

This document provides key investor information about this Fund. It is not a marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI

**P Class - ISIN Code: (C) FR0010829697**

French UCITS managed by Amundi Asset Management, an Amundi company

### Objectives and Investment Policy

Classification by the French Market Regulator (AMF): Bonds and other international debt securities.

By subscribing to AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI - P, you are investing in international interest-rate products.

The Fund's management objective, over an investment period of 12 months, is to outperform its benchmark index (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index), the eurozone money market interest rate, after deducting ongoing charges, whilst incorporating ESG criteria into the Fund's security analysis and selection process.

To achieve this, the management process is threefold: non-financial analysis on environmental, social and governance (ESG) criteria, combined with security selection and portfolio sensitivity management.

The non-financial analysis is used to assign an ESG rating for each issuer on a scale ranging from A (highest rating) to G (lowest rating). At least 90% of the securities in the portfolio have an ESG rating. The ESG criteria are considered using several approaches:

- "rating improvement" approach (the portfolio's average ESG score should be higher than the investment universe's ESG score after at least 20% of the lowest-rated stocks have been eliminated);

- normative by exclusion of certain issuers:

- exclusion of issuers rated F and G at purchase;

- legal exclusions on controversial weapons;

- exclusion of companies that seriously and repeatedly contravene one or more of the ten principles of the United Nations Global Compact;

- sector-based exclusions for Coal and Tobacco.

- best-in-class, which aims 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.

The best-in-class approach does not exclude any business activity, so the Fund may be exposed to some controversial sectors. To limit the potential non-financial risks of these sectors, the Fund applies the above-mentioned exclusions as well as an engagement policy that aims to promote dialogue with issuers and assist them in improving their ESG practices.

Securities are selected based on macroeconomic scenarios, credit analyses and the management team's assessment of the premium on the securities of that issuer to cover the credit and/or liquidity risk. The more diversification a new issuer can bring to the portfolio, the more interest will be shown in its contribution.

Investments are therefore made equally in private or public debt securities issued in euros and in non-euro denominated debt securities. The currency risk is hedged. The Fund is managed within a modified duration sensitivity range (the difference between the change in price and the change of rate) of between -1 and +2, based on the management team's projections for the eurozone interest rates.

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 selecting securities, management does not, either exclusively or 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. For information purposes, management may specifically use securities with the ratings described below.

In terms of ratings, the Fund invests in securities of issuers of "Investment Grade" quality, 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.

The UCI is actively managed. The index is used ex-post as an indicator for comparing performance. The management strategy is discretionary and without constraints in relation to the index.

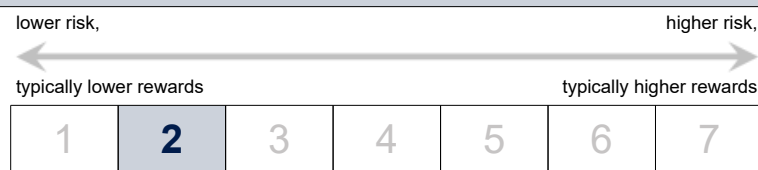
The UCI qualifies as an Article 8 financial product under the SFDR (Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation").

The Fund's net profit as well as its net realised capital gains are automatically reinvested each year.

You may redeem your units each day, as buyback are carried out on a daily basis.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 1 year.

### Risk and reward profile



This Fund's risk category mainly reflects the market risk of the short-term euro-denominated public and private bonds in which it is invested.

Historical data used to calculate the digital risk indicator may not be a reliable indicator of the future risk profile of the Fund.

The risk category associated with this Fund is not guaranteed and may evolve over time.

The lowest category does not mean "risk free".

The initial capital invested is not guaranteed.

Particular risks for the Fund not included in these indicator are:

- Credit risk: this is the risk of sudden deterioration in the creditworthiness of an issuer or that of its default.
- Liquidity risk: in a given case where trading on the financial markets is depressed, any equity buying or selling transaction can lead to significant market fluctuations.
- Counterparty risk: this is the risk of default by a market operator, including a total return swap counterparty, that prevents it from honouring its obligations to the Fund.
- The use of complex products such as derivatives may lead to an increase in movements in your portfolio.

The occurrence of one of these risks may lead to a decrease in the net asset value of the portfolio.

## Charges

The charges and fees paid are used to cover the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

<b>Entry charge</b>	0.50%
<b>Exit charge</b>	None

The percentage indicated is the maximum that can be deducted from your capital before it is invested (entry) or redeemed (exit).

### Charges taken from the Fund over a year

<b>Operating expenses</b>	0.58 % of average net assets
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### Charges taken from the Fund under certain specific conditions

<b>Performance fee</b>	15% p.a. of the performance above that of the benchmark index
	No fee was deducted for the prior year.

The stated **exit and entry fees** are maximum amounts. In certain cases, the fees paid may be lower - further information may be obtained from your financial advisor.

The **ongoing charges** are based on the figures for the previous financial year ended 31 May 2021. This percentage may vary from year to year. It excludes:

- performance fees,
- brokerage fees, except for the entry and exit charges paid by the UCITS when buying or selling units in another UCI.

