Purpose and Scope

**PURPOSE**

The document details how Amundi implements its commitment to act as a responsible asset manager in its investments and operations. It also outlines the key building blocks of Amundi’s Global Responsible Investment Policy and its strategic orientations, which are under direct responsibility of Amundi’s ESG and Climate Strategic Committee, chaired by Amundi’s CEO.

**SCOPE**

Unless specified in the relevant sections of the documents (for instance in the Minimum Standards and Exclusion Policy section), the set of commitments and processes described herein apply to, and on behalf of, all assets managed by Amundi Group entities.

The following affiliates and associated entities of the Amundi Group do not apply, or not to its full extent, Amundi’s Global Responsible Investment Policy (please refer to their respective policy documents for further details):

- ABC-CA Fund Management Company*
- Amundi-ACBA Asset Management*
- KBI Global Investors Ltd
- NH-Amundi Asset Management*
- Pioneer Family of US mutual funds, retail separately managed accounts, and certain pooled vehicles advised by Amundi Asset Management US, Inc.
- SBI Funds Management Limited*
- Wafa Gestion*


Last update: November 2023
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Amundi’s responsible commitments and ambitions

Since its creation in 2010, Amundi has made responsible investment one of its founding pillars. Responsible investing is one of our core values and an essential component of our investment management approach. Amundi is a subsidiary of Crédit Agricole (CA), France’s largest bank and insurer. Founded by members of farm unions more than a century ago, CA has evolved into a recognized financial institution.

Aligned with our parent company’s purpose, and our raison d’être “being a trusted partner working every day in the interest of its clients and society” our goal is to deliver long-term value for our clients while being mindful of the societal and environmental challenges that impact both our clients and society.

Amundi’s commitment to responsible investment relies on three convictions:

➊ The integration of Environmental, Social and Governance (ESG) criteria in investment decisions is a driver of long-term financial performance;

➋ Economic and financial actors carry, alongside governments and consumers, a responsibility towards society;

➌ The acceleration of our ESG ambition is the first lever of growth for Amundi globally.

We reflect our commitment and convictions in our investment management activities, in the development of our investment solutions range, and the advisory capabilities and services we deploy to support our clients.

We embrace the concept of “double materiality” around which we build our proprietary ESG analysis and rating methodology, as we believe both sets of criteria are material when making investment decisions in the interests of our beneficiaries, with the aim to generate sustainable returns. 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.

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1. Sustainable returns entail the objective of generating sustainable profits combined with high standards of risk management

2. For specific information on how these ratings and analysis are integrated in the investment decisions of specific investment strategies please refer to our product specific disclosure.
Aspiring to be the leading global responsible asset manager

We believe that long-term value creation and sustainable return generation go beyond short-term financial performance. This conviction has led us to integrate in our investment philosophy and practices major sustainability factors (such as climate change, natural capital preservation and social cohesion). We acknowledge that our sustainability journey is part of a collective effort made by businesses to contribute to addressing these issues, and efficiently allocate capital for the future. Our role in raising standards as an investor, but also in terms of ESG performance of the companies in which we invest in, is a key part of this contribution.

Being a long-term responsible investor also changes our global vision on risk. Amundi understands that risk is multi-faceted and operates over different time horizons. Nevertheless, we believe that investing for the long-term is an advantage. Our investment teams look beyond market risk, and take into account credit, liquidity, and reputational risks, as well as ESG risks generated by an issuer’s activities. They are supported by an independent Risk Department, and an independent Responsible Investment business line that accesses specialised research and can provide its own in-depth analysis of ESG risks likely to impact portfolios.

In 2021, Amundi completed its first three-year ESG Action Plan, which aimed to establish an unprecedented level of ESG integration within its investment activities and throughout the organization. These ambitions translated into:

Setting ESG performance objectives for 100% of our actively managed open-ended funds

This first objective translated and implemented our conviction that the integration of ESG criteria into research and investment decisions may be key drivers of sustainable return generation and long-term value creation. Setting a 100% objective enabled us to “mainstream” ESG integration and establish a baseline for systematic ESG integration across Amundi’s products. As a result, actively managed open-ended portfolios that are in-scope aim to meet an ESG performance objective supporting the strategy’s financial objective, in addition to any other relevant sustainable investment characteristics or objectives described in the investment policy.

Systematically considering ESG factors in our dialogue with investee companies, via our engagement and voting activities

Amundi sees the transition towards a sustainable and inclusive low carbon economy as a fundamental long-term business opportunity for leading companies and economic actors and a risk for laggards. As an asset manager, we believe that carrying out active dialogue with our investee companies to positively influence their behaviours and activities will enable us to deliver real impacts and outcomes alongside sustainable returns. This is the reason why engagement and voting are key pillars of Amundi’s Global Responsible Investment policy.

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3. The explicit and systematic inclusion of ESG issues in investment analysis and investment decisions (Principles for Responsible Investment – PRI).
4. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For in-scope entities, see “ESG Product Policies” section. Please review funds’ offering documents for complete information on responsible investment characteristics.
5. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For in-scope entities, institutional clients may choose alternative proxy voting policies.
Supporting transitions across sectors and across geographies

Amundi’s approach to ESG and responsible investing is fundamentally best-in-class by design, universal by ambition, and grounded in reality by necessity.

Our ESG analysis & scoring methodology is designed to enable comparison between economic actors regarding their ESG practices within a given sector, distinguishing best and worst ESG practices at sector level utilizing third party and in-house research to promote what we believe are best practices across the entire economy. Not only does it enable us to select companies based on ESG criteria relevant for their sectors but it also provides a critical referential whenever we engage companies and other issuers on ESG issues.

While supporting the most advanced players and projects with already transitioned business models remains key, we believe supporting the transition for the rest of the economy is also critical to achieve a system-wide change. In that respect, responsible investment strategies promoting best practices in geographies or sectors that have not yet transitioned can play a determining role.

Acting responsibly, Amundi strives to manage industry-leading investment solutions and provide services and advice which we believe best answer to the investment needs and profiles of our clients while taking into account their sustainability preferences. This requires us to be transparent on the trade-offs and comparative benefits of certain responsible investing approaches versus others.

Tailoring our approach to client needs, reporting openly and transparently

We recognise the responsibility placed in our hands when granted investment powers and place fiduciary duty at the core of our action. We work to deliver on that duty by investing and acting consistently with the long-term interests of our clients at heart. We believe that our proactive stewardship framework and responsible investing approach can deliver meaningful change and add value over a long-term horizon. However, in some areas, it could take longer and we are prepared to stay the course. “Investing for the long term is an advantage” is one of our core investment beliefs. We believe clients should benefit from our long-term investment approach in order to generate sustainable returns.

On all portfolios where our Minimum Standard and Exclusion Policy applies, we exclude investment in assets from issuers that we deem of the lowest ESG quality (rated G on our A-G scale). However, exclusion is a last resort option. The Amundi ESG rating scale and Minimum Standards and Exclusion Policy are discussed in detail in further sections in this document.

Our ambition is to apply Amundi’s Stewardship Policy to all portfolios directly managed by Amundi, wherever applicable. Our responsible investment solutions encompass different approaches that can be exclusive or combined: best-in-class screening with ESG-risk budget or selectivity requirements, negative or norms-based screening, activity-based or sector-based screening, sustainability-themed investing, impact investing, and additional corporate engagement and shareholder action approaches.

In all instances, we ensure that our contractual relationships with clients explicitly set out our responsible investment approach and stewardship on their behalf, and we work diligently to try to deliver those client requirements. Amundi always welcomes the

6. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group.
opportunity to be fully transparent and open with its clients, and maintains clear channels of communication. This includes providing investors with comprehensive disclosures on our 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.

Going further: ESG Ambitions 2025

Following the completion of our first ESG Action Plan, Amundi has launched in December 2021 a new ESG Ambitions 2025 plan that will allow us to continue deepening ESG integration in investment solutions, strengthen our investment offering for sustainable development and set internal alignment objectives in line with Amundi’s ESG commitments. This new 3-year Action Plan is comprised of an ambitious set of goals that aims to address clients’ current and future responsible investing needs. Please find details of our corporate ambitions in the ESG Ambitions 2025 brochure here.
A dedicated organisation

01 Specialised resources

A dedicated business line

Amundi has integrated ESG at the heart of its management and has created a dedicated Responsible Investment business line, organized in five main teams.

A. ESG Research, Engagement and Voting

This international team spans across Paris, London, Singapore, Beijing and Tokyo. The ESG analysts monitor each business sector and main investment segments (sovereigns, sustainable bonds, etc.) on key ESG topics. They assess sustainability risks and opportunities as well as negative exposure to sustainability factors, and select relevant KPIs and weights in Amundi’s ESG scoring system. ESG analysts work alongside a team of specialists dedicated to exercising voting and conducting pre-meeting dialogue. These specialists exercise voting rights at General Assemblies of companies in which Amundi invests on behalf of its clients. ESG and corporate governance analysts meet, engage and aim to maintain constant dialogue with companies to improve their ESG practices and impacts. The members of the team work actively with fund managers and financial analysts to strengthen ESG knowhow and expertise across the whole Amundi Group, including a culture of ambitious and impactful engagements with issuers across investment platforms.

