing of the economy. It defines a mid-term vision which is rolled out each year with action and supervisory priorities. All these documents are available on AMF website: www.amf-france.org.

What does the AMF do?

In order to fulfil its remit of safeguarding investments, the AMF has a broad area of competence that covers the financial markets as well as the participants in and products sold on those markets.



THE AMF MONITORS FINANCIAL DISCLOSURES AND MARKETS

The AMF monitors disclosures by listed companies to check the information is complete and has been distributed as widely and quickly as possible.

It monitors the markets to detect any event or behaviour that may constitute market abuse (e.g. price manipulation, insider dealing or dissemination of false information) and compromise their integrity or ability to function correctly.



The AMF monitors financial disclosures by listed companies and token issuers

The AMF checks the financial disclosures made by companies when they perform financial transactions (e.g. initial public offerings, issue of securities). It ensures that the information provided is complete, comprehensible and consistent.

If everything appears to be in order, the AMF certifies the document in question. This certification means that the document, whether it is a prospectus or an offer document, contains the information that an investor needs to know before deciding whether to participate in a financial transaction.

The AMF ensures that listed companies publish as quickly and widely as possible any information that is likely to affect share prices.

It also ensures that listed companies comply with their annual and half-yearly reporting obligations.

It checks the compliance of public offers by listed companies with the laws and regulations. Finally, at their request, it issues an approval to token issuers wishing to make an initial coin offering (ICO). This optional approval is issued after checking the compliance of the information document. An ICO without such an approval remains legal but cannot be marketed directly to the public in France.



The AMF supervises the financial markets

The purpose of market supervision is to detect any event or conduct that may constitute market abuse (e.g. price manipulation, insider dealing or dissemination of false information) or any other breach of applicable regulations.

It is also a way to gain better intelligence about professionals and to ensure strategic monitoring by analysing trends and the behaviour of participants based on recent data.

In particular, the AMF uses supervision to identify changes in trading modes or the development of new markets or instruments.

Whatever the location of the transaction (regulated market, alternative platform or over the counter) or nationality of the counterparties, the AMF supervises:

- ▣ shares of listed companies and their derivatives;
- ▣ debt securities (bonds, etc.);
- ▣ warrants and certificates;
- ▣ credit and commodity derivatives.

The AMF's teams analyse market transactions every day. For the purpose of supervision, it uses transaction reports, issuer news and declarations of suspicious transactions.

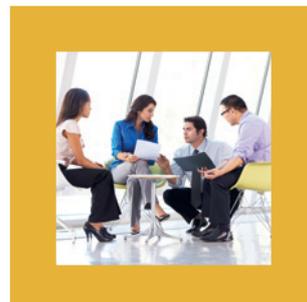
In order to analyse such a large quantity of information, the AMF uses specially-designed IT tools to automatically detect potential anomalies and determine whether suspicious behaviour has taken place.

IN 2019, THE AMF'S
MARKET SUPERVISION
INVOLVED:

854
STOCKS

2,357
BONDS

40,422
WARRANTS AND CERTIFICATES





THE AMF MONITORS PROFESSIONALS

Protecting investors also means ensuring that the financial professionals they deal with are reliable. Financial intermediaries must be authorised by the AMF before conducting any business.

This authorisation proves to investors that the person to whom they are about to entrust their money complies with regulatory requirements. The AMF monitors its authorised professionals throughout their career in the industry to ensure they continue to fulfil their professional obligations. The AMF also supervises market infrastructures to ensure that the financial markets are functioning properly and that transactions are secure.

The AMF authorises professionals and issues opinions

The AMF approves asset management companies.

In order to do this, it examines the competence and fitness and properness of the companies' executives and the resources made available to conduct their business. It registers and/or approves digital asset service providers.

The AMF issues an opinion or makes observations to the Autorité de Contrôle Prudentiel et de Résolution (ACPR) about the programmes or operations of investment services providers other than asset management companies.

It issues professional licences to the compliance and internal control officers of investment services providers and asset management companies.

It also authorises financial investment advisers' (FIAs) professional associations, which are responsible for ensuring that their members comply with the conduct of business rules.

The AMF monitors these professionals throughout their career in the industry

The AMF monitors the professionals it has authorised to provide investment services. In order to do this, it uses information sent to the AMF by asset management companies (e.g. annual audit reports and information sheets).

The AMF monitors FIAs by maintaining regular contact with the professional organisations of which they must be members to conduct their business. It also analyses the data in the questionnaires sent back to the AMF by FIAs.



The AMF supervises market infrastructures

The AMF approves the rules for regulated markets (e.g. equity and bond markets) and for markets such as Alternext that are considered to be unregulated but organised.

It approves the operating rules of clearing houses that serve as the sole central counterparty by acting as the intermediary between the seller and the buyer and ensuring that transactions are concluded successfully.