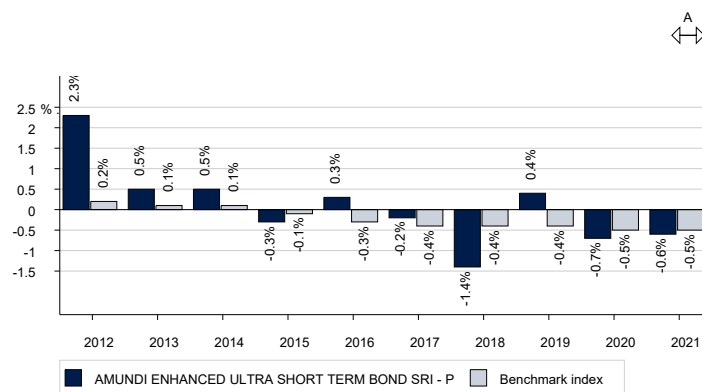
The calculation of the performance fee applies on each calculation date of the net asset value, in accordance with the procedures set out in the prospectus.

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

**The performance fee is payable even if the unit's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

For further information regarding costs, please refer to the "Costs and Fees" section of the Fund's Prospectus available upon request to the Management Company.

## Past performance



A: From 01 June 2021, a new benchmark index is used.

Performance is not constant over time and is no guarantee of future performance.

The year-on-year performances presented in this chart are calculated after deduction of all fees charged by the Fund.

The Fund was launched on 21 January 2010 and its P class on 21 January 2010.

The reference currency is the euro (EUR).

## Practical information

Name of the Depositary: CACEIS Bank.

### Additional information relating to the UCITS:

The latest prospectus and most recent interim statements, as well as all other practical information, are available free of charge from the management company.

Updated details on the management company's remuneration policy are available on its website or free of charge upon written request to it.

In particular, this policy describes the calculation methods applied to the remuneration and benefits of certain categories of employees, the entities responsible for their attribution and the composition of the Remuneration Committee.

The net asset value of the Fund is available on request from the Management Company, on its website [www.amundi.com](http://www.amundi.com)

### Taxation:

Depending upon your personal tax position, capital gains and any income associated with holding securities in the Fund may be subject to taxation. We advise you to seek information about this from the UCITS distributor.

### Responsibility:

Amundi Asset Management may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the UCITS.

This UCITS is not available to residents of the United States of America/"U.S. Persons" (the definition of "U.S. Person" is provided on the Management Company's website, [www.amundi.com](http://www.amundi.com), and/or in the prospectus).

The Fund offers other units or shares for the categories of investors defined in its prospectus.

This Fund is approved in France and regulated by the French Market Regulator (AMF).

The Management Company, Amundi Asset Management, is authorised in France and regulated by the French market regulator, the Autorité des marchés financiers (AMF).

This key investor information is accurate as at June the 1st, 2022.

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## AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI

I Class - ISIN code: (C) FR0010830844

French UCITS managed by Amundi Asset Management, an Amundi company

### Objectives and Investment Policy

Classification by the French Market Regulator (AMF): Bonds and other international debt securities.

By subscribing to AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI - I, you are investing in international interest-rate products.

The Fund's management objective, over an investment period of 12 months, is to outperform its benchmark index (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index), the eurozone money market interest rate, after deducting ongoing charges, whilst incorporating ESG criteria into the Fund's security analysis and selection process.

To achieve this, the management process is threefold: non-financial analysis on environmental, social and governance (ESG) criteria, combined with security selection and portfolio sensitivity management. The non-financial analysis is used to assign an ESG rating for each issuer on a scale ranging from A (highest rating) to G (lowest rating). At least 90% of the securities in the portfolio have an ESG rating. The ESG criteria are considered using several approaches:

- "rating improvement" approach (the portfolio's average ESG score should be higher than the investment universe's ESG score after at least 20% of the lowest-rated stocks have been eliminated);
- normative by exclusion of certain issuers:
  - exclusion of issuers rated F and G at purchase;
  - legal exclusions on controversial weapons;
  - exclusion of companies that seriously and repeatedly contravene one or more of the ten principles of the United Nations Global Compact;
  - sector-based exclusions for Coal and Tobacco.
- best-in-class, which aims 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.

The best-in-class approach does not exclude any business activity, so the Fund may be exposed to some controversial sectors. To limit the potential non-financial risks of these sectors, the Fund applies the above-mentioned exclusions as well as an engagement policy that aims to promote dialogue with issuers and assist them in improving their ESG practices.

Securities are selected based on macroeconomic scenarios, credit analyses and the management team's assessment of the premium on the securities of that issuer to cover the credit and/or liquidity risk. The more diversification a new issuer can bring to the portfolio, the more interest will be shown in its contribution.

Investments are therefore made equally in private or public debt securities issued in euros and in non-euro denominated debt securities. The currency risk is hedged. The Fund is managed within a modified duration sensitivity range (the difference between the change in price and the change of rate) of between -1 and +2, based on the management team's projections for the eurozone interest rates.

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 selecting securities, management does not, either exclusively or 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. For information purposes, management may specifically use securities with the ratings described below.

In terms of ratings, the Fund invests in securities of issuers of "Investment Grade" quality, 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.

The UCI is actively managed. The index is used ex-post as an indicator for comparing performance. The management strategy is discretionary and without constraints in relation to the index.

