

# PROSPECTUS

## I - GENERAL FEATURES

- ▶ **Name:** AMUNDI IMPACT ULTRA SHORT TERM GREEN BOND
- ▶ **Legal form and Member State in which the UCI has been set up:** French Mutual Fund (FCP)
- ▶ **Launch date, approval date and scheduled term:** UCI launched on 14 October 2022, approved on 20 September 2022, for a term of 99 years

► **Summary of the investment offer:**

| Name Unit      | ISIN code    | Allocation of distributable income   | Denomination currency | Minimum initial subscription | Minimum subsequent subscription | Eligible subscribers   |
|----------------|--------------|--|-----------------------|------------------------------|---------------------------------|--|
| E-C unit       | FR001400ILX1 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 2 unit(s)                    | 1 thousandth of a unit          | All subscribers  |
| EB-C units     | FR001400BW21 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 10 unit(s)                   | 1 thousandth of a unit          | Reserved for subscribers authorised by the Management Company until 31 December 2022   |
| I-C units      | FR001400BW39 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 2 unit(s)                    | 1 thousandth of a unit          | Institutional investors  |
| I3-C units     | FR001400BW47 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 30 unit(s)                   | 1 thousandth of a unit          | Institutional investors  |
| P-C units      | FR001400BW54 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 1 thousandth of a unit       | 1 thousandth of a unit          | All subscribers  |
| R1-C units     | FR001400N8Q7 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 1.000 Unit(s)                | 1 thousandth of a unit          | Reserved for Nordea Group distribution networks  |
| R1-NOK-C units | FR001400N8R5 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | the Norwegian krone   | 1.000 Unit(s)                | 1 thousandth of a unit          | Reserved for Nordea Group distribution networks  |
| R1-SEK-C units | FR001400N8S3 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | the Swedish krona     | 1.000 Unit(s)                | 1 thousandth of a unit          | Reserved for Nordea Group distribution networks  |
| S - C units:   | FR001400BW62 | <u>Allocation of net profit:</u><br>Accumulation<br><br><u>Allocation of realised net capital gains:</u><br>Accumulation | Euro                  | 1 unit(s)                    | 1 thousandth of a unit          | Reserved for Employee Savings Funds, Funds or mandates dedicated to group retirement savings and Feeder Funds managed by Amundi management companies |

- **Address from which the latest annual and interim reports may be obtained:**

The latest annual report and financial statements along with the breakdown of assets will be sent to unitholders within eight working days upon written request to:

Amundi Asset Management – Service Clients – 91-93, Boulevard Pasteur – 75015 Paris, France

For additional information, please contact your usual advisor.

The AMF website ([amf-france.org](http://amf-france.org)) contains further details on the list of regulatory documents and investor protection regulations.

## II - SERVICE PROVIDERS

### ► **Management Company:**

Amundi Asset Management, a French simplified joint-stock company (société par actions simplifiée)  
Portfolio Management Company operating under AMF approval no. GP 04000036  
Registered office: 91-93, Boulevard Pasteur - 75015 Paris, France

### ► **Depository and Registrar:**

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, Nanterre Trade and Companies Register (RCS) No. 692 024 722  
Main business: Bank and investment services provider approved by CECEI on 01 April 2005.

With regard to regulatory duties and duties contractually entrusted by the Management Company, the Depository's main tasks are the custody of the UCI's assets, ensuring that the Management Company's decisions are lawful and monitoring the UCI's cash flows.

The Depository and Management Company are part of the same group; as such, in accordance with the applicable regulations, they have implemented a policy for identifying and preventing conflicts of interest. If a conflict of interest cannot be avoided, the Management Company and the Depository shall take all necessary measures to manage, monitor and report this conflict of interest.

The description of the delegated custodial duties, the list of the depository's delegates and sub-delegates and information relating to conflicts of interest that may result from these delegations are available on its website at: [www.caceis.com](http://www.caceis.com) or free of charge on written request.

Updated information can be provided to unitholders on request.

### ► **Institution responsible for the centralisation of subscription and redemption orders appointed by the Management Company:**

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, Nanterre Trade and Companies Register (RCS) No. 692 024 722  
Main business: Bank and investment services provider approved by CECEI on 01 April 2005.

The Depository is also responsible, by delegation of the Management Company, for the UCI's liability accounting, which covers the clearing of subscription and redemption orders for units and managing the unit issue account.

### ► **Statutory Auditor:**

Deloitte & Associés  
Represented by Stéphane Collas  
6, place de la Pyramide  
92908 Paris-la-Défense Cedex, France

► **Promoters:**

Crédit Agricole Group, Amundi Asset Management, the branch office network of the Regional Banks of Crédit Agricole and branches of LCL – Le Crédit Lyonnais – in France

The list of promoters is not exhaustive, due mainly to the fact that the UCI is listed on Euroclear. Accordingly, some promoters may not be appointed by or known to the Management Company.

► **Delegated accounting manager:**

CACEIS Fund Administration, Société Anonyme

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge

CACEIS Fund Administration is a company of the Crédit Agricole Group specialising in the administrative and accounting management of UCIs on behalf of clients inside and outside the Group. CACEIS Fund Administration has accordingly been appointed by Amundi Asset Management as Delegated Accounting Manager for the valuation and accounting of the UCI.

## III - OPERATING AND MANAGEMENT ARRANGEMENTS

### 1. General features

► **Characteristics of units:**

- **Nature of the right attached to the unit class:**

Each unitholder is entitled to joint-ownership of the Fund's assets proportional to the number of units held.

- **Entry in a register or clarification of liability accounting methods:**

In terms of the Fund's liability accounting, the depositary centralises the subscription and redemption orders and operates the unit issuer's account in collaboration with Euroclear France, the company with which the Fund is listed.

Administered registered shares are entered in the liabilities manager's register.

- **Voting rights:**

No voting rights are attached to the units; decisions are made by the Management Company. Note: investors will be notified of changes to the Fund's operating arrangements either individually, through the press or by any other means in accordance with current regulations.

- **Form of units:**

Registered or bearer

- **Decimalisation:**

E-C units may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

EB-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I3-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

P-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R1-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R1-NOK-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R1-SEK-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

S-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

► **Financial year end:** last trading day in November

► **First financial year-end:** last trading day of November 2023

► **Accounting currency:** Euro

► **Tax treatment:**

The UCI, by its nature, is not subject to taxation. However, unitholders may be taxed on any income distributed by the UCI or, as applicable, when they sell UCI units. The tax regime applicable to amounts distributed by the UCI or to unrealised or realised capital gains or losses will depend on the individual unitholder's tax situation, residence for tax purposes and/or the investment jurisdiction of the UCI. Investors who have questions about their tax situation should consult a financial advisor or a professional investment consultant. Some income distributed by the UCI to unitholders residing outside France may be subject to withholding tax in France.

**US tax considerations**

The Foreign Account Tax Compliance Act (FATCA), which is part of the US Hiring Incentives to Restore Employment Act (HIRE), requires that non-US financial institutions (foreign financial institutions, or FFI) report to the IRS (the US tax authorities) any financial information relating to assets held by US taxpayers<sup>(1)</sup> residing outside the United States.

In accordance with FATCA regulations, US securities held by any financial institution that does not adhere to or is considered to be non-compliant with the FATCA law will be subject to a withholding tax of 30% on (i) certain income generated from US sources; and (ii) the gross proceeds from the sale or disposal of US assets.

The UCI falls within the scope of FATCA and, as such, unitholders may be asked to provide certain mandatory information.

The United States has entered into an intergovernmental agreement with several governments in order to implement the FATCA law. In this context, the French and US governments have signed an intergovernmental agreement (IGA).

The UCI complies with the IGA Model 1 agreement between France and the United States of America. It is not anticipated that the UCI (or

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1 According to the US Internal Revenue Code, the term "US Person" means an individual who is a US citizen or resident, a partnership or corporation established in the United States or under the laws of the United States or any State thereof, or a trust if (i) a court within the United States has authority under applicable law to hand down orders or judgments concerning substantially all issues regarding the administration of the trust; and if (ii) one or more US Persons have authority to control all substantive decisions of the trust, or of an estate of a deceased person who was a citizen or resident of the United States.

any sub-fund) will be subject to a FATCA withholding tax.

The FATCA law requires that the UCI collect certain information about the identity (including ownership, holding and distribution details) of account holders who are US tax residents, entities that control US tax residents, and non-US tax residents who do not comply with the FATCA provisions or who fail to provide any of the accurate, complete and precise information required under the intergovernmental agreement (IGA).

For this purpose, all potential unitholders agree to provide the UCI, its delegated entity or the promoter with any information requested (including, but not limited to, their Global Intermediary Identification Number, or GIIN).

In the event of any change in circumstances impacting their FATCA status or their GIIN, potential unitholders shall immediately provide written notice to the UCI, its delegated entity or the promoter.

In accordance with the IGA, this information should be communicated to the French tax authorities, who may in turn share it with the IRS or with other tax authorities.

Investors who fail to document their FATCA status properly, or who refuse to report their FATCA status or to disclose the required information within the prescribed deadline, may be qualified as recalcitrant and be reported to the relevant tax or government authorities by the UCI or their Management Company.