The AMF approves the operating rules of the central securities depository (CSD) whose role is to register and provide custody of financial securities issued by listed companies and of units or shares in UCITS. As the operator of the settlement and delivery system, the CSD ensures the successful circulation between the intermediaries of the financial securities and the cash handed over following the conclusion of the negotiations. The AMF issues professional licences to the people within market infrastructures who are responsible for monitoring transactions and for supervising members and compliance.

657
ASSET MANAGEMENT
COMPANIES

390
INVESTMENT
SERVICES PROVIDERS

5,747
FINANCIAL INVESTMENT
ADVISERS

AND **59**
CROWDFUNDING ADVISERS



PROFESSIONALS
IN 2019



THE AMF MONITORS PRODUCTS

The AMF controls the collective investment products on sale by checking the information provided in the regulatory documents and marketing materials. If these products comply with regulatory requirements, the AMF approves them and monitors them throughout their lifetime.

It also ensures that distributors comply with applicable rules and regulations, such as providing investors with comprehensive information about the financial products offered to them and ensuring that these products are suitable for the investors in question.

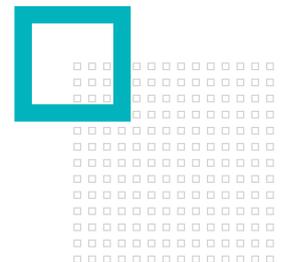
PRODUCTS IN 2019

11,379
FUNDS

1,644
BILLION OF EUROS OF ASSETS
UNDER MANAGEMENT

The AMF approves products

All new collective investment products must be approved by the AMF. This involves examining the information in the documents provided to investors prior to investment. These documents are the prospectus, which provides details on how the fund's operating methods, fees, specific risks and characteristics, and the key investor information document (KIID), which is a two- or three-page document providing clear, precise and transparent information on retail investment products.





The AMF monitors the products it has approved and ensures that products are not missold

The AMF monitors the products it has approved throughout their life time. It checks they are regulation-compliant and ensures that the information provided to investors in annual reports, circulars or marketing material is of high quality. The AMF makes sure that information provided to retail investors is complete and comprehensible. For example, it checks that the risks and charges are presented clearly. The AMF pays particular attention to marketing documents for retail investment products. These documents are analysed according to a differentiated approach consisting of:

- an ex-ante examination of the marketing documents of products posing a high risk of misselling (e.g. complex products that are difficult to understand in particular); and
- an active ex-post oversight of information and commercial documents for products that are sold in France when they present a lower risk of misselling.



IN 2019

OVER 100
MARKETING CAMPAIGNS WERE
REVIEWED BY THE AMF BEFORE
THEY WERE DISSEMINATED



THE AMF CONDUCTS INVESTIGATIONS AND INSPECTIONS, WHICH MAY LEAD TO SANCTIONS

When the AMF suspects that there has been a violation of market regulations, it opens an investigation to identify the perpetrators of market offences, be it a listed company, an individual or institutional investor, or a market professional.

Equally, if the AMF suspects that certain events or behaviour may constitute failure to fulfil professional obligations, it begins an inspection procedure vis-à-vis the professional in question.

A report is always written after an investigation or inspection. This report indicates whether the findings constitute market offences or regulatory non-compliance. It is sent to the Board of the AMF, which decides whether to open sanction proceedings. In such an event, the file is handed over to the Enforcement Committee, which investigates the case and decides what sanctions should be imposed. Under a case referral system, before being sent to the AMF Enforcement Committee, market abuse cases are referred to the French financial prosecution service (PNF) for a decision on whether the criminal or administrative channel is the most appropriate choice for the punishment of the alleged facts.

IN 2019

59

INSPECTION REPORTS
WERE SENT



37

INVESTIGATIONS
WERE COMPLETED

THESE LED TO OPEN 22
SANCTION PROCEEDINGS,
10 OF WHICH INCLUDED
SETTLEMENT OFFERS

8

CASES REFERRED TO THE PNF
(REFERRAL SYSTEM)

Inspections and investigations are governed by the law and the AMF's General Regulation. They are conducted in compliance with a charter that describes not only the principles of good conduct that should be followed by the AMF's inspectors and investigators but also the expectations placed on persons summoned in connection with an investigation.

The power to impose sanctions is exercised by the AMF's Enforcement Committee in accordance with a procedure defined by law.

The sanctions may take the form of fines of up to €100 million paid to the Trésor Public or a guarantee fund, and/or disciplinary measures (warning, reprimand, temporary suspension or withdrawal of professional licence, temporary or permanent ban on conducting some or all businesses).



As an alternative to opening sanction proceedings, the AMF Board may offer a settlement procedure. This is available only to financial intermediaries who fail to meet their professional obligations. The procedure does not cover cases of market abuse (insider trading, dissemination of false information and price manipulation) or offences by market infrastructures (e.g. market operators and clearing houses). This procedure now applies to all offences prosecuted by the AMF.