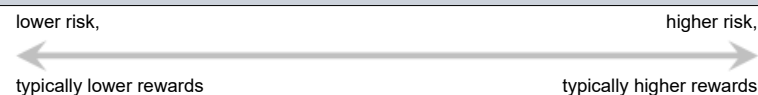
The UCI qualifies as an Article 8 financial product under the SFDR (Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation").

The Fund's net profit as well as its net realised capital gains are automatically reinvested each year.

You may redeem your units each day, as buyback are carried out on a daily basis.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 1 year.

### Risk and reward profile



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This Fund's risk category mainly reflects the market risk of the short-term euro-denominated public and private bonds in which it is invested.

Historical data used to calculate the digital risk indicator may not be a reliable indicator of the future risk profile of the Fund.

The risk category associated with this Fund is not guaranteed and may evolve over time.

The lowest category does not mean "risk free".

The initial capital invested is not guaranteed.

Particular risks for the Fund not included in these indicator are:

- Credit risk: this is the risk of sudden deterioration in the creditworthiness of an issuer or that of its default.
- Liquidity risk: in a given case where trading on the financial markets is depressed, any equity buying or selling transaction can lead to significant market fluctuations.
- Counterparty risk: this is the risk of default by a market operator, including a total return swap counterparty, that prevents it from honouring its obligations to the Fund.
- The use of complex products such as derivatives may lead to an increase in movements in your portfolio.

The occurrence of one of these risks may lead to a decrease in the net asset value of the portfolio.

## Charges

The charges and fees paid are used to cover the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

<b>Entry charge</b>	None
<b>Exit charge</b>	None

The percentage indicated is the maximum that can be deducted from your capital before it is invested (entry) or redeemed (exit).

### Charges taken from the Fund over a year

<b>Operating expenses</b>	0.15% of average net assets
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### Charges taken from the Fund under certain specific conditions

<b>Performance fee</b>	15% p.a. of the performance above that of the benchmark index At the end of the prior year, this fee was 0.09% of the average net assets
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The stated **exit and entry fees** are maximum amounts. In certain cases, the fees paid may be lower - further information may be obtained from your financial advisor. The **ongoing charges** are based on the figures for the previous financial year ended 31 May 2021. This percentage may vary from year to year. It includes:

- performance fees,
- brokerage fees, except for the entry and exit charges paid by the UCITS when buying or selling units in another UCI.

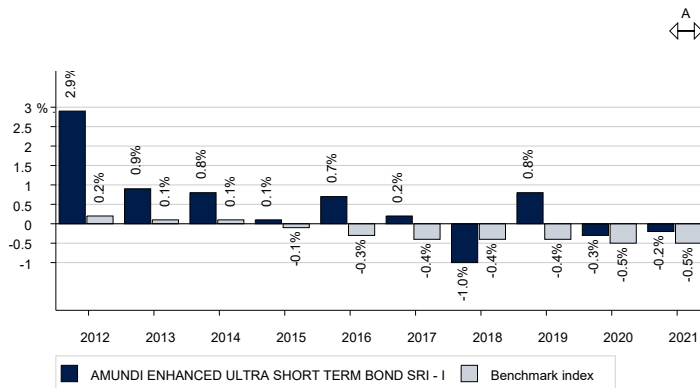
The calculation of the performance fee applies on each calculation date of the net asset value, in accordance with the procedures set out in the prospectus.

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

**The performance fee is payable even if the unit's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

For further information regarding costs, please refer to the "Costs and Fees" section of the Fund's Prospectus available upon request to the Management Company.

## Past performance



A: From 01 June 2021, a new benchmark index is used.

Performance is not constant over time and is no guarantee of future performance.

The year-on-year performances presented in this chart are calculated after deduction of all fees charged by the Fund.

The Fund was launched on 21 January 2010 and its I class on 21 January 2010.

The reference currency is the euro (EUR).

## Practical information

Name of the Depository: CACEIS Bank.

### Additional information relating to the UCITS:

The latest prospectus and most recent interim statements, as well as all other practical information, are available free of charge from the management company.

Updated details on the management company's remuneration policy are available on its website or free of charge upon written request to it.

In particular, this policy describes the calculation methods applied to the remuneration and benefits of certain categories of employees, the entities responsible for their attribution and the composition of the Remuneration Committee.

The net asset value of the Fund is available on request from the Management Company, on its website [www.amundi.com](http://www.amundi.com)

### Taxation:

Depending upon your personal tax position, capital gains and any income associated with holding securities in the Fund may be subject to taxation. We advise you to seek information about this from the UCITS distributor.

### Responsibility:

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The Fund offers other units or shares for the categories of investors defined in its prospectus.

This Fund is approved in France and regulated by the French Market Regulator (AMF).

The Management Company, Amundi Asset Management, is authorised in France and regulated by the French market regulator, the Autorité des marchés financiers (AMF).

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## AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI

E Class - ISIN code: (C) FR0010830885

French UCITS managed by Amundi Asset Management, an Amundi company

### Objectives and Investment Policy

Classification by the French Market Regulator (AMF): Bonds and other international debt securities.

By subscribing to AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI - E, you are investing in international interest-rate products.

The Fund's management objective, over an investment period of 12 months, is to outperform its benchmark index (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index), the eurozone money market interest rate, after deducting ongoing charges, whilst incorporating ESG criteria into the Fund's security analysis and selection process.