In order to avoid the potential impacts of the foreign passthru payment mechanism and to prevent any withholding on such payments, the UCI or its delegated entity reserves the right to prohibit any subscription to the UCI or the sale of units or shares to any non-participating FFI (NPFFI),<sup>(1)</sup> particularly when such a prohibition is considered legitimate and justified for the protection of the general interests of investors in the UCI.

The UCI and its legal representative, the UCI's Depositary and the transfer agent reserve the right, on a discretionary basis, to prevent or remediate the acquisition and/or direct or indirect holding of units or shares in the UCI by any investor who is in breach of the applicable laws and regulations, or where the latter's involvement in the UCI may have detrimental consequences for the UCI or for other investors, including, but not limited to, FATCA sanctions.

To this end, the UCI may reject any subscription or require the mandatory redemption of units or shares in the UCI in accordance with the provisions set out in the regulations or Articles of Association of the UCI<sup>(2)</sup>.

The FATCA law is relatively new and its implementation is ongoing. Although the above information summarises the Management Company's current understanding, this understanding may be incorrect, or the way in which FATCA is implemented could change such that some or all investors are subject to the 30% withholding tax.

The provisions herein are not a complete analysis of all the tax rules and considerations and are not tax-related advice, and they shall not be considered as a complete list of all the potential tax-related risks inherent in subscribing to or holding Fund units. All investors should consult their usual advisors regarding the tax aspects and potential consequences of subscribing, holding or redeeming units or equities by virtue of the laws applicable to such investors and, in particular, by virtue of the rules of disclosure or withholding under FATCA concerning investors in the UCI.

#### **Automatic Exchange of Information (CRS regulations):**

France has signed multilateral agreements on the automatic exchange of information relating to financial accounts, based on the Common Reporting Standard (CRS) ("Norme Commune de Déclaration" or NCD in France) as adopted by the Organisation for Economic Co-operation and Development (OECD).

Under the CRS law, the UCI or the Management Company must provide the local tax authorities with certain information about non-resident shareholders in France. This information is then communicated to the relevant tax authorities.

The information communicated to the tax authorities includes details such as name, address, tax identification number (NIF), date of birth,

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1 NPFFI or non-participating FFI = a financial institution that refuses to comply with FATCA either by refusing to sign a contract with the IRS or by refusing to identify its clients or report to the authorities.

2 This may also apply to any person (i) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority; or (ii) who may, in the opinion of the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.

place of birth (if it appears in the records of the financial institution), account number, account balance or, if applicable, account value at the end of the year and the payments recorded on the account during the calendar year.

Each investor agrees to provide the UCI, the Management Company or their distributors with the information and documentation required by law (including, but not limited to, their self-certification) as well as any additional documentation that may reasonably be required in order to comply with their reporting obligations under the CRS.

Further information on the CRS is available on the OECD website and the websites of the tax authorities in the agreement signatory states.

Any unitholder who does not respond to requests for information or documents by the UCI: (i) may be held liable for penalties imposed on the UCI that are attributable to the failure of the shareholder to provide the requested documentation, or attributable to the shareholder providing incomplete or incorrect documentation; and (ii) will be reported to the relevant tax authorities for having failed to provide the necessary information for the identification of their tax residence and their tax identification number.

## 2. Special provisions

### ► ISIN code:

| E-C unit:    | EB-C units       | I-C units        | I3-C units       | P-C units        | R1-C units       | R1-NOK-C units   | R1-SEK-C units   | S - C units      |
|--------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| FR001400ILX1 | FR001400BW2<br>1 | FR001400BW3<br>9 | FR001400BW4<br>7 | FR001400BW5<br>4 | FR001400N8Q<br>7 | FR001400N8R<br>5 | FR001400N8S<br>3 | FR001400BW6<br>2 |

### ► Classification: Bonds and other international debt securities

### ► Investment objective:

The fund's investment objective is to achieve a balance between financial performance and positive environmental impact. Over an investment period of 12 months, the fund will aim to outperform €STR + 0.50%\* by investing in the green bond market. Portfolio stocks are selected based on both financial-analysis criteria and non-financial criteria, systematically incorporating ESG (Environmental, Social and Governance) aspects, with a preference for projects that have a positive impact on the environment.

\* For P units, to outperform the €STR by 0.05%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For I units, to outperform the €STR by 0.15%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For I3 units, to outperform the €STR by 0.10%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For S units, to outperform the €STR by 0.40%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For EB units, to outperform the €STR by 0.10%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For E units, to outperform the €STR by 0.10%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For R1 units, to outperform the €STR by 0.05%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For R1-NOK units, to outperform the NOWA\*\* by 0.05%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\* For R1-SEK units, to outperform the SWESTR\*\*\* by 0.05%, after deducting maximum operating and management charges (which are given in the "Costs and Fees" section of the prospectus)

\*\* The NOWA (Norwegian Overnight Weighted Average) is the Norwegian krone's money market interest rate.

\*\*\* The SWESTR (Swedish Krona Short Term Rate) is the Swedish krona's money market interest rate.

## ► Benchmark index:

For P, I, I3, S, EB, E and R1 units:

The benchmark index is: €STR + 0.50%

The €STR (Euro Short Term Rate) represents the overnight euro money-market rate. It is calculated by the European Central Bank and represents the risk-free rate for the eurozone.

For R1-NOK units:

The benchmark index is: NOWA

The NOWA (Norwegian Overnight Weighted Average) is the Norwegian krone's money market interest rate.

For R1-SEK units:

The benchmark index is: SWESTR

The SWESTR (Swedish Krona Short Term Rate) is the Swedish krona's money market interest rate.

## Benchmark indices applicable to the Fund's investment objective:

€STR: The administrator of the benchmark index, the European Central Bank, is registered in the ESMA register of administrators and benchmark indices.

Further information on the benchmark index is available on the website of the benchmark administrator: [www.emmi-benchmarks.eu](http://www.emmi-benchmarks.eu)

NOWA and SWESTR: These indices benefit from the exemption as benchmark monetary indices (issued by either central banks or state entities) and as such are not entered in the ESMA register.

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 08 June 2016, the Management Company has put in place a procedure for monitoring the benchmark indices used, which sets out the action to be taken in the event that a benchmark materially changes or ceases to be provided.

## ► Investment strategy:

### **Principal investment management features of the UCI:**

|   |  |
|---|--|
| Interest rate sensitivity range             | [0; 2]   |
| Geographic area of the securities' issuers  | All geographic areas: 0 to 100%                                |
| Currency of the securities                  | Euro = 50% minimum<br>OECD currencies (non-euro) = 50% maximum |
| Level of exposure to currency exchange risk | maximum 2%   |

Your Fund's spread of sensitivity to credit spread may diverge significantly from the spread of sensitivity to interest rates stated above in particular due to interest-rate risk hedges set up through interest rate swaps, and also due to the high percentage of floating securities in the portfolio.



## **1. Strategies used**

The UCI has a sustainable investment objective as covered under Article 9 of the Disclosure Regulation.  
The UCI carries a sustainability risk, as defined in the risk profile.

In accordance with its investment objective and policy, the UCI may invest in economic activity that contributes to an environmental objective within the meaning of Article 5 of the Taxonomy Regulation. It is also expected that the UCI may invest partially in economic activities classified as environmentally sustainable within the meaning of sections 3 and 9 of the Taxonomy Regulation. In line with the UCI's Taxonomy, the minimum investment percentage is 0%.

The fund offers active management based on an investment process that combines a top-down and bottom-up approach, meaning that it begins with a study of economic variables and culminates in the selection of securities.

### **Investment universe:**

The Fund has a thematic approach. The investment universe is composed of green bonds of any currency that meet the Green Bond Principles criteria, and for which the positive impact on the energy transition and the environment can be assessed.

### **Sequencing of the stages of the investment process**

This investment process includes three successive steps:

- **the first stage, known as the management strategy stage, consists of first monitoring the investment universe through a detailed analysis of the issuers present on the bond market.**

### **Eligibility criteria for securities in the investment universe**

The Fund aims to invest more than 75% in green bonds.

The aim of green bonds is to finance projects seeking to benefit the environment.

They are categorised as such by their issuer and must meet the criteria defined by the Green Bond Principles in respect of:

#### **1/ the description of the funds and how they are used:**

The projects being financed must be clearly identified and described in the regulatory documentation relating to the issue of the security, and the environmental benefits must be easily identifiable.

#### **2/ the project assessment and selection process:**

An issuer of green bonds must specify (i) the processes, (ii) the selection criteria and (iii) the specific environmental objectives that led to the selection of the projects being financed.

#### **3/ the management of the funds raised:**

The funds raised must be managed using ring-fencing (dedicated accounts or portfolios) or using a system that enables financing transactions to be tracked. It must be possible to monitor the level of investment reached on a regular basis.

#### **4/ reporting:**

The issuers must publish regular (at least annual) information relating to the actual use of the funds, as well as the impact of the eligible projects financed.

The projects financed must be related to environmental fields such as alternative energy, energy efficiency etc. These criteria, which are subject to change, comply with the good practice guide for issuing Green Bonds as defined by the Green Bond Principles. They are subject to change.

Furthermore, it must be possible to assess the positive impact of those green bonds in the investment universe on the energy transition and the environment. To achieve this, the manager must consult the regulatory documents and activity reports for these bonds.