B. ESG Method and Solutions

This team of quantitative analysts and financial engineers is in charge of developing and maintaining (in collaboration with the ESG Research team and the ESG Global Data Management team) Amundi’s proprietary ESG scoring system. Leading the development and integration of ESG data solutions and scores, they enable financial analysts and portfolio managers to integrate ESG and sustainability considerations into their investment decisions, as well as business development teams to create innovative investment solutions by integrating sustainability-related data within financial products (ESG ratings, climate data, impact metrics, controversies...). They oversee the development and integration of analytical ESG tools in Amundi Portfolio Management Systems and Client Reporting Systems and are also in charge of implementing clients’ specific ESG exclusion rules.

C. ESG Business Development & Advocacy

Present in Paris, Munich, Tokyo, Milan and Hong Kong, this team is in charge of supporting and developing the responsible investment offering and solutions that match investors’ needs and challenges in collaboration with investment platforms and marketing units. It provides responsible investment expertise, advisory and services to all of Amundi’s clients and business partners. It contributes to ESG external and internal advocacy of responsible investment and oversee Amundi’s engagement with responsible finance initiatives. It develops training programs for our clients and internal employees.

7. Key Performance Indicator.
D. ESG Regulatory Strategy

Within the Responsible Investment business line, 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 sectors work on the continuous strengthening of the responsible investment framework in all jurisdictions.

E. ESG COO Office

This team is in charge of coordinating and streamlining developments between the Responsible Investment business line and the support functions of the Group, such as producing dashboards for the monitoring of the business line’s activities (business, budget, IT, audit, projects), and supervising major transversal projects.

ESG at the core of our practices

Responsible Investment business line level

The Responsible Investment business line is an expertise centre that provides ESG rating, assessment and scoring methodologies as well as qualitative analysis. A large perimeter of listed companies and issuers are evaluated based on Amundi’s proprietary ESG rating methodology described in the section ESG Analysis. This business line also provides research, support and knowledge transfer to the investment hubs across the firm. All team members collaborate with investment professionals to help them integrate ESG into their investment processes and expertise where relevant.

Investment level

ESG analysis is embedded into Amundi’s portfolio management systems, made available in real time in the fund managers’ tools to provide them with a seamless access to corporate and sovereign issuers’ ESG ratings alongside financial ratings8.

Portfolio managers and investment analysts from all investment platforms have access at all times to issuers’ ESG scores, and related ESG analytics and metrics.

This enables fund managers to factor in sustainability risks and adverse impact on sustainability factors in their investment decision process and apply Amundi’s Minimum Standards and Exclusion Policy whenever applicable9. They are also able to design and manage their portfolio in compliance with specific ESG rules and ESG objectives that may apply to the investment strategies and products that fall under their remit.

Across Amundi, a broad range of responsible investment solutions are managed, including impact, sustainability-themed and best-in-class strategies to answer different investment needs and sustainability preferences.

In addition, Amundi is committed to integrate ESG criteria into the investment process of actively managed open-ended funds10, with the objective to maintain portfolio average ESG scores above the average ESG score of their respective investment universe in addition to financial objectives.

Risk Management level

ESG criteria are embedded within Amundi’s control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and second level of controls performed by the Risk teams, who monitor compliance with ESG objectives and constraints of investment portfolios at all times. The Risk department is part of the responsible investment governance (described in section “Dedicated governance”). They oversee adherence to regulatory requirements, contractual requirements and management of risks related to these topics.

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8. For investment universes and issuers covered by Amundi ESG rating, see next section.
9. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
10. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For in scope entities, see ESG Product Policies section. Please review funds’ offering documents for complete information on responsible investment characteristics.
Risk teams monitor extra-financial characteristics ("ESG rules") in the same way any investment rule is monitored within their overall perimeter of control, relying on the same tools and procedures as other investment professionals across Amundi Group. The ESG rules consist of regulatory, exclusion rules internal to Amundi and/or demanded by a client, as well as eligibility criteria and portfolio management rules specific to investment portfolio as described in their legal documentation. Regarding these rules, compliance controls are automated in Amundi’s proprietary compliance tool 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 bring portfolios back into compliance.

Across the firm

Amundi’s responsible investment ambition is supported across the organization with specific resources dedicated to ESG in other divisions.

02 Dedicated governance

With the support of these teams, four Responsible Investment Steering Committees have been put in place and are monitored by Amundi’s CEO on a regular basis.

ESG and Climate Strategic Committee

This Committee, chaired by Amundi’s CEO, meets every month to set the strategic orientations of the Amundi Group with respect to ESG integration, sustainability and climate, and determine and approve the ESG and climate policies applicable to investments. Its purpose is to:

- Steer, confirm and monitor Amundi’s climate and responsible investment strategy;
- Validate the main strategic orientations of the Global Responsible Investment Policy (Sector Policy, Exclusion Policy, Voting Policy, Engagement Policy);
- Monitor key strategic projects.

ESG Rating Committee

Chair by the Chief Responsible Investment Officer, this Committee is composed of senior managers from investment platforms, risk and compliance divisions, and meets every month with the aim to:

- Validate Amundi’s standard ESG methodology;
- Review exclusion policies and sector-specific policies and approve their rules of application;
- Review and decide on individual ESG rating issues, and advise on new ESG cases whenever necessary.

Voting Committee

This Committee is chaired by the member of executive management in charge of Responsible Investment supervision. It meets once a year to approve the Voting Policy, monthly and on an ad hoc basis during the rest of the year, with the purpose to:

- Advise on voting decisions at the General Meetings for special cases; members are called upon to give their views in an expert capacity;
- Approve Amundi’s Voting Policy (for the entities covered11) and its rules of implementation;
- Approve specific/local approaches that are not directly covered by the Voting Policy;
- Approve periodic reports on voting disclosures.

ESG Management Committee

This weekly Committee is chaired by the member of executive management in charge of Responsible Investment supervision. It focuses on defining the responsible investment strategy and monitoring its implementation by the Responsible Investment business line, including monitoring of business development, human resources, budgeting, regulatory projects, audits, responsible investment communication campaigns and market initiatives.

11. KBI Global Investors Ltd, Amundi US or Joint ventures voting policies are not under the remit of this committee’s supervision. The relevant Joint-Ventures are listed on page 2.
ESG analysis and integration

Amundi has developed its own ESG analytical framework and scoring methodology. This methodology is both proprietary and centralised, enabling a self-defined, independent and consistent approach to responsible investing throughout the organisation.

Amundi has developed two main ESG scoring methodologies, one for corporates issuing listed instruments and one for sovereign entities. Bespoke methodologies and frameworks developed for specific needs and asset classes or instruments such as real assets\(^\text{12}\) or use-of-proceeds bonds complement these methodologies.

Our approach is based on texts that are universal in scope, such as the United Nations Global Compact (UNGC), the Organisation for Economic Co-operation and Development’s (OECD) Principles of Corporate Governance and the International Labour Organization Governance and the International Labour Organization (ILO) recommendations.

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. The ESG score also assesses the ability of the issuers’ management team to handle potential negative impact of their activities on the sustainability factors\(^\text{13}\).

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12. Including but not limited to: real estate, private equity, private debt, impact investing, infrastructure and fund of funds

13. 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 - adverse impacts on sustainability factors are impacts of investment decisions that result in negative effects on sustainability factors.
01 ESG analysis for corporate issuers

Best-in-Class principles

Amundi bases its ESG analysis of corporates on a best-in-class approach. Each issuer is assigned a quantitative score assessed around the average of the issuers’ sector, which separates what we believe are best practices from worst practices. Amundi’s assessment relies on a combination of extra financial data from third parties and qualitative analysis of associated sector and sustainability themes. The quantitative score is translated into a letter rating, using a seven point scale from A to G, whereby A is for the best practices, and G for the worst ones. As part of the application of Amundi’s Minimum Standards and Exclusion Policy, G-rated companies are excluded from the investment universe14.

ESG dimensions

Amundi’s analysis framework has been designed to assess corporate behaviour in three dimensions: Environment, Social, and Governance (ESG). Amundi assesses companies’ exposure to ESG risks and opportunities, including sustainability risks and opportunities, and how corporates manage these challenges in their respective sectors. As far as issuers of listed securities are concerned, Amundi assigns a unique score at issuer level, which is attributed to all instrument types across the capital structure.

A. Environmental dimension

There are risks and opportunities linked to environmental issues. Our analysis on this dimension examines how issuers address this topic, and assesses companies’ ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, developing solutions to fight resource depletion and protecting biodiversity.

B. Social dimension

In this dimension, we measure how issuers manage their human capital and stakeholders15, drawing on fundamental principles with a universal reach. This dimension covers multiple themes including the social aspect linked to issuers’ human capital, those linked to human rights, and the responsibilities towards stakeholders.

C. Governance dimension

In this dimension, we assess issuers’ ability to establish an effective corporate governance framework that ultimately supports the issuers’ value over the long-term.