To achieve this, the management process is threefold: non-financial analysis on environmental, social and governance (ESG) criteria, combined with security selection and portfolio sensitivity management.

The non-financial analysis is used to assign an ESG rating for each issuer on a scale ranging from A (highest rating) to G (lowest rating). At least 90% of the securities in the portfolio have an ESG rating. The ESG criteria are considered using several approaches:

- "rating improvement" approach (the portfolio's average ESG score should be higher than the investment universe's ESG score after at least 20% of the lowest-rated stocks have been eliminated);

- normative by exclusion of certain issuers:

- exclusion of issuers rated F and G at purchase;
- legal exclusions on controversial weapons;
- exclusion of companies that seriously and repeatedly contravene one or more of the ten principles of the United Nations Global Compact;
- sector-based exclusions for Coal and Tobacco.

- best-in-class, which aims 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.

The best-in-class approach does not exclude any business activity, so the Fund may be exposed to some controversial sectors. To limit the potential non-financial risks of these sectors, the Fund applies the above-mentioned exclusions as well as an engagement policy that aims to promote dialogue with issuers and assist them in improving their ESG practices.

Securities are selected based on macroeconomic scenarios, credit analyses and the management team's assessment of the premium on the securities of that issuer to cover the credit and/or liquidity risk. The more diversification a new issuer can bring to the portfolio, the more interest will be shown in its contribution.

Investments are therefore made equally in private or public debt securities issued in euros and in non-euro denominated debt securities. The currency risk is hedged. The Fund is managed within a modified duration sensitivity range (the difference between the change in price and the change of rate) of between -1 and +2, based on the management team's projections for the eurozone interest rates.

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 selecting securities, management does not, either exclusively or 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. For information purposes, management may specifically use securities with the ratings described below.

In terms of ratings, the Fund invests in securities of issuers of "Investment Grade" quality, 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.

The UCI is actively managed. The index is used ex-post as an indicator for comparing performance. The management strategy is discretionary and without constraints in relation to the index.

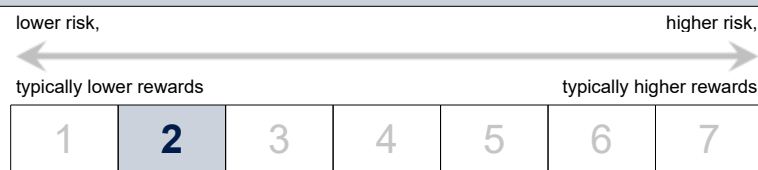
The UCI qualifies as an Article 8 financial product under the SFDR (Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation").

The Fund's net profit as well as its net realised capital gains are automatically reinvested each year.

You may redeem your units each day, as buyback are carried out on a daily basis.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 1 year.

### Risk and reward profile



This Fund's risk category mainly reflects the market risk of the short-term euro-denominated public and private bonds in which it is invested.

Historical data used to calculate the digital risk indicator may not be a reliable indicator of the future risk profile of the Fund.

The risk category associated with this Fund is not guaranteed and may evolve over time.

The lowest category does not mean "risk free".

The initial capital invested is not guaranteed.

Particular risks for the Fund not included in these indicator are:

- Credit risk: this is the risk of sudden deterioration in the creditworthiness of an issuer or that of its default.
- Liquidity risk: in a given case where trading on the financial markets is depressed, any equity buying or selling transaction can lead to significant market fluctuations.
- Counterparty risk: this is the risk of default by a market operator, including a total return swap counterparty, that prevents it from honouring its obligations to the Fund.
- The use of complex products such as derivatives may lead to an increase in movements in your portfolio.

The occurrence of one of these risks may lead to a decrease in the net asset value of the portfolio.

## Charges

The charges and fees paid are used to cover the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

<b>Entry charge</b>	None
<b>Exit charge</b>	None

The percentage indicated is the maximum that can be deducted from your capital before it is invested (entry) or redeemed (exit).

### Charges taken from the Fund over a year

<b>Operating expenses</b>	0.40% of average net assets
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### Charges taken from the Fund under certain specific conditions

<b>Performance fee</b>	15% p.a. of the performance above that of the benchmark index
	This fee amounted to 0.02% of average net assets at the end of the previous financial year

The stated **exit and entry fees** are maximum amounts. In certain cases, the fees paid may be lower - further information may be obtained from your financial advisor.

The **ongoing charges** are based on the figures for the previous financial year ended 31 May 2021. This percentage may vary from year to year. It excludes:

- performance fees,
- brokerage fees, except for the entry and exit charges paid by the UCITS when buying or selling units in another UCI.

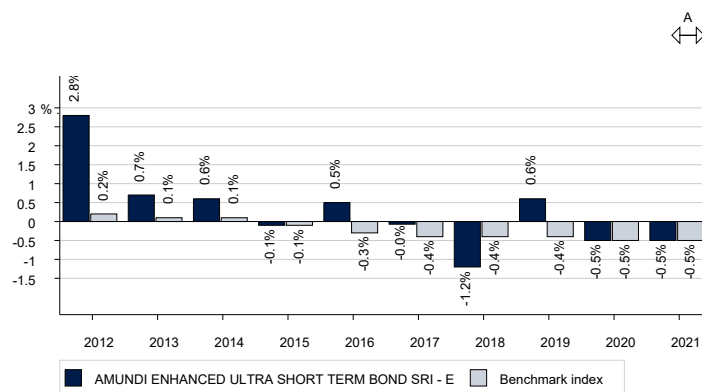
The calculation of the performance fee applies on each calculation date of the net asset value, in accordance with the procedures set out in the prospectus.