To this end, the Management Company will analyse the environmental aspect of the projects financed by the green bonds, taking into account the impact estimates produced by the issuers, such as a reduction in energy consumption or the tonnes of CO2 emissions avoided through self-sufficient energy production. It will exclude from the eligible universe any green bonds, the impact of which cannot be assessed, i.e. for which data from the issuers regarding the projects financed has not been provided and/or are deemed impossible to estimate.

The impact indicators measure the environmental impact of the projects financed. They focus on the good governance of projects and the data provided by the issuer, but do not take into account the issuer's business sector and are not used to exclude issuers by assessing companies' ESG practices and/or sectors as a whole.

The selection criteria apply to the projects financed by green bonds and do not exclude any sectors. Consequently, the universe and the portfolio may include companies that produce significant amounts of CO2.

**- The second stage involves integrating both financial constraints (regulatory ratios, internal credit assessment process) and non-financial constraints (ESG rating and exclusion) within these analyses.**

### **Non-financial analysis**

#### **1) Non-financial analysis of issuers**

- Private debt

The analysis of private issuers uses a framework of criteria based on regulations that have universal scope (Global Compact, International Labour Organization, Human Rights, ISO standards, etc.). This framework includes a set of generic criteria applicable to all issuers as well as criteria specific to each sector.

Depending on the sector, additional assessments of specific criteria may be carried out for the environmental and social aspects, such as, for example, the production of renewable energy for energy suppliers, ecological vehicles and passenger safety for the automobile industry, or green finance and efforts made to promote access to financial services in the banking sector.

- Government debt

The non-financial analysis of States aims to assess and compare the levels of integration of the three ESG criteria in institutional systems and public policies. It is based on around one hundred indicators, divided into 3 aspects: Compliance (e.g. ratification of international treaties), Action (public expenditure related to ESG policies) and Results (quantifiable and measurable).

#### **2) ESG approach**

In order to reconcile the search for profitability with the development of socially responsible practices, ESG criteria are conceived in accordance with a combination of regulatory, best-in-class and engagement-based approaches.

1. The Fund applies the Amundi exclusion policy, which includes the following rules:

- legal exclusions\* on controversial weapons (anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons etc.);
- companies that seriously and repeatedly contravene one or more of the Ten Principles of the UN Global Compact\*\*, without credible corrective action;
- sector-based exclusions of the Amundi Group on fossil fuels (for example, coal and unconventional hydrocarbons), tobacco, and weapons (for example, nuclear weapons and depleted uranium weapons); (details of this policy can be found in the Amundi Responsible Investment Policy available on the website at [www.amundi.fr](http://www.amundi.fr)).

\* These exclusions apply to all management companies

\*\* United Nations Global Compact (UN Global Compact): "The Global Compact calls on businesses to adopt, support and implement within their sphere of influence a set of core values in the areas of human rights, labour and environmental standards, and anti-corruption.

Furthermore, the UCI also excludes companies that derive a certain share of their turnover from fossil fuels (gas, oil etc.). These exclusions are provided for in Article 12, paragraph 1, points (a) to (g) of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks. However, the UCI may invest in bond issues specifically intended to finance green, social and/or sustainable projects issued by companies involved in activities considered to be non-compliant with the Paris Climate

Accords.

2. The Fund also applies the following ESG integration rules:

- exclusion of issuers rated G at the time of purchase; if an issuer's rating is downgraded to G while it is already in the portfolio, the manager will seek to sell the security in question. However, in the interest of holders, holding the securities until maturity is authorised if they cannot be sold under good conditions;
- the "rating improvement" approach: the weighted average ESG rating of the portfolio must be higher than the weighted average ESG rating of the fund's investment universe;
- at least 90% of the securities in the portfolio have been assigned an ESG rating.

3. Using a best-in-class approach, the Fund seeks to give priority to issuers that are sector-leading in terms of ESG criteria, as identified by the Management Company's team of non-financial analysts.

Limit of the approach adopted

The best-in-class approach does not in principle exclude any business sector. All economic sectors are therefore represented with this approach and the UCI may thus be exposed to certain controversial sectors. To limit the potential non-financial risks of these sectors, the UCI also applies the Amundi exclusion policy for coal and tobacco (details of this policy can be found in the Amundi Responsible Investment Policy available on the website at [www.amundi.fr](http://www.amundi.fr)) as well as the Group's commitment policy.

4. Finally, an active engagement policy is conducted to promote dialogue with issuers and support them in the improvement of their socially responsible practices. When there are deficiencies in the information collected, or even contradictions between the various contributors (non-financial rating agencies), the non-financial analysts broaden their information sources by drawing on the companies' reports, which remain a key factor in company assessments. The company is also contacted directly for a more in-depth analysis. The various data obtained are supplemented by other stakeholders: the media, NGOs, corporate and voluntary sector partners, etc.

#### **The third stage is the construction of the portfolio:**

In order to achieve the investment objective and outperform the benchmark index, the management process is based on the following sources of value added:

a) Portfolio sensitivity management (top-down approach): active management of the portfolio's global bond risk within a sensitivity range of 0 to +2 according to the bullish or bearish projections of the management team about short-term rate developments within the Eurozone. Together, euro fixed-income and Credit Managers establish forecasts for yields by maturity for eurozone sovereign bonds. The team's projections regarding future decisions by the European Central Bank are of particular importance due to the high percentage of investments made by the Fund on the short-term bond market.

b) Selection of credit securities (bottom-up approach) within the green bond universe: acquisition of securities (bonds) from public and private issuers. In its risk and credit category assessment, the Management Company relies on its teams and on its own methodology, which incorporates, among other factors, the ratings issued by the major rating agencies.

This investment process is based on two convictions:

- on average, credit spreads yield more than credit risk alone, provided that the credit research is efficient, allowing the Management Company to be selective.
- there is a long-term risk premium between short-term bonds and the overnight rate. Credit risk diversification rules are systematically applied to investments in order to limit the impact in the case of a credit event arising on an issuer in the portfolio. These rules include limiting the Fund's exposure, in terms of both duration and weight of the net asset, to an issuer depending on its rating.

c) Search for opportunities: management regularly searches for investment opportunities among bonds that offer an attractive risk/return ratio. The managers rely on a proactive trading team to invest in an issuer or a security with selected counterparties.

d) Management of the portfolio's average ESG rating by optimising the issuers' ESG rating/return profile.

#### **Credit Analysis of issuers**

Amundi's buy-side credit analysis teams assess and rate issuers with complete independence from the rating agencies. The purpose of this approach is to anticipate potential credit events before the agencies formalise their analyses and modify their ratings. They publish fundamental views on issuers and relative value recommendations to advise the managers in the construction and day-to-day monitoring of the portfolio.

## **2. Description of the assets used (excluding derivatives)**

Securities in the portfolio are selected according to the best judgement of management and in compliance with the internal credit risk monitoring policy of the Management Company. For the purpose of stock-picking, the management does not, neither exclusively nor mechanically, rely on the ratings issued by rating agencies, but bases its buy and sell convictions of a security on its own credit and market analyses. By way of information, the management may specifically use securities with the ratings described below.

### **Bond and money market instruments:**

Up to 100% of the net assets of the Fund may be invested in private or public debt securities of all geographic areas (including emerging market countries, up to a maximum of 10%) issued in euros. Public sector issuers are limited to 70%.

Nonetheless, the Fund may invest a maximum of 50% of its net assets in debt securities denominated in non-OECD country currencies. These positions are hedged against exchange rate risk, however the Fund may nonetheless present a residual currency risk (maximum of 2% of net assets).

At any time, at least 20% the portfolio consists of securities with maturities of over 2 years.

The Fund may invest in the following instruments:

- Bonds:
  - fixed-rate bonds
  - floating-rate bonds
  - indexed bonds (inflation, etc.)
  - subordinated financial securities
  - senior non-preferred bonds.
- Money-market instruments:
  - Short-term negotiable securities
  - Medium-term negotiable securities
  - Fixed-rate treasury notes (BTF)
  - French government treasury notes (BTAN)
  - Euro Commercial Paper

The Fund invests in securities of issuers of "Investment Grade" quality at the time of acquisition, i.e. securities rated AAA to BBB- by Standard & Poor's or Fitch, or rated Aaa to Baa3 by Moody's, or with a rating deemed equivalent by the Management Company.

If a rating is provided by each of the three agencies (S&P, Moody's, Fitch), then the rating considered is the median rating.

If a rating is provided by two of the three agencies, then the rating considered is the lower rating.

The downgrading of a security/issuer by one or more rating agencies does not automatically lead to the disposal of the securities concerned; the Management Company relies on its in-house assessment when deciding whether or not to keep the securities in the portfolio. Also, in the event that the fund does not sell a security whose rating has been downgraded, it may be required to hold (up to a maximum of 5%) securities rated below BBB- on the Standard & Poor's or Fitch rating scale or Baa3 on the Moody's rating scale (so-called high yield securities).

### **Holding of shares or units of other UCIs or investment funds:**

The Fund may hold up to 10% of its assets in shares or units of the following UCIs or investment funds:

- ☒ French or foreign UCITS<sup>(1)</sup>
- ☒ French or European AIFs or investment funds that comply with the criteria defined by the French Monetary and Financial Code<sup>(2)</sup>

These UCI and investment funds may invest up to 10% of their assets in UCITS, AIF or investment funds. They may be managed by the Management Company or an affiliated company. The investment universe and risk profile of these UCIs is compatible with that of the UCITS.