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14. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
15. Stakeholders other than shareholders.
**ESG specific criteria**

Our ESG analysis framework is comprised of 38 criteria, of which 17 are cross-sector criteria and 21 sector-specific criteria. These criteria are designed to assess how sustainability issues might affect the issuer as well as the quality of the management of these issues. Impact on sustainability factors as well as quality of the mitigation actions are also considered. These criteria are available in fund managers’ front office portfolio management system.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CROSS-SECTOR CRITERIA</strong></td>
<td><strong>SECTOR-SPECIFIC CRITERIA</strong></td>
<td><strong>CROSS-SECTOR CRITERIA</strong></td>
</tr>
<tr>
<td>• Emissions &amp; Energy</td>
<td>• Emissions &amp; Energy</td>
<td>• Board Structure</td>
</tr>
<tr>
<td>• Water Management</td>
<td>• Health &amp; Safety</td>
<td>• Audit &amp; Control</td>
</tr>
<tr>
<td>• Biodiversity &amp; Pollution</td>
<td>• Working Conditions</td>
<td>• Remuneration</td>
</tr>
<tr>
<td>• Supply Chain - Environment</td>
<td>• Labour Relations</td>
<td>• Shareholders’ Rights</td>
</tr>
<tr>
<td>• Responsible Forest Management</td>
<td>• Supply Chain - Social</td>
<td>• Ethics</td>
</tr>
<tr>
<td>• Paper Recycling</td>
<td>• Product &amp; Customer Responsibility</td>
<td>• Tax Practices</td>
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<tr>
<td>• Green Investing &amp; Financing</td>
<td>• Community Involvement &amp; Human Rights</td>
<td>• ESG Strategy</td>
</tr>
<tr>
<td>• Green Business</td>
<td></td>
<td></td>
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<tr>
<td>• Packaging</td>
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</tbody>
</table>

To be effective, ESG analysis must be focused on the most material criteria depending on the business and sector activity. The weighting of ESG criteria is therefore a critical element of our ESG analytical framework. For each sector, ESG analysts weigh the criteria deemed the most important.

Our ESG analysts will typically increase their level of scrutiny and expectations whenever the risk faced by a company on any given ESG criteria is deemed high and material.

For example, in the Household & Personal products sector, the players in the industry need to make their production and packaging more environmentally friendly, partially driven by regulation. Our ESG analyst will therefore consider the Packaging and the Biodiversity & Pollution but also the Product & Customer Responsibility. We believe these criteria are all the more relevant in that they represent a risk for a manufacturer.

**Example of sector weight attributions**

<table>
<thead>
<tr>
<th>Sector</th>
<th>E</th>
<th>S</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household &amp; Personal products</td>
<td>36%</td>
<td>34%</td>
<td>30%</td>
</tr>
<tr>
<td>Automotive</td>
<td>40%</td>
<td>34%</td>
<td>26%</td>
</tr>
<tr>
<td>Banking</td>
<td>24%</td>
<td>29%</td>
<td>47%</td>
</tr>
<tr>
<td>Telecom</td>
<td>15%</td>
<td>53%</td>
<td>32%</td>
</tr>
</tbody>
</table>

**Breakdown of the environmental criteria’s weight in the Household & Personal Products sector**

- **Biodiversity & Pollution**: 9.7%
- **Packaging**: 10.5%
- **Supply Chain - Environment**: 5%
- **Emissions & Energy**: 5.5%
- **Water Management**: 5.5%
ESG scoring and rating methodology

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 normalized into Z-scores. Z-scores are a way to compare results to a “normal” population (deviation of the issuer’s score compared to the average score of the sector, by number of standard deviations). Each issuer is assigned with a score scaled around the average of their sector, which separates what we believe are 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, whereby A is the best, and G the worst. Rating D represents the average scores (from -0,5 to +0,5); each letter matching a standard deviation.

There is only one ESG rating assigned to each issuer, regardless of the chosen reference universe. The ESG rating is thus “sector neutral”, that is to say that no sector is privileged or, on the opposite, disadvantaged.

ESG ratings are updated on a monthly basis, based on the raw data provided by our external data providers’ raw data. Developments on issuers’ ESG practices are followed continuously.

Our ESG analysts review ESG analysis & rating methodology as required by changes in the business and policy environment, emerging material ESG risks, or the occurrence of significant events.

02 ESG analysis for 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. 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 E, S and G sub-components.

The indicators are sourced from an independent data provider.

All indicators have been grouped into 8 categories in order to provide greater clarity, each category falling into one of the E, S or G pillars. Similarly to our corporate ESG rating scale, issuers’ ESG score is translated in an ESG rating ranging from A to G.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
</table>

16. 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. Adverse impacts on sustainability factors are impacts of investment decisions that result in negative effects on sustainability factors.
03 Other types of instruments or issuers

Amundi’s main ESG rating methodology does not cover some instruments and issuers of Amundi’s investable universes, either due to the nature of the instruments or due to a lack of coverage by existing external data providers (this situation applies for instance to real assets, US municipal bonds or securitized products). To expand its coverage, Amundi has developed specific methodologies that apply to real assets (private equity, private debt issuers, impact investing, real estate17, infrastructure, fund of funds), agencies and local authorities, and to specific instruments such as green or social bonds. Even if each methodology is specific, they share the same target, which is the ability to anticipate and manage sustainability risks and opportunities as well as the ability to handle their potential negative impacts on the sustainability factors.

04 Integrating ESG into our analysis and investment processes

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 our active management processes, and to implement an Engagement Policy, where applicable. Underlying ESG integration is the conviction that a strong sustainable development perspective enables issuers to manage their regulatory and reputational risks better and improve their operational efficiency.

By integrating such issues, investors could better take into account long-term risks (financial, operational, reputational, etc.), fulfilling both their fiduciary duty and potential commitment to act as responsible investors.

We embrace the concept of “double materiality” around which we build our proprietary ESG analysis and rating methodology, as we believe both sets of criteria are material when making investment decisions in the interests of our beneficiaries, with the aim to generate sustainable returns. 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.

We therefore constantly monitor our investee companies, across all E, S and G factors as well as more traditional financial metrics. We seek to identify problems and concerns early before they damage company performance and affect our clients’ investment performance.

Our proprietary ESG rating derives from the aggregation of E, S, and G ratings and analysis from a range of sources, and it is now available for more than 18,700 issuers18. Amundi investment portfolios may invest in a variety of instruments, issuers or projects, with different ESG objectives and constraints. However, ESG ratings and the associated criteria produced by Amundi ESG Research, and additional sustainability-related indicators, are made available to all our fund managers’ on their portfolio management system. This enables them to integrate sustainability issues into their investment decisions and apply any constraints relevant for their portfolios.

18. Data as of September 2023.
05 Responsible external managers selection

In cases where Amundi subcontracts the management of assets to investment managers outside the Amundi Group, two due diligences are performed as part of our routine investment due diligence: an operational due diligence (ODD) performed at company level, and an investment due diligence (IDD) performed at the targeted investment process level (following a positive result of the ODD). The ESG credentials are assessed as part of the latter one through a two-pronged approach.

We perform a qualitative assessment based on the Responsible Investment Policy of the asset manager, including its exclusion policy and its responsible investment approaches (best-in-class, ESG integration, impact, voting policy, engagement policy). It is complemented by specific questions on the targeted investment process.

We also perform a quantitative ESG scoring based on the holdings of the portfolio, using our proprietary ESG methodology and scores, to assess the consistency with the qualitative assessment.

When we delegate the management of assets to external fund managers, we also send them a list of issuers to be excluded on a monthly basis to comply with Amundi Standards and Exclusions. When Amundi solely performs a fund hosting function, then the exclusion list does not apply19.

06 Responsible external fund selection

In cases where Amundi selects responsible funds outside the Amundi group, both ODD and IDD are performed. The ESG credentials are assessed as part of the latter through a two-pronged approach.

We perform a qualitative assessment based on the Responsible Investment Policy of the asset manager, including its exclusion policy, its responsible investment approaches (best-in-class, ESG integration, impact, voting policy, engagement policy) and also at financial product level (labels, SFDR and EU Taxonomy characteristics, Principal Adverse Impacts, GHG emissions and reporting).

We also perform a quantitative ESG scoring based on the holdings of the portfolio, using our proprietary ESG methodology and scores, to assess the consistency with the qualitative assessment.

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19. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
Disclosure on the use of raw ESG data, third-party ESG scores and ESG data products

Amundi uses ESG scores and other ESG indicators using inputs from third-party data vendors to set sustainable characteristics or objectives for a certain number of investment portfolios managed by Amundi Group management companies.

While Amundi exercises reasonable care and diligence when selecting ESG data and service providers and the specific scores and data products they provide, ESG scores and indicators used by Amundi may be subject to the following limitations that might undermine the attainment of the sustainable characteristics of objectives of the investment portfolios.

- **Reliability issues of ESG scores and data products:** ESG scores and indicators may suffer from insufficient quality in reported data, issues in data collection and dissemination not captured by data quality controls, and issues in model computations for estimated data. Amundi ESG Method and Solutions team and Amundi Global Data Management team are responsible for the oversight and engagement of Amundi ESG data vendors and to seek appropriate remediation whenever data quality issues are identified.

- **Lack of data availability and coverage:** unavailable raw data are in some instances replaced by estimated data by third-party data vendors. Moreover, some investment portfolio with sustainable characteristics may invest into assets with incomplete ESG data coverage. Amundi generally set minimum coverage ratio among the set of minimum criteria that need to be met to enable any sustainable characteristics’ claim (please always refer to the investment portfolios offering documents and periodic reports for complete information on ESG integration).

- **Heterogeneous methodologies and lack of independent verification or auditing process for reported “raw data”:** raw data inputs reported by corporates or other economic agents (as well as raw inputs collected by data vendors) are generally not supervised or regulated, and not verified by a third party. As such, raw data quality may vary depending on the quality of the sustainability disclosure framework of the reporting entity. Amundi engages with reporting entities to enhance their sustainability disclosure to ensure they meet best standards, as well as with public bodies to develop ambitious disclosure frameworks.
Minimum Standards and Exclusion Policy

As part of its fiduciary responsibility, Amundi has set minimum standards and exclusion policies on critical sustainability topics, triggering specific monitoring, and escalation procedures when breaches are identified, that can lead to engagement, specific voting actions (when applicable) or exclusion.