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

**The performance fee is payable even if the unit's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

For further information regarding costs, please refer to the "Costs and Fees" section of the Fund's Prospectus available upon request to the Management Company.

## Past performance



A: From 01 June 2021, a new benchmark index is used.

Performance is not constant over time and is no guarantee of future performance.

The year-on-year performances presented in this chart are calculated after deduction of all fees charged by the Fund.

The Fund was launched on 21 January 2010 and its E class on 21 January 2010.

The reference currency is the euro (EUR).

## Practical information

Name of the Depositary: CACEIS Bank.

### Additional information relating to the UCITS:

The latest prospectus and most recent interim statements, as well as all other practical information, are available free of charge from the management company.

Updated details on the management company's remuneration policy are available on its website or free of charge upon written request to it.

In particular, this policy describes the calculation methods applied to the remuneration and benefits of certain categories of employees, the entities responsible for their attribution and the composition of the Remuneration Committee.

The net asset value of the Fund is available on request from the Management Company, on its website [www.amundi.com](http://www.amundi.com)

### Taxation:

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This Fund is approved in France and regulated by the French Market Regulator (AMF).

The Management Company, Amundi Asset Management, is authorised in France and regulated by the French market regulator, the Autorité des marchés financiers (AMF).

This key investor information is accurate as at June the 1st, 2022.

# PROSPECTUS

## I – GENERAL FEATURES

- **Name:** AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI
- **Legal form of the Fund and Member State:** French Mutual Fund (FCP)
- **Date of creation, date of approval and scheduled duration:** UCITS launched on **21 January 2010**, approved on **27 November 2009**, for a term of 99 years
- **Summary of the management offer:**

Name Unit	ISIN Code	Allocation of distributable sums	Accounting currency	Minimum initial subscription	Minimum subsequent subscription	Eligible subscribers
Part B	FR0013340999	<u>Allocation of net profit:</u> Distribution  <u>Allocation of net capital gains realised:</u> Accumulation and/or distribution at the discretion of the Fund Manager	Euro	1 Unit(s)	one thousandth of a unit	More specifically major institutional investors
CDN units	FR0012330074	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 Unit(s)	1 Unit(s)	All subscribers, and more specifically legal entities
E units	FR0010830885	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2 Unit(s)	one thousandth of a unit	More specifically companies
I units	FR0010830844	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2 Unit(s)	1 ten-thousandth of a unit	More specifically institutional investors
I3-EUR units	FR0013456076	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	100 Unit(s)	one thousandth of a unit	More specifically, intended for institutional investors
O units	FR0014002KK8	<u>Allocation of net profit:</u> Accumulation and/or	Euro	one thousandth of a unit	one thousandth of a unit	Strictly reserved for feeder funds managed by Amundi Group entities

		distribution at the discretion of the Fund Manager <u>Allocation of net capital gains realised:</u> Accumulation and/or distribution at the discretion of the Fund Manager				
P units	FR0010829697	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	More specifically individuals
PM unit	FR0013463155	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Strictly reserved for the management under mandate of Crédit Agricole Group entities
R units	FR0013289360	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Strictly reserved for investors subscribing directly or via intermediaries providing portfolio or mandate management services and/or financial investment consultancy services not authorising them to retain retrocessions, either contractually or pursuant to the MiFID II regulation or national legislation
R1 unit	FR0013385051	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	EUR 25,000,000	one thousandth of a unit	Reserved for Commerzbank Germany Group entities
R2 units	FR0013508934	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2.500 unit(s)	one thousandth of a unit	The unit is strictly reserved for the subscriber authorised by the Management Company
S unit	FR0013224342	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for direct and indirect investments associated with employee savings UCIs classified by the AMF as "bonds and other debt instruments denominated in euros" and for UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by the IORP Directive (2003/41/EC) managed by Crédit Agricole group companies

• **Address from which the latest annual or periodic report and financial statements may be obtained:**

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

Amundi Asset Management  
Customer Services  
91-93, Boulevard Pasteur - 75015 Paris, France

Further information may also be obtained from 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

### ► Depositary 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 depositary's main task is taking custody of the UCITS' assets, checking that the decisions of the management company are lawful and monitoring the UCITS' cash flows.

The depositary and the management company belong to the same group therefore, in accordance with the applicable regulations, they have implemented a policy to identify and prevent conflicts of interest. If a conflict of interest cannot be avoided, the management company and the depositary shall take all necessary measures to manage, monitor and report this conflict of interest.

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

### ► Institution responsible for clearing subscription and redemption orders by delegation of 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 depositary is also responsible, by delegation of the management company, for the UCITS' liability accounting, which covers the clearing of subscription and redemption orders for units and managing the unit issue account.

► **Independent Auditor:**

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

► **Promoters:**

The branch office network of the regional banks of Crédit Agricole and branches of LCL (Le Crédit Lyonnais) in France, Amundi Asset Management, CACEIS Bank France.