## **3. Derivatives used**

The use of forward financial instruments is an integral part of the investment process due to the advantages they offer in terms of liquidity and/or cost/efficiency ratios.

### **Information about the counterparties of the OTC derivative contracts:**

Amundi AM relies on the expertise of Amundi Intermédiation in the context of providing services regarding the selection of counterparties. Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi (Group) Credit Risk Committee, concerning the aspects of counterparty risk.

This list is then validated by Amundi AM during ad-hoc "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees are composed of the Investment Directors or their representatives, representatives of the Amundi Intermédiation trading desk, a Head of Operations, a Head of Risk Control and a Head of Compliance.

- Type of markets:

- ☒ regulated
- ☒ organised
- ☒ over-the-counter

- Risks which the manager wishes to address:

- ☐ equity
- ☒ fixed income
- ☒ currency
- ☐ credit

- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- ☒ hedging
- ☒ exposure
- ☐ arbitrage

- Type of instruments used:

- ☒ futures: interest rate
- ☐ options: interest rate futures
- ☒ swaps: currency, interest rate
- ☒ forward foreign exchange contracts
- ☐ credit derivatives: Credit Default Swaps (CDS) and European CDS indices (iTraxx)

- Strategy for using derivatives to achieve the investment objective:

- ☒ interest rate risk hedging
- ☒ currency risk hedging
- ☐ credit risk hedging or exposure

Interest rate swaps are used to hedge the portfolio in view of changes in interest rates.

Interest rate futures are used to hedge the portfolio based on the various maturities of the interest rate curve.

Foreign exchange swaps and forward contracts are used to hedge foreign exchange exposures resulting from the securities portfolio.

#### **4. Embedded derivatives**

- Types of risks in which the manager intends to trade:

- ☐ equity

- ☒ fixed income
- ☒ currency
- ☒ credit

- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- ☒ hedging
- ☒ exposure
- ☐ arbitrage

- Types of instruments used

- ☒ Puttable bonds
- ☒ Callable bonds
- ☒ Euro Medium Term Notes (EMTN)
- ☒ Negotiable Medium Term Notes (BMTN)
- ☒ Credit-Linked Notes (CLNs)
- ☒ Loan Participation Notes (LPNs)

- Strategy for using embedded derivatives to achieve the investment objective:

- ☒ hedging the overall portfolio, particular risks, particular securities
- ☒ constructing synthetic exposure to particular assets or particular risks
- ☒ adjustment of exposure to the credit market (exclusively callable and puttable bonds).

## **5. Deposits**

The UCI can lodge deposits for a maximum 12-month period. These deposits contribute to achieving the investment objective of the UCI by allowing it to manage cash flows.

## **6. Cash borrowings**

The UCI may have a debit position up to a maximum 10% of its net assets to accommodate cash inflows and outflows (investments/disinvestments in progress, subscriptions/redemptions).

## **7. Temporary purchases and sales of securities**

- Types of transactions used:

- ☒ repurchase and reverse repurchase agreements with reference to the French Monetary and Financial Code
- ☒ lending and borrowing of securities with reference to the French Monetary and Financial Code

These transactions will cover eligible assets as defined by the regulations. These assets are held with the Depositary.

- Purpose of the transactions, which must be limited to the achievement of the investment objective:

- ☒ cash management: through securities repurchase agreements
- ☒ optimisation of the UCITS' income
- ☐ possible contribution to the leverage effect of the UCITS

The Fund's commitments arising from temporary purchases or sales of securities must not exceed 100% of the assets.

Total commitments on derivatives and temporary purchases or sales of securities must not exceed 100% of the assets.

The sum of the portfolio's exposure to all the risks resulting from the commitments and positions in real securities must not exceed 100% of net assets.

Remuneration: See Costs and Fees section

Summary of proportions used:

| <u>Types of transactions</u>             | <u>Reverse repurchase agreements</u> | <u>Repurchase agreements</u> | <u>Securities lending</u> | <u>Securities borrowing</u> |
|--|--------------------------------------|------------------------------|---------------------------|-----------------------------|
| <u>Maximum proportion of net assets</u>  | 100%                                 | 100%                         | 90%                       | 20%                         |
| <u>Expected proportion of net assets</u> | 25%                                  | 25%                          | 22.5%                     | 5%                          |

## **8- Information relating to collateral (temporary purchases and sales of securities and/or OTC derivatives):**

### Type of collateral:

In the context of temporary acquisitions and sales of securities and OTC derivative transactions, the UCITS may receive securities or cash as collateral.

Securities received as collateral must adhere to the criteria defined by the Management Company. They must be:

- liquid;
- transferable at any time;
- diversified in compliance with the eligibility, exposure and diversification rules of the UCI;
- issued by an issuer that is not an entity of the counterparty or its group.

For bonds, the securities will also be issued by high-quality issuers located in OECD countries with a minimum rating ranging from AAA to BBB- on the Standard & Poor's scale or with another rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 50 years.

The criteria described above are detailed in a Risk Policy available on the Management Company's website at [www.amundi.com](http://www.amundi.com) and may be subject to change, particularly in the event of exceptional market circumstances.

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

### Reuse of cash received as collateral:

Cash received as collateral may be reinvested in deposits, government bonds, repurchase agreements or short-term money market UCITS in accordance with the Management Company's Risk Policy.

### Reuse of securities received as collateral:

Not authorised: Securities received as collateral may not be sold, reinvested or provided as collateral.

## **► Risk profile:**

*Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to market fluctuations.*

### The main risks related to this type of investment are:

**Interest rate risk:** the risk of a decline in the value of fixed-income instruments arising from fluctuations in interest rates. It is measured in terms of sensitivity.

In periods when interest rates are rising (positive volatility) or falling (negative volatility), the net asset value may fall significantly.

**Capital risk:** investors are warned that their capital invested is not guaranteed and may not be recovered.

### The main specific management-related risks are:

- **Credit risk:** the risk of a fall in value of the securities of a private or public issuer or the default of the latter, which could lead to a fall in the net asset value.

**Counterparty risk:** The UCI uses securities financing transactions and/or OTC derivatives transactions. These transactions, entered into with a counterparty, expose the UCI to the risk of the counterparty defaulting and/or not executing the swap, which may have a significant impact on the UCI's net asset value. This risk may not necessarily be offset by the collateral received.

**Liquidity risk linked to temporary purchases and sales of securities and/or total return swaps (TRS):** The UCI may be exposed to trading difficulties or a temporary inability to trade certain securities in which the UCI invests or those received as collateral, in the event of a counterparty defaulting on temporary purchases and sales of securities and/or total return swaps (TRS).

**Legal risk:** The use of temporary purchases and sales of securities and/or total return swaps (TRS) may create a legal risk, particularly relating to the swaps.

**Sustainability risk:** The risk relating to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment

Ancillary risks:

**Risk associated with investments in securities issued by emerging countries:** The securities of these countries are less liquid than those of large caps in developed countries; as a result, holding these securities could increase the portfolio's risk level. Adverse market movements may be more abrupt and more volatile than in developed markets and the net asset value of the Fund may, as a result, decline more dramatically and more rapidly.

**Risk associated with the use of "high-yield" securities:** This UCI must be considered as partly speculative and specifically intended for investors who are aware of the risks inherent in investments in securities with a low rating or no rating at all. Accordingly, the use of "high-yield" securities may result in a greater risk of decline in the net asset value.

► **Target investors and typical investor profile:**

The Fund is specifically intended for subscribers seeking a return on their liquidity over the recommended investment period.

E-C units: All subscribers

P-C units: All subscribers

I-C units: Institutional investors

I3-C units: Institutional investors

S-C units: Reserved for Employee Savings Funds, Funds or mandates dedicated to group retirement savings and Feeder Funds managed by Amundi management companies

EB-C units: Reserved for subscribers authorised by the Management Company until 31 December 2022

R1-C units: Reserved for Nordea Group distribution networks

R1-NOK-C units: Reserved for Nordea Group distribution networks

R1-SEK-C units: Reserved for Nordea Group distribution networks

The recommended minimum investment period is one year.

The amount that is reasonable to invest in this UCI depends on the personal situation of the investor. To determine this amount, investors should consider their personal assets, their current financial needs and the recommended investment period as well as their willingness to accept risks or their wish to invest cautiously. It is also recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this UCI.

This Fund's units cannot be offered or sold directly or indirectly in the United States of America (including its territories and possessions) to



the advantage of a U.S. Person as defined in U.S. "Regulation S" adopted by the Securities and Exchange Commission ("SEC").(\*)<sup>(1)</sup>

► **Date and frequency of NAV calculation:**

NAV is determined every day that the Euronext Paris markets are open with the exception of official French public holidays.

► **Subscription and redemption procedures:**

Subscription and redemption requests are centralised on each NAV calculation day (D) at 12:25 . These requests are executed on the basis of the net asset value of D and calculated on the following business day (D+1).