Amundi’s Minimum Standards and Exclusion Policy is implemented in our actively managed portfolios and ESG passive products, unless otherwise requested by our clients and always subject to applicable laws and regulations prohibiting their implementation.

The ESG and Climate Strategic Committee sets out the guidelines of the Minimum Standards and Exclusion Policy and the ESG Rating Committee validates the rules for implementation. Excluded issuers\(^\text{20}\) are flagged in fund managers’ portfolio management system and pre-trade blocking controls are implemented in the compliance tool to prevent any purchase, except where noted. Second level of controls are performed by the Risk teams.

For any new mandate or dedicated fund, Amundi’s Minimum Standards and Exclusion Policy shall be implemented in accordance with our pre-contractual documentation, unless otherwise requested by the client.

For passive portfolios, the application of the Minimum Standards and Exclusion Policy differs between ESG products and non-ESG products\(^\text{22}\):

- For ESG passive products: All\(^\text{23}\) ESG ETFs and index funds apply Amundi’s Minimum Standards and Exclusion Policy.
- For non-ESG passive products: The fiduciary duty in passive management is to replicate in index as closely as possible. The portfolio manager has thus limited leeway and has to meet the contractual objectives to get passive exposure fully in line with requested benchmarks. Amundi index funds/ETFs replicating standard (non-ESG) benchmarks do not apply systematic exclusions beyond the regulatory ones. However, for securities that are excluded due to the Minimum Standards and Exclusion Policy\(^\text{23}\) applicable to Amundi’s active investment universe, but that could be present in non-ESG passive funds, Amundi has strengthened its engagement and voting actions that may lead to a vote against the discharge of the board or management, or the re-election of the Chairman and of some Directors.

The Minimum Standards and Exclusion Policy distinguishes between corporates and sovereigns exclusion criteria. The corporate criteria target company activities and practices that can lead to the exclusion of securities of a company. Sovereign criteria can lead to the exclusion of sovereign bonds.

\(^\text{20}\) Please refer to Exclusion Policy Scope of Application in the Appendix at page 35.
\(^\text{21}\) See Appendix at page 35 for an exhaustive view of the scope of application of Amundi’s Exclusion Policy.
\(^\text{22}\) Unless otherwise requested by the client in case of dedicated portfolios
\(^\text{23}\) See Sector Policies section.
01 Normative exclusions linked to international conventions

Amundi excludes the following issuers:
- Issuers involved in the production, sale, storage or services for and of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo treaties\(^\text{24}\); 
- Issuers involved in the production, sale or storage of chemical\(^\text{25}\), biological\(^\text{26}\) and depleted uranium\(^\text{27}\) weapons; 
- Issuers that violate, repeatedly and seriously, one or more of the ten principles of the UN Global Compact\(^\text{28}\), without credible corrective action.

02 Sector policies

A - Thermal Coal

Objective and scope

Coal combustion is the single largest contributor to human-induced climate change\(^\text{29}\). In 2016, Amundi implemented a dedicated Sector Policy on thermal coal, triggering the exclusion of certain companies and issuers. Each year since then, Amundi has progressively reinforced the rules and thresholds of its thermal coal Sector Policy (see below “Exclusions as a tool to deal with unsustainable exposures”).

Phasing out coal is paramount to achieve the decarbonisation of our economies. That is the reason why Amundi is committed to phase out thermal coal from its investments by 2030 in OECD and EU countries and by 2040 in non-OECD countries. Consistent with the United Nations Sustainable Development Goals (SDGs) and the 2015 Paris Agreement, this strategy is based on the research and recommendations of the Crédit Agricole Scientific Committee, which takes into account scenarios designed by the International Energy Agency’s (IEA) Sustainable Development Scenario, Climate Analytics Report and Science Based Targets.

“Achieving a state of net-zero emissions at the planetary level requires real world cuts in greenhouse gas (GHG) emissions from companies’ value chains, and not simply a reduction in exposure to emissions within portfolios”\(^\text{30}\)

Science Based Targets initiative (SBTi)

In line with our 2030/2040 phase out timeline from thermal coal, the following rules and thresholds are the baseline for which companies are considered too exposed to be able to phase out from thermal coal at the right pace.

The policy is applicable to all investee companies, but predominately affects mining, utilities, and transport infrastructure companies. This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion\(^\text{31}\).

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\(^{24}\) Conventions Ottawa 3/12/1997 and Oslo 3/12/2008, ratified by 164 and 103 countries respectively as of July 2018 (including European Union countries and excluding the United-States).


\(^{26}\) Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction 26/03/1972

\(^{27}\) Although not subject to a ban or restriction by international treaty, depleted uranium is often considered as controversial weapon.

\(^{28}\) United Nations Global Compact (UN Global Compact): “A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.”


\(^{30}\) SBTi-Finance-Net-Zero-Foundations-paper.pdf

\(^{31}\) Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group.

For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
Using our role as investors to influence issuers to phase out thermal coal

Amundi engages with all companies that have thermal coal exposure (based on revenue) in which Amundi portfolios are invested, and that have not yet published a thermal coal phase out policy consistent with Amundi’s 2030/2040 phase out timeline.

In addition, for companies that are either excluded from Amundi’s active investment universe according to our policy (see below), or have thermal coal policies that Amundi considers lagging, Amundi escalation measures consist in voting against the discharge of the board or management or the re-election of the Chairman and of some Directors.

Exclusions as a tool to deal with unsustainable exposures

Where applicable\textsuperscript{32}, Amundi excludes:
- Mining, utilities, and transport infrastructure companies that are developing thermal coal projects with a permitted status and that are in the construction phase.

Companies with thermal coal projects in earlier stages of development, including announced, proposed, with pre-permitted status, are monitored on a yearly basis.

Concerning mining extraction, Amundi excludes:
- Companies generating more than 20\% of revenues from thermal coal mining extraction;
- Companies with annual thermal coal extraction of 70 MT or more without intention to reduce.

For companies considered too exposed to be able to phase out from thermal coal at the right pace, Amundi excludes:
- All companies that derive over 50\% of revenues from the thermal coal mining extraction and the thermal coal power generation;
- All companies that derive between 20\% and 50\% of revenues from the thermal coal power generation and the thermal coal mining extraction, with a poor transition path\textsuperscript{33}.

Implementation

To assess companies’ thermal coal exposure, Amundi utilizes fossil fuel exposure metrics from data providers (Trucost and MSCI). This allows us to have a large data coverage from a range of sources integrated into our ESG analysis and rating methodology. This also allows us to gain a more comprehensive understanding of companies’ thermal coal exposure and provide our investment teams with additional insights on the topic. When both providers have thermal coal-related data for the same issuer, we apply a conservative approach, which consists in retaining the data with the highest thermal coal exposure between the two providers. Due diligence can also be performed to enrich or challenge the information received by providers.

To assess the development of new thermal coal capacities, Amundi uses different sources including the official exclusion list from Crédit Agricole Group based on information from Trucost. Due diligence can also be performed to enrich or challenge the information received by the provider and sources.

B – Unconventional Fossil Fuel

Objective and scope

Investing in companies significantly exposed to unabated fossil-related increasingly entail social, environmental and economic risks. Once produced, shale oil, shale gas or oil sands do not differ from natural gas or oil that are expected to continue contributing to the global energy mix in the forthcoming years under both IEA “Sustainable Development Scenario” and IEA “NZE 2050 Scenario”.

\textsuperscript{32} Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.

\textsuperscript{33} Amundi performs an analysis to assess the quality of their phase out plan.
However, unconventional oil & gas exploration and production is exposed to acute climate (due to potentially higher methane emissions – if not properly managed – for shale oil and shale gas and higher carbon intensity for oil sands), environmental (water use and contamination, induced seismicity and air pollution) and potential social (public health) risks.

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

Exclusions as a tool to deal with unsustainable exposures

Where applicable, Amundi excludes companies whose activity is exposed to exploration and production of unconventional oil & gas (covering shale oil, shale gas and oil sands) by over 30% of revenues.

Implementation

To assess companies’ unconventional fossil fuel exposure, Amundi utilizes fossil fuel exposure metrics from data providers (MSCI and Sustainalytics). This allows us to have a large data coverage from a range of sources integrated into our ESG analysis and rating methodology. This also allows us to gain a more comprehensive understanding of companies’ unconventional fossil fuel exposure and provide our investment teams with additional insights on the topic.

Due diligence can also be performed to enrich or challenge the information received by providers.

C - Tobacco

Objective and scope

Tobacco not only has a negative impact on public health, its value chain faces human rights abuses and specific health challenge for its workforce, has an impact on poverty, has significant environmental consequences, and bears substantial economic costs (believed to be more than USD 1 trillion a year globally, according to World Health Organisation estimates).

In May 2020, Amundi became a signatory of the Tobacco-Free Finance Pledge.

Amundi caps the ESG rating of issuers exposed to the tobacco value chain and has set an Exclusion Policy for companies producing cigarettes. This policy is applicable to the tobacco sector in its entirety, including suppliers, cigarette manufacturers and retailers.