The list of promoters is not exhaustive due mainly to the fact that the UCITS 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: 1-3, Place Valhubert - 75013 Paris  
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 Fund Accountant for the valuation and accounting of the UCITS.

## III - OPERATING AND MANAGEMENT ARRANGEMENTS

### 1. General features

► **Characteristics of the units:**

• **Nature of the right attached to the category of units:**

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

• **Registration or other arrangements for maintaining unitholder records:**

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:**

For R2 units,

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

For O units,

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

For CDN units,

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

For B units,

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

For S units,

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

For R units,

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

For I units,

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

For E units,

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

For P units,

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

For R1 units,

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

For PM units,

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

For I3-EUR units,

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 of May
- ▶ **First financial year end:** last trading day of May 2011
- ▶ **Currency of accounting unit:** EUR
- ▶ **Tax regime:**

The UCITS, by its nature, is not subject to taxation. However, unit-holders may be taxed on any income distributed by the UCITS or when they sell Fund units. The tax regime applicable to amounts distributed by the UCITS or unrealised or realised capital gains or losses will depend on the individual unit-holder's tax situation, residence for tax purposes and/or the investment jurisdiction of the UCITS. We recommend that any investor who has concerns about his/her tax situation should consult a tax advisor. Some income distributed by the UCITS to unit-holders residing outside France may, where applicable, be subject to a withholding tax in France.

## U.S. 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 FFIs) 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 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 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>(2)</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 depository 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

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.

2 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.

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>(1)</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 or tax-related advice and 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, 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

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<sup>1</sup> 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.

the identification of their tax residence and their tax identification number.

## 2. Special terms and conditions

► **ISIN code:**

R2 units	O units	CDN-C units	B-D unit	S - C units	R-C units	I units	E units	P units	R1-C unit	PM unit	I3-EUR units
FR0013508934	FR0014002KK8	FR0012330074	FR0013340999	FR0013224342	FR0013289360	FR0010830844	FR0010830885	FR0010829697	FR0013385051	FR0013463155	FR0013456076

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

► **Investment objective:**

The Fund's management objective, over an investment period of 12 months, is to outperform its benchmark index (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index), after deducting ongoing charges, whilst incorporating ESG criteria into the Fund's security analysis and selection process.

► **Benchmark index:**

The benchmark composite index is: 80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index

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.

The ICE BofA 1-3 Year Euro Corporate Index is a subset of the ICE BofA Euro Corporate Index and includes all securities with a residual term to final maturity of less than 3 years.

Furthermore, dividends and reimbursements that occur during the month are kept in the index. At the end of the month, they are removed as part of the monthly rebalancing of the index.

The reference currency of the index is the euro.

**Benchmark index applicable to the Fund's investment objective:**

€STR

The administrator of the benchmark index is the ECB (European Central Bank). As a central bank, this administrator benefits from an exemption under Article 2.2 of the benchmark regulation and, as such, does not need to be registered in the ESMA register.

Further information on the benchmark index is available on the website of the benchmark administrator: [https://www.ecb.europa.eu/stats/financial\\_markets\\_and\\_interest\\_rates/euro\\_short-term\\_rate/html/index.fr.html](https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.fr.html)

ICE BofA 1-3 Year Euro Corporate Index

The administrator of the benchmark index, ICE BofA ML, is registered in the register of administrators and benchmark indices

held by ESMA.

Further information on the benchmark index is available on the website of the benchmark administrator: [www.mlindex.ml.com](http://www.mlindex.ml.com)

The benchmark index neither evaluates nor includes its components according to these environmental and/or social characteristics and is therefore not in like with the ESG characteristics promoted in the portfolio.

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 08 June 2016, the Management Company has 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 UCITS:**

Spread of sensitivity to interest rates	[-1 ; +2 ]
Geographic area of the securities issuers	All areas: 0 to 100%
Currency of the securities	All areas: 0 to 100%
Level of exposure to currency exchange risk	0 to 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 inventory.

**1. Strategies used**

The UCI promotes environmental, social and governance (ESG) criteria as covered under Article 8 of “Sustainability Disclosures” Regulation

The UCI carries a sustainability risk, as defined in the risk profile.

In accordance with its investment objective and policy, the UCI promotes environmental characteristics within the meaning of Article 6 of the Taxonomy Regulation. It may partially invest in economic activities which contribute to one or more environmental objectives laid down in Article 9 of the Taxonomy Regulation. However, the Fund does not currently make any commitment with regard to a minimum proportion.

The fund consists of debt securities (bonds, treasury bills, etc.) and money market instruments.

To select stocks eligible for the Fund, the management team relies on a credit analysis combined with a non-financial analysis based on ESG (Environment, Social, and Governance) criteria. The non-financial analysis process is used to assign an ESG rating ranging from A (best rating) to G (lowest rating).

**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. The internal process leads to a preliminary outline of the investment universe focusing on two main areas:
  - A system, notably defining the list of authorised instruments and limits by issuer or instrument type;
  - An eligible investment universe, notably comprising the issuers selected by the Management Company on the bond market. This assessment is based on a specific appraisal performed by a credit analysis team working independently from the management, following an internal credit quality assessment procedure.
- 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.
- the third stage is the construction of the portfolio:  
 In order to reach the management objective and outperform the benchmark indicator, the management process is based on the following two sources of value added:

a) portfolio sensitivity management: active management of the portfolio's global bond risk within a sensitivity range of -1 to +2 according to the bullish or bearish projections of the management team about short-term rate developments within the Eurozone.