Orders will be executed in accordance with the table below:

| D  | D  | D: the net asset value calculation day    | D+1 business day                   | D+1 business day            | D+1 business day          |
|--|--|---|------------------------------------|-----------------------------|---------------------------|
| Clearing before 12.25 p.m. of subscription orders <sup>1</sup> | Clearing before 12.25 p.m. before 4.00 p.m. <sup>1</sup> | Execution of the order on D at the latest | Publication of the net asset value | Settlement of subscriptions | Settlement of redemptions |

Unless a specific deadline is agreed with your financial institution.

EB-C units are closed to all new subscriptions as of 12:26 on 31 December 2022

The persons wishing to acquire or subscribe units will be required to certify, at the time of any acquisition or subscription of units of the Fund, that they are not "U.S. Persons". Any unitholder who becomes a US Person must immediately notify the Fund's management company of the change.

► **Redemption capping scheme:**

In exceptional circumstances and if required by the interests of the investors, the Management Company may not fully execute redemption orders at the same net asset value.

**Calculation method and threshold used:**

The Management Company may decide not to execute all redemption orders at the same net asset value if a threshold it has objectively established is reached at a particular net asset value.

At a single net asset value, this threshold is understood as the net redemption of all units divided by the net assets of the Fund.

In order to determine this threshold level, the Management Company shall take particular note of the following factors: (i) the frequency with which the net asset value of the Fund is calculated, (ii) the management strategy of the Fund, (iii) and the liquidity of the assets held by the Fund.

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<sup>1</sup> The term "U.S. Person" means: (a) any individual residing in the United States of America; (b) any entity or company organised or incorporated under the laws of the United States; (c) any estate of which the executor or the administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any branch or subsidiary of a non-US entity located in the United States of America; (f) any non-discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; (g) any discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (h) any entity or company, if it is (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organised or incorporated and owned by Accredited Investors (as defined in Rule 501(a) of the Act of 1933, as amended) who are not individuals, estates or trusts.

For the AMUNDI IMPACT ULTRA SHORT TERM GREEN BOND Fund, the Management Company may trigger a redemption cap when a threshold of 5% of the net assets is reached.

The threshold is identical for all unit classes of the Fund.

When redemption requests exceed the trigger threshold, and if the liquidity conditions allow, the Management Company may decide to meet the redemption requests above this threshold and thus execute the orders that may be blocked, in whole or in part.

Redemption requests that are not executed at a given net asset value will automatically be carried forward to the next clearing date and are irrevocable.

The redemption gate is restricted to 20 net asset values over a three-month period.

**Information to investors in the event that the ceiling is triggered:**

In the event that the redemption capping scheme is triggered, unitholders shall be informed by any means on the Management Company's website([www.amundi.com](http://www.amundi.com) ).

Moreover, investors whose redemption requests have been partially or fully unexecuted will be informed by the centralising agent in a specific manner and as soon as possible after the centralisation date.

**Processing unexecuted orders:**

During the entire period of application of the redemption gate, orders will be executed in equal proportions for the Fund's investors who have requested redemption at the same net asset value.

Orders carried forward in this way shall not have priority over subsequent redemption requests.

**Exemption:**

If the redemption order is immediately followed by a subscription from the same investor for an amount equal to it and made at the same net asset value date, this scheme will not be applied to the redemption in question.

Further information on the gates mechanism is provided in the regulations of the UCI.

► **Institutions authorised to receive subscriptions and redemptions by delegation of the Management Company:**

Amundi, CACEIS Bank, all of the agencies of the Caisses régionales de Crédit Agricole.

*Investors should note that orders sent to promoters other than the aforementioned institutions should take into account the fact that the cut-off time for clearing orders applies to those promoters with CACEIS Bank.*

*As a result, these promoters may apply their own deadline, earlier than the time mentioned above, to allow them to meet their order transmission deadline to CACEIS Bank.*

► **Location and terms of publication or communication of net asset value:**

The UCITS' NAV is available on request from the Management Company and on its website: [www.amundi.com](http://www.amundi.com).

► **Characteristics of units :**

• **Minimum amount of the initial subscription:**

E-C units: 2 unit(s)

EB-C units: 10 unit(s)

I-C units: 2 unit(s)

I3-C units: 30 unit(s)

P-C units: 1 thousandth of a unit

R1-C units: 1,000

R1-NOK-C units: 1,000

R1-SEK-C units: 1,000

S-C units: 1 unit(s)

- **Minimum amount of a subsequent subscription:**

E-C units: 1 thousandth of a unit  
EB-C units: 1 thousandth of a unit  
I-C units: 1 thousandth of a unit  
I3-C units: 1 thousandth of a unit  
P-C units: 1 thousandth of a unit  
R1-C units: 1 thousandth of a unit  
R1-NOK-C units: 1 thousandth of a unit  
R1-SEK-C units: 1 thousandth of a unit  
S-C units: 1 thousandth of a unit

- **Decimalisation:**

For all units, subscriptions are made in thousandths of units above the minimum subscription amount and redemptions in thousandths of units.

- **Initial net asset value:**

E-C units: EUR 10,000.00  
EB-C units: EUR 100,000.00  
I-C units: EUR 100,000.00  
I3-C units: EUR 100,000.00  
P-C units: EUR 100.00  
R1-C units: EUR 100.00  
R1-NOK-C units: NOK 1,100.00  
R1-SEK-C units: SEK 1,100.00  
S-C units: EUR 1,000.00

- **Currency of the units:**

E-C, EB-C, I-C, I3-C, P-C, R1-C and S-C units are denominated in euro.  
R1-NOK-C units are denominated in Norwegian kroner.  
R1-SEK-C units are denominated in Swedish kronor.

- **Allocation of net profit:**

E-C units: Accumulation  
EB-C units: Accumulation  
I-C units: Accumulation  
I3-C units: Accumulation  
P-C units: Accumulation  
R1-C units: Accumulation  
R1-NOK-C units: Accumulation  
R1-SEK-C units: Accumulation  
S-C units: Accumulation

- **Allocation of realised net capital gains:**

E-C units: Accumulation  
EB-C units: Accumulation  
I-C units: Accumulation  
I3-C units: Accumulation  
P-C units: Accumulation  
R1-C units: Accumulation  
R1-NOK-C units: Accumulation  
R1-SEK-C units: Accumulation  
S-C units: Accumulation

► **Costs and fees:**

**- Subscription and redemption fees:**

*Subscription and redemption fees are levied by addition to the subscription price paid by the investor or subtraction from the redemption price. The fees charged by the UCI serve to offset the costs incurred by the UCI to invest and divest investors' monies. Fees not accruing to the UCITS, are allocated to the Management Company, the promoter, etc.*

| Fees paid by the investor, charged at subscription and redemption | Basis                             | Interest rates            |
|---|-----------------------------------|---------------------------|
| Subscription fees not accruing to the UCI                         | Net asset value x Number of units | E-C units: None           |
|   |                                   | EB-C units: maximum 1.00% |
|   |                                   | I-C units: None           |
|   |                                   | I3-C units: None          |
|   |                                   | P-C units: None           |
|   |                                   | R1-C units: None          |
|   |                                   | R1-NOK-C units: None      |
|   |                                   | R1-SEK-C units: None      |
|   |                                   | S-C units: maximum 10.00% |
| Subscription fees accruing to the UCI                             | Net asset value x Number of units | None                      |
| Redemption fees not accruing to the UCI                           | Net asset value x Number of units | E-C units: None           |
|   |                                   | EB-C units: None          |
|   |                                   | I-C units: None           |
|   |                                   | I3-C units: None          |
|   |                                   | P-C units: None           |
|   |                                   | R1-C units: None          |
|   |                                   | R1-NOK-C units: None      |
|   |                                   | R1-SEK-C units: None      |
|   |                                   | S-C units: None           |
| Redemption fees accruing to the UCI                               | Net asset value x Number of units | None                      |

Exemption:

\*Except target subscribers

Exemption: In the event of redemption followed by a subscription on the same day for the same amount and account, based on the same net asset value, no redemption or subscription fee is charged.

**- Administrative and management fees:**

*These fees cover all the charges invoiced directly to the UCI, excluding transaction charges.*

*Part of the management fee may be passed on to the promoters with whom the Management Company has entered into marketing agreements. These promoters may or may not belong to the same group as the Management Company. These fees are calculated on the basis of a percentage of the financial management fees and are invoiced to the Management Company.*

*Transaction fees correspond to intermediary fees (i.e. brokerage fees, stock market taxes etc.) charged to the UCI at the time of the transactions.*

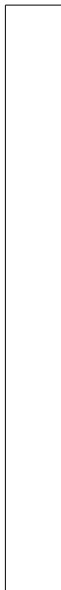
*Operating fees and other services are charged on a flat-rate basis. Consequently, the flat rate referred to below may be charged when the*

actual costs are lower than this rate; conversely, if the actual costs are higher than the displayed rate, amounts exceeding that rate will be borne by the Management Company.