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

ESG rating of companies exposed to tobacco

The ESG rating (ranging from A to G) of the tobacco sector is capped to E. This policy applies to companies involved in the production, supply and retailing of tobacco (thresholds for application: revenues above 10%).

Exclusions as a tool to deal with unsustainable exposures

Amundi excludes:
- Companies that manufacture complete tobacco products (thresholds for application: revenues above 5%), including cigarette manufacturers, as no product could be deemed to be child labour free.

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

34. https://e360.yale.edu/features/fracking-gas-chemicals-health-pennsylvania
35. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
Using our role as investors to influence issuers

Concerning the remaining exposure to companies falling within the scope of our Exclusion Policy (see above), our policy consists of voting against the discharge of the board or management, or the re-election of the Chairman and certain Directors.

Implementation

To assess companies, Amundi uses MSCI as a data provider.

D - Nuclear Weapon

Objective and scope

As stated by the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), “the proliferation of nuclear weapons would seriously enhance the danger of nuclear war” and such a war could create “devastation that would be visited upon all mankind”. Consequently, there is a “need to make every effort to avert the danger of such a war and to take measures to safeguard the security of peoples”: the fundamental purpose of nuclear weapons should clearly be for deterrence and trade with extreme care.

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

Exclusions as a tool to deal with unsustainable exposures

Amundi restricts investments in nuclear weapons companies involved in the production of core components of the nuclear weapon or dedicated components. Issuers are considered for exclusions when they fall under at least one of the three following criteria:

- They are involved in the production, sale, storage of nuclear weapons of States non-Party to the Treaty on the Non-Proliferation of Nuclear Weapons and of States signatories of the Treaty on Non-Proliferation of Nuclear Weapons but not members of NATO;

- They are involved in the production of nuclear warheads and/or whole nuclear missiles; as well as components that were developed and/or significantly modified for exclusive use in nuclear weapons;

- They derive over 5% of total revenues from the production or sale of nuclear weapons, excluding revenues from ownership and dual use components as well as delivery platforms.

Implementation

To assess companies’ exposure, Amundi uses MSCI and ISS ESG as data providers. ESG analysts conduct a complementary analysis. The ESG Rating Committee is informed and validates additions to Amundi’s exclusion list.

E - Sovereign Bonds

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 ESG Rating Committee.

03 Human Rights Policy

Protecting human rights helps to address societal inequalities and supports a stable and robust society. We recognise that companies and regions may be at different levels of maturity in embedding human rights into their businesses. At a minimum, and in line with the UN Global Compact, we recognize the need to respect the human rights principles set up by the International Bill of Rights37 and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. As a responsible asset manager, we assess how investees take into account human rights and address human rights abuses in their operations.

37. The International Bill of Human Rights consists of the five core human rights treaties of the United Nations that function to advance the fundamental freedoms and to protect the basic human rights of all people.
Objective and scope

Amundi considers it necessary for companies from all sectors to develop a strategy to ensure respect for human rights principles both in their direct and indirect operations.

Amundi’s human rights policy focuses on dialoguing with corporates on the protection and promotion of respect for human rights (in direct operations and throughout the value chain), by ensuring that companies are taking the necessary steps to identify salient human rights risks within their global operations, prevent abuses before they occur, and provide or advocate for effective remediation when issues are identified. For companies identified as particularly exposed to potential risks that lack sufficient processes or disclosure, and for companies facing human rights-related controversies, monitoring is performed. All companies from this focus list are engaged to trigger improvements. When engagement fails, we may enact a mode of escalation to encourage appropriate remediation. When an issuer demonstrates severe and repeated violations without appropriate remediation, escalation could lead to exclusion (breach of the UN Global Compact).

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion. Engagement and voting are applied across all strategies.

ESG rating of companies exposed to human rights risks

To assess and monitor issuer conduct with respect to human rights, we rely on internal research tools. Our proprietary ESG rating tool assesses issuers using available human rights data from our data providers. ESG analysts are also monitoring controversies to identify corporate human rights violations, using a wide variety of sources. For issuers that have faced controversies with poor remediation plans or for which engagement has not borne fruit, Amundi applies overrides of the relevant criteria of the ESG score and could use escalation through voting and up to exclusion if the issuer is deemed to be in breach of the UN Global Compact.

Using our role as investors to influence issuers

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. Amundi aims to address human rights risks by encouraging companies to acknowledge their exposure to such risks and take concrete actions to prevent and address issues should they occur. We conduct engagement to encourage companies to strengthen their human rights policies and processes. Our aim is to ensure that company practices on human rights go beyond a reporting and compliance exercise to have a positive and tangible impact. Through our engagement activities, we seek to facilitate the market's ability to identify and adopt best practices.

When an abuse occurs (or when credible allegations arise), we work to ensure that companies carry out effective remediation to those impacted and enhance processes to prevent repeat occurrences. As an investor, we see engagement as a particular opportunity to ensure companies learn and improve. If engagement is unsuccessful, we identify a mode of escalation to enable appropriate remediation.

Implementation

To assess how investees take into account human rights and address human rights abuses in their operations, Amundi utilizes different sources including its traditional data providers. Integration into the ESG score, engagement, potential escalation through voting or exclusion (breach of UN Global Compact) follows the processes described in this document.
04 Biodiversity & Ecosystem Services Policy

Biodiversity and ecosystem services form the foundation of our societies and global economy. The science is clear that this biodiversity is at risk and urgent action is required to halt and reverse its loss. Protecting biodiversity also helps to address other environmental challenges such as climate change and social challenges too. People livelihoods, income, social needs and health may rely on natural resources, and biodiversity loss may hence have significant impacts on these. More broadly, biodiversity and ecosystem services play an essential role in achieving the Sustainable Development Goals.

As a responsible asset manager, we acknowledge the impact of the biodiversity, and subsequently its protection and restoration on the value of our investments. In 2021, Amundi signed the Finance for Biodiversity Pledge.

Objective and scope

Amundi’s biodiversity policy aims at gathering what Amundi has been doing on biodiversity-related topics and connect them to an overarching policy. This policy focuses on the four main drivers of biodiversity loss: land and sea use changes, climate change, pollution, natural resource use and exploitation.

The policy focuses on companies particularly exposed to biodiversity harming activities that are either lacking sufficient processes or disclosure. It is applicable to issuers with activities of potential critical impact on forest and deforestation, with activities of potential critical impact on water, with deep sea mining and broader extractives activities (metals & mining and oil & gas companies) operating in biodiversity sensitive areas, activities exposed to pesticide production, as well as major single use plastic producers and users. All companies identified are engaged with to trigger improvements.

The caps detailed below are applicable across all actively relevant managed strategies. Potential exclusions apply to actively managed strategies and passively managed ESG strategies over which Amundi has full discretion. Engagement and voting are applied across all strategies.

ESG rating of companies exposed to biodiversity risks

To assess and monitor issuer conduct with respect to biodiversity, Amundi relies on internal research tools. The proprietary ESG rating tool assesses issuers using available environmental information from data providers. ESG analysts also monitor controversies, by using a wide variety of sources, to identify severe environmental damages negatively affecting biodiversity.

Companies may have particular impacts on biodiversity, either through the nature of their activities (such as related to deforestation and ecosystem conversion risks commodities for instance); or based on the location of their operations (or supply chain) in biodiversity sensitive areas.

For issuers with activities of high impact on biodiversity that present insufficient risk management, Amundi applies caps (E or F) to the relevant criteria of the ESG rating. Lack of appropriate process or disclosure represent other reasons to cap biodiversity-related criteria of the ESG rating.

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38. An estimated 427,000 lives lost each year from pollinators decline. Environmental Health Perspectives, 2022.
39. Climate change is already addressed through Amundi’s Thermal Coal and Unconventional Fossil Fuel existing policies. Invasive species, considered as the fifth main driver of biodiversity loss by the intergovernmental science-policy platform for biodiversity and ecosystem services (IPBES), are not explicitly addressed yet by the policy due to a lack of appropriate data available.
Using our role as investors to influence issuers

Amundi engages with all companies from the focus list as well as issuers for which biodiversity is deemed relevant. We engage with companies, on direct operations and throughout the value chain, to ask them to better integrate biodiversity and ecosystem services into their strategy. This engagement follows a two-pronged approach. First, we aim to engage proactively with companies on identification and management of biodiversity and ecosystems 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 aims to address biodiversity and ecosystem services risks by encouraging companies to acknowledge their exposure to such risks and take concrete actions to prevent and address issues should they occur. In addition, depending on the situation, we engage directly or in collaboration together with other investors.

When engagement fails or if the action/remediation plan of the issuers appears weak, we may enact a mode of escalation up to exclusion from active investment universe, meaning all active investing strategies over which Amundi has full discretion. Escalation mode include (in no particular order), negative overrides in one or several criteria, questions at AGMs, votes against management, public statements, ESG rating caps and ultimately exclusion if the matter is critical (see Engagement Policy).

Implementation

To assess the impacts of issuers on biodiversity loss, Amundi uses different sources of information including its traditional data providers. Integration into the ESG scores, engagement, potential escalation through voting or exclusion follow the processes described in this document.
Engagement Policy

At Amundi, engagement is a continuous and purpose driven process aiming at influencing the activities or behaviour of companies therefore, it must be result driven, proactive, considering double materiality, and integrated in our global ESG process. Engagement differs from corporate access and traditional dialogue with a corporate. It aims at influencing the activities or behaviour of companies to improve ESG practices or their impact on key sustainability linked topics. More specifically, engaging implies having a specific agenda and targets that focus on real-life outcomes within a specific timeframe.