Euro fixed income and credit Managers establish together 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.

The determination of the Fund's sensitivity is adjusted according to the portfolio's comprehensive exposure to credit risk, to take into account the negative correlation which is often noted between rate and spread movements. The sensitivity may therefore be increased to hedge - at least in part - the risk of bond deterioration if their weighting within the Fund is significant.

b) selection of credit securities: selection of securities (bonds, negotiable debt securities) from public and private issuers.

An issuer is selected based on the observation of various parameters:

- studies carried out by various research entities (macro-economic, specific credit etc.) of the Crédit Agricole Group or other market financial institutions.
- the management team's assessment of the premium on the securities of this issuer to cover the credit and/or liquidity risk.
- the more diversification a new issuer can bring to the portfolio, the more interest will be shown in its contribution.

This choice is based on two convictions:

- on average, credit spreads yield more than just issuer risk, provided that the credit research is efficient and allows 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 (external or, failing this, internal).

Moreover, the two sources of value added, credit and sensitivity, offer low correlation, especially during a financial crisis, which ensures a more resistant performance.

c) Search for opportunities: management regularly searches for investment opportunities among bonds (and, secondarily, money-market instruments) 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.

## **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.

Among the generic criteria, the following are analysed in particular:

- energy consumption and greenhouse gas emissions, the protection of biodiversity and water, for the environmental aspect;
- human capital development, management of work and restructuring, health and safety, social dialogue, relations with clients and suppliers, local communities and respect for human rights, for the social aspect;
- independence of the Board, quality of audits and controls, remuneration policy, shareholders' rights, global ethics and ESG strategy, for the governance aspect.

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 Global Compact\*, without credible corrective action;
- Amundi's sector-based exclusions on Coal and Tobacco; (details of this policy are available in Amundi's Responsible Investment Policy available on [www.amundi.fr](http://www.amundi.fr)).

\* 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.

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

- exclusion of issuers rated F and G at the time of purchase; if an issuer's rating is downgraded to F 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;
- a so-called "rating upgrade" approach: the weighted average ESG rating of the portfolio must be higher than the weighted average ESG rating of the investment universe of the Fund after elimination of the worst 20% of issuers;
- at least 90% of the securities in the portfolio are ESG rated.

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 exclusions mentioned above and in particular 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.co.uk](http://www.amundi.co.uk)) as well as the Group's engagement policy.

4. Lastly, an active engagement policy promotes dialogue with issuers and supports 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.

#### **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)**

- Bond and money market instruments:

Investments are made indiscriminately up to 110% of the net assets in private or public debt securities issued in euros.

Nevertheless, at least 50% of net assets are invested indiscriminately in private or public debt securities issued in euros. Positions in currencies other than the euro are hedged against currency risks.

Portfolio securities will be selected according to the best judgement of the management and in compliance with the internal credit risk monitoring policy of the Management Company.

For the purpose of selecting securities, management does not, either exclusively or 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, management may specifically use securities with the ratings described below:

- issuers of "Investment Grade" quality, 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.
- a maximum of 10% of net assets in debt instruments that may be unrated or rated BB+ to B- by Standard & Poor's and Fitch or Ba1 to B3 by Moody's. 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, with the latter not exceeding a maximum of 5% of the net assets. Securities rated below BBB-/Baa3 may have speculative characteristics.

- The Fund may invest in the following instruments:
- Bonds:
  - Fixed-rate bonds
  - Floating-rate bonds
  - Indexed bonds [inflation, CMR (constant maturity rate)]
  - Senior non-preferred bonds
  - Dated subordinated securities
- Money-market instruments:
  - Short-term negotiable securities
  - Medium-term negotiable securities
  - Fixed-rate treasury notes (BTF)
  - French government treasury notes (BTAN)
  - Euro Commercial Papers

### **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:

- Funds that may invest up to 10% of their assets in Funds 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 risk profile of these UCIs is compatible with that of the UCITS.

(1) up to 100% of net assets in total (regulatory maximum)

(2) up to 30% of net assets in total (regulatory maximum)

### **3. Derivatives used**

The use of both hedges and options is an integral part of the investment process due to the advantages they offer in terms of liquidity and/or cost/efficiency ratios. These instruments have underlying assets that are part of the asset classes used.

Forward agreements are used in purchases and sales as inexpensive, liquid substitutes for real securities on the one hand to adjust global portfolio exposure to the bond markets and, on the other, to manage portfolio allocation along the interest-rate curve.

#### **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 approved by Amundi AM at ad-hoc meetings of "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 include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

The manager may invest in the following derivatives:

- Type of markets:

- regulated
- organised
- over-the-counter

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

- equity
- interest rate
- 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:

- futures: interest rate
- options: futures, interest rate, currencies
- swaps: interest rate, currency, index
- 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 or exposure
- currency risk hedging or exposure
- credit risk hedging or arbitrage
- arbitrage or entering into a volatility position
- constructing a synthetic exposure to particular assets or the above-mentioned risks.