In addition to these fees, there may be:

- performance fees. These reward the Management Company when the UCI exceeds its objectives. They are therefore charged to the UCI;
- fees related to the temporary purchases and sales of securities.

|    | Fees charged to the UCI                          | Basis      | Rate structure   |
|----|--|------------|--|
| P1 | Financial management fees                        | Net assets | E-C units:<br>0.33% maximum, incl. taxes   |
|    |  |            | EB-C units:<br>0.35% maximum, incl. taxes  |
|    |  |            | I-C units:<br>0.30% maximum, incl. taxes   |
|    |  |            | I3-C units:<br>0.35% maximum, incl. taxes  |
|    |  |            | P-C units:<br>0.43% maximum, incl. taxes   |
|    |  |            | R1-C units:<br>0.38% maximum, incl. taxes  |
|    |  |            | R1-NOK-C units:<br>0.38% maximum, incl. taxes  |
|    |  |            | R1-SEK-C units:<br>0.38% maximum, incl. taxes  |
|    |  |            | S-C units:<br>0.08% maximum, incl. taxes   |
| P2 | Operating fees and other services                | Net assets | E-C units:<br>0.07% incl. taxes  |
|    |  |            | EB-C units:<br>0.05% incl. taxes   |
|    |  |            | I-C units:<br>0.05% incl. taxes  |
|    |  |            | I3-C units:<br>0.05% incl. taxes   |
|    |  |            | P-C units:<br>0.07% incl. taxes  |
|    |  |            | R1-C units:<br>0.07% incl. taxes   |
|    |  |            | R1-NOK-C units:<br>0.07% incl. taxes   |
|    |  |            | R1-SEK-C units:<br>0.07% incl. taxes   |
|    |  |            | S-C units:<br>0.05% incl. taxes  |
| P3 | Maximum indirect fees (fees and management fees) | Net assets | Not significant  |
| P4 | Turnover fees                                    | None       | None   |
| P5 | Performance fees                                 | Net assets | E-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the 'reference assets' methodology |



|  |
|--|
| EB-C units: None   |
| I-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the 'reference assets' methodology |
| I3-C units: None   |
| P-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the 'reference assets' methodology |
| R1-C units: None   |
| R1-NOK-C units: None   |
| R1-SEK-C units: None   |
| S-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the 'reference assets' methodology |

Exceptional legal costs for the recovery of the UCI loans may be added to the fees invoiced to the UCI as listed above.

Operating and management fees are charged directly to the UCI's Income Statement.

#### List of operating fees and other services

- Registration and listing fees and costs
- Customer and distributor information fees and costs (including, in particular, fees related to the preparation and distribution of regulatory reporting and documentation, and fees related to the provision of regulatory information to distributors etc.)
- Data fees and costs
- Statutory Auditor fees
- Depositary and account holder fees
- Fees related to the delegation of administrative and accounting management
- Audit fees, tax fees (including lawyers and external experts — recovery of withholdings on behalf of the Fund, local tax agent etc.) and legal fees and costs specific to the UCI
- Fees and costs related to compliance with regulatory obligations and regulatory reporting (including, in particular, costs related to reporting, mandatory professional association fees, operating costs of monitoring threshold violations, operating costs of rolling out voting policies at General Meetings etc.)
- Operational fees and costs
- Fees and costs related to knowledge of customers

All or part of these fees and costs may or may not apply depending on the characteristics of the UCI and/or the class of units in question.

#### - Performance fee:

The calculation of the performance fee applies to each unit concerned and on each calculation date of the Net Asset Value. It is based on a comparison (hereinafter the "Comparison") between:

- The net assets of the unit (before deduction of the performance fee) and
- The reference assets (hereinafter the "Reference Assets"), which represent and replicate the net assets of the unit (before deduction of the performance fee) on the first day of the observation period, adjusted for subscriptions/redemptions at each valuation, to which the performance of the benchmark index is applied as follows:

- . E units: €STR + 0.10%
- . P units: €STR + 0.05%
- . I units: €STR + 0.15%
- . S units: €STR + 0.40%

As such, from 01 September 2022, the Comparison is performed over a maximum observation period of five years, for which the anniversary date corresponds to the calculation date of the last net asset value in November. All observation periods that begin on or after 01 September 2022 shall follow the new procedures below

Over the unit's lifetime, a new maximum observation period of five years will begin:

- If the annual provision is paid on an anniversary date.
  - If a cumulative underperformance is recorded at the end of a period of five years.
- Any underperformance of over five years is disregarded.

The performance fee shall represent 20% of the difference between the net assets of the unit (before deduction of the performance fee) and the Reference Assets, provided that the following cumulative conditions are met:

- This difference is positive.
- The relative performance of the unit against the Reference Assets since the start of the observation period, as defined above, is positive or zero.

Underperformance over the preceding five years must be offset before a provision can be recorded again.

This fee will be subject to a provision when the Net Asset Value is calculated.

For redemptions during the observation period, the apportioned share of the provision made, which corresponds to the number of units redeemed, accrues to the Management Company. This amount may be paid to the Management Company on each anniversary date.

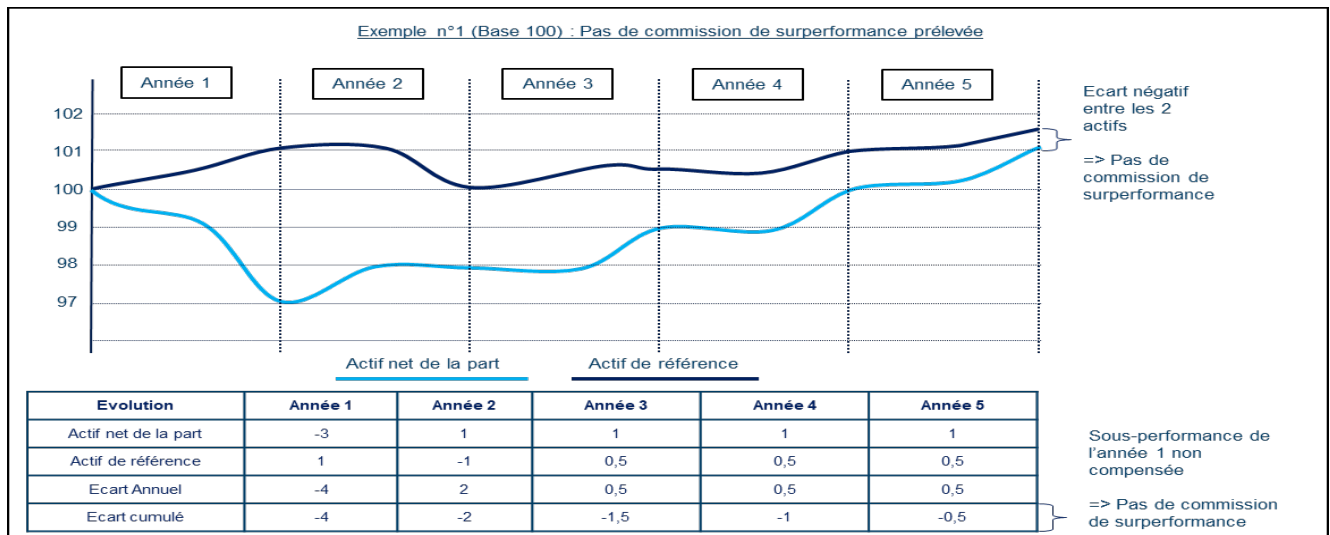
If, during the observation period, the net assets of the unit (before deduction of the performance fee) are lower than the Reference Assets, the performance fee will be nil and will be subject to a provision reversal when the Net Asset Value is calculated. Provision reversals are capped at the level of previous allocations.

During the observation period, all provisions as defined above become payable to the Management Company on the anniversary date.

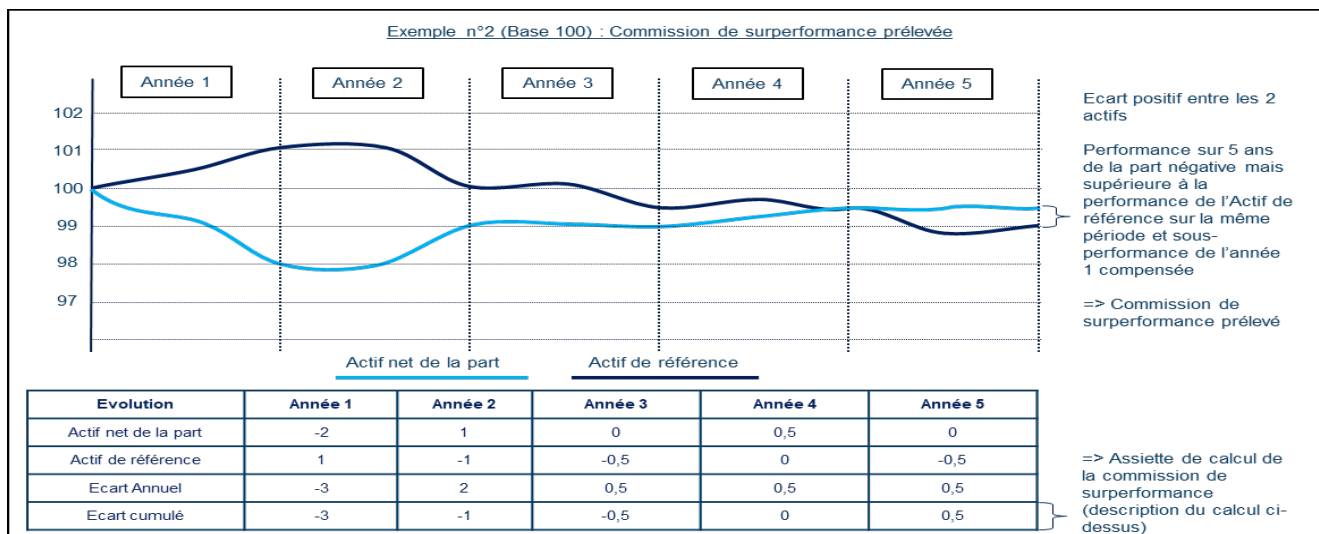
**The Management Company will receive the performance fee even if the unit's/share's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