Engagement activity is led by the ESG Research, Engagement and Voting team. It involves ESG analysts and corporate governance analysts. Engagement can also be achieved either by financial analysts or portfolio managers. In any case, the ESG Research, Engagement and Voting team ensures the consistency, traceability and quality of these engagements.

Our pro-active Engagement Policy 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 manage 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.

In addition, our Voting Policy makes best use of our duties as part owners of companies and emphasize the need:
- For an accountable, diversified & well-functioning board,
- For corporates’ governance and board to come to grasp with environmental and social challenges.

- To ensure that boards & corporates are appropriately positioned and prepared to handle the transition towards a sustainable, inclusive and low carbon economy.

Amundi engages with issuers around six main areas

- Transition towards a low carbon economy,
- Natural capital preservation (ecosystem protection & fight against biodiversity loss),
- Social cohesion through the protection of direct & indirect employees, promotion of human rights,
- Client, product & societal responsibilities,
- Strong governance practices that strengthen sustainable development,
- Dialogue to foster a stronger voting exercise & a sounder corporate governance.

Amundi engages with investees or potential investees at the issuer level regardless of the type of holdings held. Issuers engaged with are primarily chosen based on the level of exposure to the engagement subject (often known as the engagement trigger). Amundi also engages at the “security level” (for example Green, Social, Sustainable bonds, funds, asset-backed securities (ABSs), etc.) to promote better practices and transparency.

Amundi engagement spans across different continents and takes into account local realities. The aim is to have the same level of ambition globally but adapt questions and intermediate milestones across the different geographies. We also wish our engagement activities to be impactful and additive to the global effort of the financial community.

Companies’ engagement timeline varies depending on the agenda, but the average engagement period is approximately 3 years. Amundi defines different milestones and
engagement developments that are shared internally via our research platform, available to all investment platforms. Formal assessments are carried out, at least on a yearly basis.

Amundi conducts engagements both individually and collectively with other investors. Collective efforts can often have a great impact. Collaborative initiatives can provide additional scale and scope for engagement or provide opportunities for greater impact.

We wish to have a collaborative, supportive, and pragmatic yet ambitious dialogue with our investees, to inspire a wide range of actions that will benefit not only the issuers but also all its stakeholders with the view to generate sustainable return over the long-run. We truly believe that dialogue is the cornerstone of a sound, strong development towards a sustainable and inclusive low carbon economy and sustainable returns.

01 Measuring and monitoring engagement progress

To track issuer specific engagement objectives, and subsequent improvement, Amundi has created a proprietary engagement reporting tool. This tool records the feedback given to issuers on specific engagement topics (in terms of KPIs for performance improvements) and tracks issuer performance towards these objectives. All open engagements are therefore recorded in a central tool shared with all investment professionals, for transparency and traceability reasons. Any fund manager or financial analyst can contribute.

Amundi assesses the progress made by the issuer towards certain engagement objectives through the use of milestones. Our first objective is to induce positive impact and the way we decide to engage will always be defined by its effectiveness. Ambitious change management in large organizations might prove to be complicated, stressful and even considered impossible by issuers. Adopting a longer-term view and considering different intermediate targets for engagement that take into account situations and circumstances in which the company operates is an essential element of engagement for it to be effective, keeping the long term goal in mind while seeking manageable and measurable improvements in the short to medium term.

As investors we must be both demanding and pragmatic to promote a transition towards a sustainable, inclusive and low-carbon economy in a timely manner. We understand the current limitations to effectively measure and address key sustainability themes including climate change, biodiversity, and human rights. We consider sustainability to be a moving benchmark, and as such, our engagement strategies will evolve overtime to better integrate these developments.

02 Engagement escalation

When engagement fails or if the remediation plan of the issuer appears weak, we enact a mode of escalation that may lead to exclusion. Escalation modes include (in no particular order) negative overrides in one or several criteria of the ESG score, questions at AGMs, votes against management, public statements, ESG score caps and ultimately exclusion if the matter is critical.

Escalation modes through our voting activities: if we hold equity in themes that are critical (climate, natural capital preservation including biodiversity, social and other sustainability factors or risks, severe controversies and/or violations of UN Global Compact principles), or in case of lack of answers on engagement

40. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. For more detailed information on the scope of application of the Exclusion Policy, please refer to the Appendix at page 35.
41. UNGP (UN Global Compact) https://unglobalcompact.org/
related to sustainability factors, Amundi may decide to vote against the discharge of the board or management, or the re-election of the Chairman and of some Directors.

In addition to escalation through our voting activities, failed engagement might have a direct impact on the amount of capital allocated to a company. ESG analysts can downgrade the related criteria in the ESG score, and if the issue is critical, it could lead to a downgrade of the overall ESG score. Amundi has committed to integrate ESG criteria into the investment process of actively managed open-ended funds, with an objective to maintain, in addition to financial objectives, portfolio average ESG scores above the average ESG score of the respective investment universe. Negatively overriding ESG scores therefore reduces Amundi’s capacity to invest in the issuer.
Reporting & transparency

01 Responsible investment assets under management reporting

Usually referred to as Amundi’s Responsible Investment assets under management (RI AUM), this reporting refers to investment products incorporating responsible criteria into their investment process. The responsible criteria relate to specific Environmental, Social or Governance issues, Ethical or Sustainable themes, or to a combination thereof. Depending on the investment thesis of the product, ESG characteristics could be assessed through a best-in-class approach (relative ESG rating / scoring approach in relation with issuers’ peers), or in absolute terms (ESG KPI). The responsible characteristics can be incorporated through the exclusion of issuers or activities from an investable universe, the incorporation of ESG criteria in investment analysis and decisions to better manage risks and returns, or through the positive screening of best ESG issuers.

The investment product may promote responsible characteristics as a key aspect of its investment process, or among other characteristics.

Ultimately, the responsible investment universe gathers investment solutions with various responsible approaches in order to address the broad range of investors’ preferences, amongst which some of them could be labelled.

An investment product reported in the RI AUM scope is an investment product applying one of those multiple approaches, provided that:

1. it has a responsible investment objective, either as primary objective or combined with financial objectives
2. it includes responsible characteristics by integrating them into the investment decision / selection process
3. it includes responsible characteristics in order to exclude issuers from the eligible investment universe
4. for products pertaining to the Amundi Global Responsible Investment policy, the implemented responsible characteristics are not limited to the Amundi firm wide Global Responsible Investment Policy, as far as Exclusion, Engagement and Voting policies are concerned.

02 ESG product policies

A. ESG mainstream products

Amundi’s ESG mainstream investment process is applied by default to Amundi’s active open-ended funds. For each fund, a benchmark

42. For instance related to the Sustainable Development Goals developed by the UN Sustainable Development Goals (https://sdgs.un.org/goals).
43. Usually known as Best-in-class approach or Absolute approach.
44. Usually known as Negative screening, Inclusion, Positive screening.
45. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group.
representative of the investment universe is defined for that purpose (the ESG benchmark). Where applicable, the fund needs to have a better weighted average ESG score than its ESG benchmark. Many types of products (individual funds, family of funds, etc.) also have deeper ESG integration through higher selectivity, rating or non-financial indicator upgrade, thematic selection, etc.

**Out of scope products**

Funds for which the “active management” component is limited (such as Buy & Watch funds or securitization undertakings, real estate and alternative funds) as well as funds not managed on Amundi Investment Platform, delegated funds or fund hosting products, are out of scope.

Funds with high concentration in index or limited rateable issuers coverage are also out of scope. Please review fund’s offering documents for complete information on responsible investment characteristics.

**B. Impact products**

Amundi offers impact products. Impact refers to the positive social and/or environmental externalities expected from investments. Impact investments are investments made with the intention to generate positive, measurable, social and environmental impact alongside a financial return. Impact is measured in relation to specific impact goals that have been defined ex-ante and are based on the intentionality of investors or, where applicable, of the companies in which they invest.

To qualify impact products, Amundi has developed an internal impact fund scorecard that assesses funds alongside three critical dimensions of impact investing: 1) intentionality, 2) measurability, and 3) additionality. Funds must have a minimum score across all three dimensions and minimum requirements met in the Intentionality dimension to be categorized as Impact products.

Amundi is a signatory to the Operating Principles for Impact Management (the Impact Principles) and Amundi reports on the alignment of its impact management process for the Impact Principles for all funds that are included in its OPIM Disclosure Statement.

**C. Net Zero Ambition products and Climate Investment solutions**

Amundi recognizes that only a scenario compatible with the objective to limit global warming to 1.5°C above pre-industrial temperatures, with no or low overshoot (i.e. with limited necessary capture of atmospheric carbon to bring the temperature back to below 1.5°C) is compatible with the objectives of the 2015 Paris Agreement.

Amundi has decided to develop Net Zero Ambition products. In order to ensure these products are managed in a way that their carbon footprint follows a trajectory aligned with carbon neutrality by 2050, Amundi has set minimum standards for these solutions, including:
- Carbon footprint reduction targets at intermediate dates vs. that of the representative investment universe in relevant base year,
- Minimum exposure to high climate impact sector to incentivize transition in these key sectors.