In order for the settlement agreement negotiated between the AMF's Secretary General and the respondent to be valid, it must be approved by the Board and then ratified by the Enforcement Committee. If the agreement is not accepted by the respondent, validated by the Board or ratified by the Enforcement Committee, or if the respondent fails to comply with the agreement, the Enforcement Committee opens sanction proceedings.

IN 2019

7

SETTLEMENT AGREEMENTS RATIFIED

38

FINES RANGING FROM €10,000
TO €20,000,000

11

DISCIPLINARY SANCTIONS





IN 2019

11,392

QUERIES PROCESSED BY OUR INFORMATION HELPLINE AMF EPARGNE INFO SERVICE, **75%** WHICH CAME FROM INDIVIDUALS

1,322

MEDIATION CASES PROCESSED, **451** OPINIONS ISSUED, **41%** IN FAVOUR OF THE APPLICANT



THE AMF INFORMS RETAIL INVESTORS AND OFFERS A MEDIATION SERVICE

As part of its remit to safeguard investments and in order to fulfil its objective of restoring retail investors' faith in the financial markets, the AMF has developed a wide range of information initiatives and tools to aid investment decisions. Since its inception, it has also offered investors a free mediation service to help them resolve their disputes with financial intermediaries or issuers.

The AMF has set up a helpline called Épargne Info Service, which the public can call on weekdays from 9 a.m. to 12.30 p.m. and from 1.30 p.m. to 5 p.m. to answer any questions they have on the stock market or financial products.

The AMF's website has a section offering retail investors educational guides, videos, quizzes and calculators and opened a Facebook page.

It has also launched an information campaign on the dangers of forex and regularly warns investors about the threats posed by certain investments, including unapproved products or products offered by intermediaries who are not authorised to operate in France.

The AMF has set up training sessions for consumer associations and legal representatives on investment topics.

It has also entered into a partnership with the French National Consumers' Institute (INC) to encourage investment training and education measures for consumers. This partnership aims to develop episodes of the TV programme Consomag, radio shows, tutorials, online columns, educational guides, focus groups and training initiatives.



THE AMF IS A NATIONAL, EUROPEAN AND GLOBAL FORCE

In France, the AMF holds discussions with leading public- and private-sector entities such as the Parliament, the ACPR, the Banque de France, the Autorité des Normes Comptables and the Commission de Régulation de l'Énergie, but also with financial market-related professional bodies.

It stays in touch with financial market professionals by way of consultations and events, and holds regular discussions with investor protection associations.

The AMF plays an important role within European and international bodies such as the European Securities and Markets Authority (ESMA) and the International Organization of Securities Commissions (IOSCO), and that role is even more crucial today in a world of intensely globalised financial markets requiring precise, coherent and harmonised international standards. Helping to develop European regulations for financial markets is an integral part of the AMF's role.

Chairman Robert Ophèle is a member of the ESMA Management Board and the IOSCO Board.

The AMF is also present on nearly 60 committees, task forces and work groups at ESMA, IOSCO and financial stability bodies such as the FSB and the European Systemic Risk Board.



IN 2019

MORE THAN **80**
COOPERATION AND MULTILATERAL
AGREEMENTS SIGNED WITH FELLOW
REGULATORS.



AMF HOSTED MORE THAN **25**
FOREIGN DELEGATIONS

How is the AMF structured?

The AMF has two distinct bodies – the Board and the Enforcement Committee – in order to separate its prosecution and judgment functions.

AMF TEAMS IN FIGURES

EMPLOYEES: **475**

89% PROFESSIONALS
AND SENIOR PROFESSIONALS

90% HIRED FROM
THE PRIVATE SECTOR,

AVERAGE AGE: **42**



The Board

The Board is the AMF's primary decision-making body. It adopts new regulations and takes individual decisions on issues such as the compliance of takeover bids, authorisations for asset management companies or collective investment products, and approvals for corporate finance transactions. The Board is also the AMF's prosecutorial body. It examines inspection and investigation reports and decides whether to open a sanction procedure or a settlement procedure. The Board's 16 members come from different backgrounds, meaning they have the combined technical and legal expertise to perform their duties. The Board is chaired by the Chairman of the AMF.

The Enforcement Committee

The Enforcement Committee may impose sanctions on any person who is in breach of laws and regulations within the AMF's jurisdiction. It ratifies settlement agreements submitted to it by the Board. Its 12 members (who are different from the members of the Board) are professionals and judges appointed by the Conseil d'État, the Court of Cassation and the Economy and Finance Minister. The Enforcement Committee has total freedom of decision-making.

AMF Teams

To perform its duties, the AMF relies on the skills and experience of its nearly 470 employees. The AMF's teams, with their backgrounds in science, law, finance and accounting, are chosen from a wide variety of businesses and sectors: banks (financial departments, legal affairs, trading floor, general inspection, etc.), management firms, audit firms, accounting firms and law firms, not to mention the Ministry of Finance, Ministry of Justice, Ministry of the Interior, and more. The AMF also welcomes a number of young people, some with limited experience and others with more, as well as professionals at the top of their fields.





Contacts

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