The three examples below outline the conditions applicable to observation periods of five years:

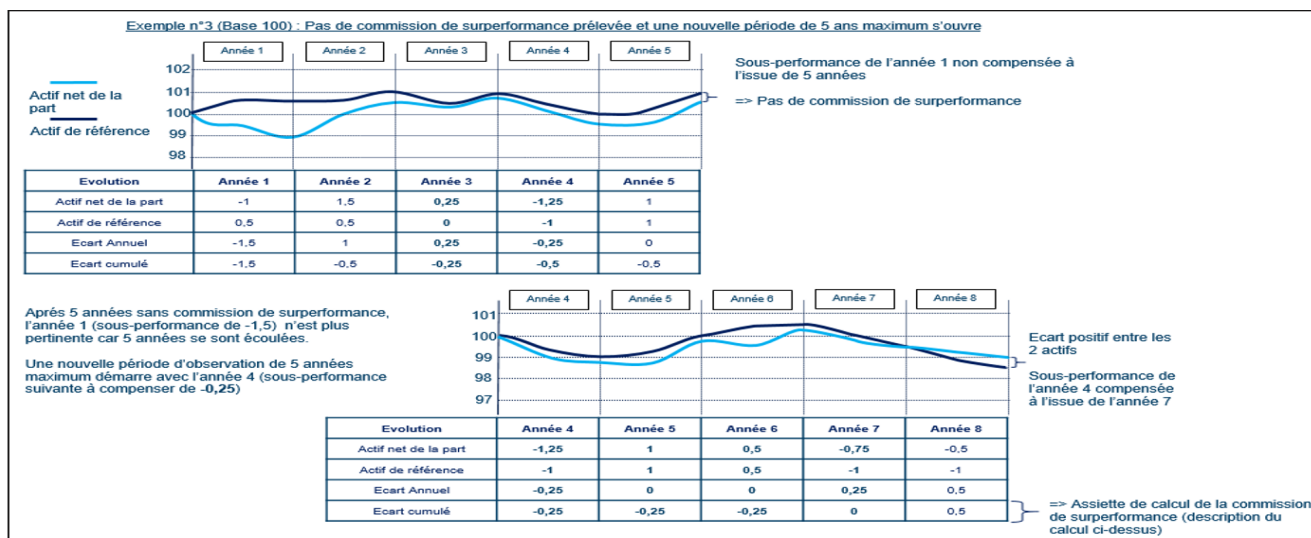
***In the case of unrecovered underperformance:***



***In the case of recovered underperformance:***



**In the case of unrecovered underperformance where a new observation period opens in a year of underperformance:**



For more information, please refer to ESMA's guidelines on performance fees in UCITS (undertakings for collective investment in transferable securities) and certain types of AIFs (alternative investment funds), ref. 34-39-968, as amended, as well as the related Q&As published by ESMA.

## **Securities lending and repurchase transactions:**

As part of securities lending and repurchase transactions, Amundi Asset Management, a subsidiary of Amundi, has entrusted Amundi Intermédiation, in the context of service provision, on behalf of the UCI, with executing transactions, undertaking in particular:

- consultancy services related to selecting counterparties;
- market contracts set up requests;
- the qualitative and quantitative monitoring of collateralisation (diversification, ratings, liquidities controls), repurchase agreements and securities lending

Income from such transactions is returned to the UCI. These transactions generate costs that are paid by the UCI. Amundi Intermédiation may not charge more than 50% of the income generated by these transactions.

Such transactions carried out by Amundi Intermédiation, a company that is part of the same group as the Management Company, creates a potential conflict of interest.

## **Selection of intermediaries:**

### **Policy for selecting counterparties of OTC derivative contracts or of temporary sales of securities**



The management company implements a counterparty selection policy, especially when it enters into temporary purchases and sales of securities and certain derivatives.

Amundi Intermédiation presents Amundi Asset Management with an indicative list of counterparties whose eligibility has been previously validated by the Amundi Group's Credit Risk Committee, on the aspects of counterparty risk. This list is then validated by Amundi Asset Management during ad-hoc meetings of "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (brokerage on equities and net amount for other products) by intermediary/counterparty, by type of instrument and by market if applicable;
- give an opinion on the quality of the trading desk service provided by Amundi Intermédiation;
- carry out a review of the brokers and counterparties, and to draw up the list for the coming period. Amundi Asset Management may decide to narrow down the list or ask to broaden it. Any proposal by Amundi Asset Management to broaden the list of counterparties, during a committee meeting or subsequently, is submitted again to Amundi's Credit Risk Committee for analysis and approval.

The Amundi Asset Management Broker Committees are composed of the Investment Directors or their representatives, representatives of the Amundi Intermédiation trading desk, a Head of Operations, a Head of Risk Control and a Head of Compliance.

The assessment of counterparties to justify their inclusion in the Amundi Intermédiation shortlist involves several teams giving their opinion based on different criteria:

- counterparty risk: the Amundi Credit Risk team, under the supervision of the Amundi Group's Credit Risk Committee, is responsible for assessing each counterparty on the basis of specific criteria (ownership structure, financial profile, governance etc.);
- quality of order execution: the operational teams in charge of order execution within the Amundi Group assess execution quality based on a series of elements depending on the type of instrument and the markets concerned (quality of trading information, prices obtained, settlement quality);
- quality of post-execution processing.

The selection is based on the principle of selectivity of the best counterparties in the market and aims to select a limited number of financial institutions. The vast majority chosen are financial institutions from an OECD country with a minimum rating of AAA to BBB- on the Standard&Poor's rating scale at the time the transaction is set up, or with a rating deemed equivalent by the management company.

#### Broker selection policy

At Broker Committee meetings, the Management Company also draws up a list of approved brokers based on recommendations from Amundi Intermédiation. The Management Company may extend or adjust this list, as necessary, in accordance with pre-determined selection criteria.

The selected brokers will be monitored regularly in accordance with the Management Company's Performance Policy.

The assessment of brokers to justify their inclusion in the Amundi Intermédiation shortlist involves several teams giving their opinion based on different criteria:

- the pool is limited to brokers offering delivery versus payment as a transaction settlement method or cleared/listed derivatives;
- quality of order execution: the operational teams in charge of order execution within the Amundi Group assess execution quality based on a series of elements depending on the type of instrument and the markets concerned (quality of trading information, prices obtained, settlement quality);
- quality of post-execution processing.

#### **Selection of intermediaries**

The Management Company implements an intermediary selection policy, in particular when entering into temporary purchases and sales of securities and certain derivatives.

The selection is based on the principle of selectivity of the best counterparties in the market and aims to select a limited number of financial institutions.

Only those financial institutions of an OECD country with a minimum rating that might be AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are selected when setting up the transaction.

In addition, each of the counterparties retained will be analysed using the criteria of the Risk Department, such as financial stability, rating, exposure, type of activities, past performance, etc.

The list of authorised counterparties is reviewed annually. It involves various parties from the front office and support departments of the Amundi Group. The brokers and financial intermediaries selected will be monitored regularly in accordance with the Management Company's Performance Policy.

## **IV – COMMERCIAL INFORMATION**

#### **Circulation of Fund information:**

The prospectus, the latest annual report and interim statements are available from the Management Company:

Amundi Asset Management – Service Clients – 91-93, Boulevard Pasteur – 75015 Paris, France

The UCI's NAV is available on request from the Management Company and on its website: [www.amundi.com](http://www.amundi.com)

Unitholders are informed of any changes affecting the UCI in accordance with the procedures defined by the French Market Regulator (AMF): individual information or by any other method (financial notice, interim report etc.).

Financial notices may be published in the press and/or on the Management Company's website: [www.amundi.com](http://www.amundi.com) in the News-and-documentation/Financial-Notices section.

#### **Disclosure of the UCI portfolio composition:**

The Management Company may disclose, directly or indirectly, the composition of the UCI's assets to unitholders of the UCI who qualify as professional investors governed by the Autorité de contrôle prudentiel et de résolution (French Prudential Supervision and Resolution Authority — ACPR), the Autorité des marchés financiers (French Financial Markets Authority — AMF) or equivalent European authorities, solely for the purposes of calculating the regulatory requirements related to the Solvency II directive. If applicable, this information must be disclosed once more than 48 hours has passed since the publication of the net asset value.

#### **Non-financial analysis and data providers**

Amundi has defined its own analytical framework and developed its own ESG rating methodology. This analysis is based on the collection of non-financial information on issuers. A list of data providers can be found in the Responsible Investment Policy available on the Management Company's website.

#### **Compliance of the Fund with the criteria relative to the Environmental, Social and Governance (ESG) objectives** methods:

The Management Company provides investors, on its website [www.amundi.com](http://www.amundi.com) and in the annual report of the Fund (for financial years starting on or after 01 January 2012), with information on how the ESG criteria are taken into account in the Fund's investment policy.