In line with Amundi’s commitment to contribute actively to global carbon neutrality objectives, Amundi announced in its ESG Ambitions 2025 plan that it would strengthen its level of commitment to develop a “net-zero transition” investment offering. Solutions within this offering aim to align carbon emissions reduction objectives with the objectives set out by the Paris Agreement or contribute positively to climate mitigation or adaptation objectives (“Climate Investment solutions”).

46. [https://www.impactprinciples.org/](https://www.impactprinciples.org/)
47. [https://about.amundi.com/esg-documentation](https://about.amundi.com/esg-documentation)
Climate investment solutions, which aim to contribute positively to climate mitigation or adaptation objectives, need to meet the following criteria:
- Have an intention to contribute: by investing into projects or companies that are associated with the development of positive climate solutions linked to adaptation or mitigation objectives (captured by the French Greenfin Label\textsuperscript{48}, sustainable investment objectives outlined in the investment policy (SFDR Article 9\textsuperscript{49}), and/or impact classification as per Amundi Impact Products Guidelines\textsuperscript{50});
- With a main focus on climate change: are classified as “Green Alternative Assets”, “Green Bonds” or “Green Equity” strategies, as per Amundi internal product classifications.

03 Labels and transparency of information

Labels

Our offer is locally adapted locally 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 (non-exhaustive list):
- SRI, Greenfin and FAIR (ex Finansol) in France,
- FNG in Germany,
- Towards Sustainability (ex-Febelfin) in Belgium,
- LuxFlag in Luxembourg,
- Austrian Ecolabel in Austria.

Transparency of information at fund level

Amundi has the ambition to publish ESG reports on responsible investment open-ended funds 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 ESG performance of the portfolio’s issuers.

Amundi also complies with the European Transparency code. This code is designed and approved by AFG, FIR and EUROSIF\textsuperscript{51} and provides for transparent and precise information on responsible investment portfolio management from asset managers to clients.

Specific reporting is published on certain thematic funds from our climate and solidarity ranges to ensure accurate impact monitoring.

To reinforce its transparency towards investors, Amundi periodically sends comprehensive commented reports to its institutional clients.

Transparency of information at asset management company level

Amundi reports on its corporate responsible investment activities on a yearly basis through:
- A stewardship report,
- A voting report complemented by online access to proxy voting records,
- An engagement report,
- A climate and sustainability report.

\textsuperscript{48} As a result of the discussions that took place at the Banking and Finance Conference on Energy Transition of June 2014 a label was created to specifically identify investment funds contributing to the energy and ecological transition. The creation of such a label is one of the public policies called for by Article 2 of Energy Transition for Green Growth Law of August 2015. Its creation has been guided by a desire to promote «green» funds in order to further steer savings towards energy and ecological transition and the fight against climate change, either by drawing attention to existing investment funds or by giving rise to the creation of such funds. It is a guarantee, for investors and individual savers in particular, of the quality and transparency of the environmental characteristics of the funds distinguished in this way and of their contribution to the energy and ecological transition and the fight against climate change. As a public label, the Greenfin Label must be ambitious. In addition, although covered by French legal standards, this label can be applied to financial funds from other countries in the European Union or non-member countries. For more information please refer to the Greenfin Label guidelines: https://www.ecologie.gouv.fr/sites/default/files/Label_TEEC_Criteria%20Guidelines.pdf
\textsuperscript{49} Sustainable Finance Disclosure Regulation
\textsuperscript{50} See above.
\textsuperscript{51} Forum pour l’Investissement Responsable (FIR), Association française de la gestion financière (AFG), European Sustainable Investment Forum (EUROSIF).
At the same time, Amundi conducts responsible finance trainings for its employees, for the financial advisors of its partner distribution networks and at the request of its clients.

04 EU regulatory information

Information related to the implementation in Amundi of Regulation (EU) 2019/2088 on sustainability-related disclosures (“SFDR”) and Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (‘Taxonomy Regulation’) may be found in Amundi’s Sustainable Finance Disclosure Statement available here.

For product-level sustainability-related disclosures please refer to the relevant Amundi website or prospectus.
Advancing the asset management industry

01 Active participation in market bodies

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); the European Fund and Asset Management Association (EFAMA); the French Observatory for Societal Responsibility (ORSE); the Sustainable Investment Forums (SIF) in France (Forum pour l’Investissement Responsable - FIR), Spain (Spainsif) and Sweden (Swesif); the Canadian, Japanese and Australian SIFs; and the French association Companies for the Environment (EPE). Amundi is also a member FAIR.

In July 2021, Amundi joined the Net Zero Asset Managers initiative, committing to support the goal of net emissions by 2050 or sooner.

52 Financer Accompagner Impacter Rassembler (ex FINANSOL) FAIR is a French association that unifies different stakeholders of social impact finance in France.
The table below lists the principles Amundi adheres to, the statements we have signed and the market bodies we participate in.

<table>
<thead>
<tr>
<th>Responsible Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>- PRI - Principles For Responsible Investment</td>
</tr>
<tr>
<td>- UN Global Compact</td>
</tr>
<tr>
<td>- IFD - Institut de la Finance Durable</td>
</tr>
<tr>
<td>- GIIN Operating Principles for Impact Management</td>
</tr>
<tr>
<td>- GSD - Global Investors for Sustainable Development Alliance</td>
</tr>
<tr>
<td>- High-Level Expert Group on Scaling up Sustainable Finance in Low and Middle-income countries</td>
</tr>
<tr>
<td>- WBA - World Benchmarking Alliance</td>
</tr>
<tr>
<td>- EUROSIF - European Sustainable Investment Forum</td>
</tr>
<tr>
<td>- GIIN - Global Impact Investing Network</td>
</tr>
<tr>
<td>- CASI - Capacity-building Alliance of Sustainable Investment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environmental</th>
</tr>
</thead>
<tbody>
<tr>
<td>- NZAM - Net Zero Asset Managers</td>
</tr>
<tr>
<td>- IIGCC - Institutional Investors Group on Climate Change</td>
</tr>
<tr>
<td>- AIGCC - Asia Investor Group on Climate Change</td>
</tr>
<tr>
<td>- CDP - Disclosure Insight Action</td>
</tr>
<tr>
<td>- ICMA - Green Bonds Principles</td>
</tr>
<tr>
<td>- CBI - Climate Bonds Initiative</td>
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<tr>
<td>- Climate Action 100+</td>
</tr>
<tr>
<td>- TCFD - Task Force on Climate-related Financial Disclosures</td>
</tr>
<tr>
<td>- The Japan TCFD Consortium</td>
</tr>
<tr>
<td>- OPSWF - One Planet Sovereign Wealth Fund</td>
</tr>
<tr>
<td>- FAIRR - Farm Animal Investment Risk and Return</td>
</tr>
<tr>
<td>- Finance for Biodiversity Pledge</td>
</tr>
<tr>
<td>- Nature Action 100</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Social</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Access to Medicine Index</td>
</tr>
<tr>
<td>- Access to Nutrition Index</td>
</tr>
<tr>
<td>- ICMA - Social Bonds Principles</td>
</tr>
<tr>
<td>- WDI - Workforce Disclosure Initiative</td>
</tr>
<tr>
<td>- FAIR - Financer Accompagner Impacter Rassembler (ex Finansol)</td>
</tr>
<tr>
<td>- PLWF - The Platform Living Wage Financials</td>
</tr>
<tr>
<td>- Investors for a Just Transition</td>
</tr>
<tr>
<td>- Investor Action on Antimicrobial Resistance</td>
</tr>
<tr>
<td>- The 30% Club France Investor Group</td>
</tr>
<tr>
<td>- The 30% Club Japan Investor Group</td>
</tr>
<tr>
<td>- The 30% Club Germany Investor Group</td>
</tr>
<tr>
<td>- Tobacco-Free Finance Pledge</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>- ICGN - International Corporate Governance network</td>
</tr>
<tr>
<td>- CII - Council of Institutional Investors</td>
</tr>
</tbody>
</table>

## 02 Academic support

Amundi actively supports academic research and has formed several partnerships with university chairs on climate finance. In early 2023, Amundi increased its support to leading research initiatives on climate change mitigation and adaptation by sponsoring three research initiatives: the “Measuring and Managing Climate Risks in Investment Portfolios” research chair at EDHEC-Risk Climate Impact Institute, OS-Climate by the Linux Foundation, and the MIT Joint Program on the Science and Policy of Global Change.
Exclusion Policy Scope of Application

TABLE 1: Exclusion Policy scope of application by asset class

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Anti-personnel mines and cluster bombs</th>
<th>Chemical, biological and depleted uranium weapons</th>
<th>UN Global Compact Principles</th>
<th>Nuclear Weapons</th>
<th>Tobacco</th>
<th>Thermal Coal</th>
<th>Unconventional Fossil Fuel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Funds</td>
<td>Open-ended funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passive Funds</td>
<td>Non-ESG ETFs and index funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ESG ETFs and index funds</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Formula Funds</td>
<td>New funds (Since October 2021)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Former funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Buy &amp; Watch Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi Management</td>
<td>Funds of funds (“wrappers”), external funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Hosting</td>
<td>Amundi-controlled Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Other investment funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Advisory</td>
<td>Fund Channel funds</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

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 exclusions.

ESG synthetic ETFs, the securities held in the substitute basket fully comply with Amundi’s Exclusion Policy. The methodology of the underlying indices are designed and calculated by their respective index provider according to their own ESG data set and this might lead to some discrepancies of assessment compared to Amundi global ESG rating.