#### **Regulation (EU) 2019/2088 on sustainabilityrelated disclosures in the financial services sector (the “Disclosures Regulation”)**

As a financial market participant, the management company of the UCI is governed by Regulation (EU) 2019/2088 of 27 November 2019 on sustainabilityrelated disclosures in the financial services sector (the “Disclosures Regulation”).

This Regulation lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks (Article 6 of the Regulation), the consideration of negative sustainability impacts, the promotion of environmental or social characteristics in the investment process (Article 8 of the Regulation) and sustainable investment objectives (Article 9 of the Regulation).

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment.

Sustainable investment means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, staff remuneration and tax compliance.

#### **Regulation (EU) 2020/852 (the so-called “Taxonomy Regulation”) on establishing a framework to support sustainable investment and amending the Disclosure Regulation.**

The Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, (vi) protection of healthy ecosystems.

For the purpose of establishing the environmental sustainability of an investment, an economic activity is considered environmentally sustainable if it makes a substantial contribution to one or more of the six environmental objectives, does not significantly harm one or more of the environmental objectives (“do no significant harm” or “DNSH” principle), is carried out in accordance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation, and complies with the technical review criteria that have been established by the European Commission under the Taxonomy Regulation.

In accordance with the current state of the Taxonomy Regulation, the Management Company currently ensures that investments do not significantly undermine any other environmental objective by implementing exclusionary policies in relation to issuers with controversial

environmental and/or social and/or governance practices.

Although the Fund may already hold investments in economic activities which qualify as sustainable activities without being currently committed to a minimum proportion, the Management Company makes its best efforts to disclose this proportion of investments in sustainable activities as soon as reasonably possible upon entry into force of the Regulatory Technical Standards for the content and format of disclosures in accordance with Articles 8(4), 9(6) and 11(5) of the Disclosure Regulation, as amended by the Taxonomy Regulation.

This commitment will be achieved in a progressive and continuous manner, integrating the requirements of the Taxonomy Regulation into the investment process as soon as reasonably possible. This will lead to a minimum degree of portfolio alignment with sustainable activities that will be made available to investors at that time.

In the meantime, the degree of alignment with sustainable activities will not be made available to investors.

Once the data is fully available and the relevant calculation methodologies are finalised, the description of the extent to which the underlying investments are in sustainable activities will be made available to investors. This information, along with information on the proportion of enabling and transitional activities, will be specified in a later version of the prospectus.

## V – INVESTMENT RULES

The UCI adheres to the investment rules laid down by the French Monetary and Financial Code that are applicable to its category.

The UCI may invest more than 35% of its assets in eligible financial securities or money market instruments issued or guaranteed by any OECD State or public or semi-public institution.

## VI – GLOBAL RISK

### Global risk ratio calculation method:

Commitment

## VII - ASSET VALUATION AND ACCOUNTING RULES

### Principle

General accounting conventions are applied in compliance with the following principles:

- continuity of operations,
- consistency of accounting methods from one year to the next,
- independence of financial years.

The standard method for recognising assets in the accounts is the historic cost method, except for portfolio valuation.

### Asset valuation rules

The net asset value of the units is calculated taking into account the following valuation rules:

- Transferable securities traded in a regulated market (French or foreign), are valued at market price. In line with the terms and conditions agreed, the benchmark market price is valued at the latest stock market price.

Differences between the listed price used to recalculate the NAV and the historic cost of the marketable securities that make up the portfolio are recognised in an account entitled "Estimation Differences".

However:

- Transferable securities for which a price has not been recorded as of the valuation date or for which the price has been corrected are valued at their probable trading value, as estimated by the Management Company. The Statutory Auditor is informed of these valuations and their justification when conducting audits.
- Negotiable debt securities and similar securities are valued on an actuarial basis, using a benchmark, as described below, plus a difference representing the intrinsic value of the issuer, where applicable:
  - Negotiable debt securities with a maturity of less than or equal to one year: Euribor interbank rate in euros;
  - Swapped negotiable debt securities: valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with a term exceeding three months (money market UCIs): valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with a maturity of over one year: Rates for French treasury bills and fungible treasury bonds with similar maturity dates for the longest durations.

Negotiable debt securities with three months or less to run will be valued according to the linear method.

Treasury notes are valued at the market rate, provided daily by the Treasury Securities Specialists.

- UCI shares or units are measured at the last known net asset value.
- Securities not traded in a regulated market are valued by the Management Company at their probable trading value. Their valuation is based on their assets and yield, taking into account the prices used in recent major transactions. Investment fund units or shares are valued at the last known net asset value or, if necessary, based on available estimates under the control and responsibility of the Management Company.
- Cash, deposits and financial instruments held in the portfolio and denominated in foreign currencies are converted into the accounting currency of the UCI using the exchange rate on the valuation date.
- Transferable securities, which are covered by a temporary disposal or acquisition contract, are valued in accordance with the legislation in force, and the methods for application are determined by the Management Company.

Securities received under repurchase agreements are recorded in the buy portfolio under the heading "Debt representing securities received as part of repurchase agreements" at the amount stated in the contracts, plus any interest receivable. Securities lent under repurchase agreements are posted in long portfolios at their stock market price. Interest receivable and payable for repurchase transactions is calculated pro rata. Liabilities representing securities lent under repurchase agreements are posted in short portfolios at the value set forth in the agreement, plus any accrued interest due. On settlement, the interest received and paid is shown as debt revenues.

Loaned securities are valued at market price. The indemnity collected in relation to these securities is recorded under revenues on debt securities. Accrued interest is included in the stock market value of the securities lent.

- Transactions on firm forward financial agreements or options traded in organised markets (French or foreign) are valued at market value according to procedures specified by the Management Company. Contracts on forward markets are valued at the settlement price.

#### Valuation of collateral:

Collateral is valued daily at market price (mark-to-market method).

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Margin calls are made daily, unless otherwise stipulated in the framework contract covering these transactions or if the Management Company and the counterparty have agreed to apply a trigger threshold.

- - Futures, options or swap transactions on OTC markets as authorised under the laws and regulations governing UCIs are valued at market value or at an estimated value under arrangements specified by the Management Company. Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future cash flows (principal and interest), at the market interest rates and/or currency rates. This price is adjusted for credit risk.

#### **Recognition method**

Securities entering and leaving the portfolio are recognised excluding costs.

Revenues are recognised when known.

Revenues consist of:

- income from transferable securities,
- dividends and interest received on foreign securities, at the foreign currency rate,
- cash proceeds in foreign currency, income from loans, and revenue from lending of securities and other investments.

The following deductions are made from these revenues:

- management fees,
- financial expenses and charges on the lending and borrowing of securities and other investments.

#### **Off-balance sheet commitments**

Futures contracts are entered at their market value as off-balance sheet commitments at the settlement price. Options are converted into their underlying equivalent. OTC interest rate swaps are valued on the basis of the nominal value, plus or minus the corresponding estimation difference.

#### **Income accruals account**

Income accrual accounts ensure fair allocation of income among unitholders, regardless of the subscription or redemption date.

#### **Swing pricing mechanism**

Significant subscriptions and redemptions may impact the NAV because of the portfolio adjustment costs related to investment and divestment transactions. This cost may originate from the difference between the transaction price and the valuation prices, taxes or brokerage fees.

For the purposes of preserving the interests of the shareholders present in the UCI, the Management Company may decide to apply a swing pricing mechanism to the UCI with a trigger threshold.

As a result, as long as the absolute value of the balance of subscriptions and redemptions of all shares together is greater than the preset threshold, there will be an adjustment to the NAV. Consequently, the NAV will be adjusted upwards (or downwards) if the balance of subscriptions and redemptions is positive (or negative); the objective is to limit the impact of these subscriptions and redemptions on the NAV of the shareholders present in the Fund.

This trigger threshold is expressed as a percentage of the total assets of the UCI.

The level of the trigger threshold and the NAV adjustment factor are determined by the Management Company and are reviewed on a quarterly basis at a minimum.

Due to the application of swing pricing, the volatility of the UCI may be not only derived from the assets held in the portfolio.

In accordance with the regulations, only those in charge of its implementation know the details of this mechanism, including the percentage of the trigger threshold.

## **VIII - REMUNERATION**

The Management Company has adopted the remuneration policy of the Amundi Group, to which it belongs.

The Amundi Group has implemented a remuneration policy adapted to its organisation and its activities. This policy is designed to regulate practices regarding the different remunerations of employees authorised to make decisions, exercise control functions or take risks within the Group.

This remuneration policy has been defined with regard to the Group's economic strategy, objectives, securities and interests, to the management companies which are part of the Group, to the UCIs managed by the Group's companies and their unitholders. The objective of this policy is to discourage excessive risk-taking by specifically running contrary to the risk profile of the UCIs' managed.

Furthermore, the Management Company has implemented suitable measures in order to prevent conflicts of interest.

The remuneration policy is adopted and overseen by the Board of Directors of Amundi, the parent company of the Amundi Group.

The remuneration policy is available on the website [www.amundi.com](http://www.amundi.com) or free of charge on written request from the Management Company.

Prospectus updated on: 28 February 2025