Application of the Exclusion Policy in force at the inception date of the funds

See section “External fund selection and monitoring”

Applies to the funds in force at or after October 2021.

53. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. Please review a Fund’s offering documents for complete information on ESG integration.

54. 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.
### TABLE 2: Exclusion Policy scope of application by instrument

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anti-personnel mines and cluster bombs (Ottawa and Oslo treaties)</td>
<td>Applied</td>
</tr>
<tr>
<td>Chemical, biological and depleted uranium weapons</td>
<td>Applied</td>
</tr>
<tr>
<td>UN Global Compact Principles</td>
<td>Applied</td>
</tr>
<tr>
<td>Nuclear Weapons</td>
<td>Applied</td>
</tr>
<tr>
<td>Tobacco</td>
<td>Applied</td>
</tr>
<tr>
<td>Thermal Coal</td>
<td>Applied</td>
</tr>
<tr>
<td>Unconventional Fossil Fuel</td>
<td>Applied</td>
</tr>
</tbody>
</table>

**Equities**

**Securities held directly**

**Single name derivatives**

**Index derivatives**

**Securities received as collateral**

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 rated G by Amundi are sent back to the counterparty (ex post).

**Convertibles**

**Cash instruments**

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55. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. Please review a Fund’s offering documents for complete information on ESG integration.
### TABLE 3: Exclusion Policy scope of application by type of exclusion

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub category</th>
<th>Nuclear Weapons</th>
<th>Nuclear Weapons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weapons (all but nuclear weapons)</td>
<td>Anti-personnel mines and cluster bombs(^57)</td>
<td>Issuers involved in the production, sale, storage or service</td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td>Chemical and biological weapons(^58)</td>
<td>Issuers involved in the production, sale or storage</td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td>Depleted uranium weapons(^59)</td>
<td>Issuers involved in the production, sale or storage of depleted uranium weapons.</td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td>Companies involved in the production of core components of the nuclear weapon or dedicated components. Issuers are considered for exclusion if they meet at least one of the three following criteria:</td>
<td></td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Issuers involved in the production, sale, storage of nuclear weapons of States non-Party to the Treaty on the Non-Proliferation of Nuclear Weapons and of States signatories of the Treaty on Non-Proliferation of Nuclear Weapons but not members of NATO</td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Issuers involved in the production of nuclear warheads and/or whole nuclear missiles as well as components that were developed and/or significantly modified for exclusive use in nuclear weapons</td>
<td>first €1 of revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Companies that derive significant revenue from the production or sale of nuclear weapons, excluding revenues from ownership and dual use components as well as delivery platforms</td>
<td>&gt;5% of total revenues</td>
</tr>
<tr>
<td></td>
<td>UN Global Compact principles</td>
<td>Exclusion of issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action</td>
<td></td>
</tr>
</tbody>
</table>

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56. Refer to “Purpose and Scope” on page 2 for out or partially out of scope affiliates and associated entities of the Amundi Group. Please review a Fund’s offering documents for complete information on ESG integration.
57. Conventions Ottawa 3/12/1997 and Oslo 3/12/2008, ratified by 164 and 103 countries respectively as of July 2018 (including European Union countries and excluding the United-States).
59. Although not subject to a ban or restriction by international treaty, depleted uranium is often considered as controversial weapon.
### TABLE 3: Exclusion Policy scope of application by type of exclusion

<table>
<thead>
<tr>
<th>Type of Exclusion</th>
<th>Description</th>
<th>Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thermal coal</strong></td>
<td>Mining companies, utility companies, and transport infrastructure companies that are developing coal projects with a permitted status and that are in the construction phase.</td>
<td>Not part of the active investment universe</td>
</tr>
<tr>
<td><strong>Mining extraction</strong></td>
<td>Companies with a % of revenues in the thermal coal extraction</td>
<td>&gt;20% of revenues</td>
</tr>
<tr>
<td></td>
<td>Companies with thermal coal extraction of X MT or more without intention to reduce</td>
<td>70 MT or more</td>
</tr>
<tr>
<td></td>
<td>Companies that derive more than x% of revenues from thermal coal mining and thermal coal power generation</td>
<td>&gt;50% of total revenues</td>
</tr>
<tr>
<td></td>
<td>Companies that derive between X% and Y% of revenues from thermal coal-based electricity generation and thermal coal mining, with a poor transition trajectory</td>
<td>Threshold between 20% and 50% of total revenues</td>
</tr>
<tr>
<td><strong>Unconventional fossil fuels: shale oil, shale gas and oil sands</strong></td>
<td>Companies exposed to exploration and production of unconventional oil &amp; gas (covering shale oil, shale gas and oil sands)</td>
<td>&gt;30% of revenues</td>
</tr>
<tr>
<td><strong>Tobacco</strong></td>
<td>Companies that manufacture complete tobacco products, including cigarette manufacturers</td>
<td>&gt;5% of revenues</td>
</tr>
<tr>
<td><strong>Investee countries subject to violations</strong></td>
<td>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)</td>
<td>Exclusion after formal review and validation from Amundi’s Rating Committee</td>
</tr>
</tbody>
</table>

60. 100% of “coal” companies under exclusion thresholds and invested by Amundi are committed in order to obtain an exit plan and an escalation plan is triggered if the commitment proves unsuccessful within the compatible 2030 OECD / 2040-Non OECD timetable.
A long-standing player in ESG integration

In 2010, Amundi chose commitment to social responsibility as one of its four founding pillars, meaning that we take increasingly into account sustainable development and socially responsible criteria as well as financial criteria in our investment policies.

In 2011, Amundi incorporated its subsidiary IDEAM in its Institutional Investments division in order to streamline its organisation and better serve its growth ambitions in the field of socially responsible investment (SRI).

In 2013, Amundi was the first asset management company to obtain Afnor certification for its SRI approach. This certification, delivered by a recognised independent organisation, proves our commitment to our clients (governance method, guaranteed expertise, data traceability, information, responsiveness, etc.) while ensuring that our operations are controlled by an internal steering process.


In 2015, Amundi ranked first in the SRI & Sustainability study published by WeConvene Extel and the UKSIF (UK Sustainable Investment and Finance Association), in the category Asset Management best firms for SRI/ESG.

In the same year, Amundi was very active in financing the energy and environment transition beyond its participation in the main Green Bonds Initiative and its signature of the Paris Green Bonds Statement.

In 2016, Amundi became the first asset management company to obtain the SRI label created by the Ministry of Finance and Public Accounts for its four presented funds. This SRI label aims to provide better visibility of SRI fund offerings to investors, particularly individual customers who are showing a growing interest in SRI.

In the same year, Amundi was once again ranked N°1 in SRI & Sustainability study published by Extel and UKSIF in the category Asset Management best firms for SRI/ESG.

In 2017, Amundi launched the largest green bond fund dedicated to emerging markets ($2 billion) in partnership with the International Finance Corporation (IFC), to accelerate the development of the green bond market in emerging markets development economies.

In 2018, Amundi expanded its commitment to responsible investment and announced, in October, a three-year Action Plan with the ambition of integrating ESG into 100% of its open-ended funds and in all its voting practices. Amundi also aimed to develop its advisory services and to strengthen specific environmental, social and solidarity initiatives.

In December, Amundi Energy Transition (AET), a subsidiary of Amundi (60%) and EDF (40%) and Dalkia (EDF group) signed a partnership agreement to finance energy transition projects. Amundi expanded its range of responsible solutions with the launch of new innovative products through its subsidiary CPR AM and via its range of ETFs dedicated to responsible investment.

In 2019, Amundi continued to implement its active policy by developing responsible investment, illustrated by innovations such as the launch of a new climate bond fund to finance infrastructure in emerging countries, in partnership with the Asian Infrastructure Investment Bank (AIIB), and the launch of the Green Credit Continuum programme with the European Investment Bank (EIB) aimed at promoting the development of the green debt market in Europe, particularly by financing SMEs.

This engagement was also reflected in Amundi’s participation in the One Planet Sovereign Wealth Fund Asset Manager initiative, designed to support sovereign wealth funds in integrating climate change into the management of their investments; and participation in the TCFD Consortium initiative in Japan under the aegis of the Japanese Ministries of the Economy and the Environment, designed to improve the information provided to issuers on environmental issues.
In 2020, after having supported the expansion of green bonds in emerging markets, Amundi also committed to support the development of Social Bonds and launched in December its first Social Bond Strategy. Additionally, Amundi announced the launch of the Objectif Climat Actions strategy, replicating the “Euro iSTOXX Ambition Climate PAB” index. In parallel, our ETF department expanded its Responsible Investing ETF range, proposing a comprehensive set of equity and fixed income ESG and Climate ETFs, spanning across key investors’ geographies and proposing different levels of sustainability integration.

In 2021, Amundi joined the Net Zero Asset Managers Initiative, committing to support the goal of net emissions by 2050 or sooner, and announced its ESG Ambitions 2025 plan, outlining 10 objectives to accelerate Amundi’s responsible investment transformation in its investment and saving solutions, in its engagement with investees, and by acting responsibly as a corporate.

In 2022, Amundi announced its inaugural Net Zero Asset Managers Initiative intermediate target.
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The information contained in this document is deemed accurate as of November 2023.

LEGALS

Amundi Asset Management
French “Société par Actions Simplifiée” - SAS with a capital stock of 1 143 615 555 euros - Portfolio management company approved by the French Financial Markets Authority (Autorité des Marchés Financiers) - under no. GP 04000036.

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