The Fund may enter into credit derivatives – on credit default swaps (CDS) and European CDS indices (iTraxx) – either to hedge against credit or issuer default risk, or as part of arbitrage strategies, in order to anticipate upward or downward changes in these instruments or to exploit disparities between the credit risk market and that of the security for a single issuer or between two issuers. Purchasing protection reduces the

risk of the portfolio while selling protection, which synthetically replicates the holding of a physical security, generates risk equivalent to the existing risk in the case of directly holding the security.

Consequently, like the default of an issuer in the portfolio, the default of an underlying issuer to a credit derivative will have an impact on the net asset value. The CDSs involve issuers whose rating is in compliance with those described under "Bond and money market instruments" above.

Currency options are used to adjust the allocation of currencies in the portfolio (exchange risk management) by exposing the portfolio to a currency or by hedging the portfolio exposure.

Interest rate swaps are used to hedge or expose the portfolio in view of interest rate trends.

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

Interest rate futures may be used for arbitrating sensitivity between various maturities of the interest rate curve.

The Fund's overall risk from derivatives must not exceed 100% of net assets.

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

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

- equity
- interest rate
- 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:

- Euro Medium Term Notes (EMTNs)
- Negotiable Medium Term Notes (BMTN)
- Credit-Linked Notes (CLNs)
- Loan Participation Notes (LPNs)
- Convertible bonds (in an ancillary manner and solely to the extent that their sensitivity to equity risk is insignificant)
- Puttable bonds
- Callable bonds

- 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
- increase of market exposure and details on the leverage effect
- adjustment of exposure to the credit market.

By aggregating the CDS, CLN, LPN and real securities positions, “Speculative Grade” securities (i.e. securities that are rated BB+ to B- by Standard & Poor’s and Fitch or Ba1 to B3 by Moody’s) will not exceed 5% of net assets.

The overall risk linked to securities with embedded derivatives must not exceed 100% of net assets.

The Fund’s overall risk arising from derivatives and securities with embedded derivatives must not exceed 100% of net assets.

## **5. Deposits**

The UCITS can lodge deposits for a maximum 12-month period. The deposits are used for cash management purposes and help the UCITS reach its management objectives.

## **6. Cash borrowings**

The UCITS 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. Transactions involving temporary acquisition/disposal of securities**

- Types of transactions used:

- repo and reverse repo 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 all the authorised assets, excluding UCIs, as described in point 2. “Assets used (except embedded derivatives)”. These assets are held with the Depositary.

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

- cash management: through securities repurchase agreements
- optimisation of the Fund’s income
- possible contribution to the leverage effect of the UCITS

The fund’s overall risk arising from temporary purchases or sales of securities is limited to 100% of net assets.

The overall risk linked to derivatives and securities with embedded derivatives and to temporary purchases and sales of securities is limited to 100% of net assets.

The sum of the portfolio’s exposure to all the risks resulting from the overall risk and positions in real securities does not exceed 200% 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 over-the-counter (OTC) derivatives including total return swaps (TRS)):**

Type of collateral:

In the context of temporary acquisitions and sales of securities and OTC derivative transactions, the Fund 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 UCITS,
- 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 the OECD whose minimum rating may be AAA to BBB- on the Standard & Poor's scale or a 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:

- **Capital risk:** investors are warned that the capital they have invested is not guaranteed and may not be regained.
- **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 strongly, the NAV may fall significantly.
- **Credit risk:** the risk of a fall in value of the securities issued by a private or public issuer or of the default of

the latter. Depending on the direction of the UCITS' transactions, a fall (in the case of a purchase) or a rise (in the case of a sale) in the value of the debt securities to which the Fund is exposed can lead to a fall in the UCITS' net asset value.

The principal specific management-related risks are:

- **Discretionary risk:** the discretionary management style used for the Fund is based on the selection of securities. There is a risk that the UCITS might not be invested in the best-performing markets at all times. The Fund may underperform the investment objective. Furthermore, the net asset value of the Fund may decline.
- **Risks of overexposure:** The UCITS may use forward financial instruments (derivatives) in order to generate overexposure and to increase the exposure of the UCITS in excess of net assets. depending on the type of transaction the UCITS enters into, a downward effect (in case of a purchase of exposure) or a rise in the underlying of the derivative (in case of a sale of exposure) may increase the risk of a decline in the UCITS's net asset value compared to the risk related to investments in portfolio securities (excluding derivatives).

Other risks are:

- **Risk associated with the use of speculative (high-yield) securities:** this UCITS must be considered as in part speculative and, more particularly, intended for investors who are aware of the risks inherent in investments in securities with a low or non-existent rating. Accordingly, the use of "high-yield" securities may result in a greater risk of decline in the net asset value.
  - **Liquidity risk:** the UCITS is exposed to liquidity risk because the markets in which the Fund trades may occasionally be affected by a temporary lack of liquidity. These market disturbances may impact the price terms at which the Fund may have to liquidate, initiate or modify positions.
  - **Currency risk (residual):** this is the risk that investment currencies lose value against the reference currency of the portfolio, the euro. In the event of a drop in the value of a currency against the euro, the net asset value may also fall.
  - **Counterparty risk:** The UCITS uses temporary purchases and sales of securities and/or OTC derivative contracts, including total return swaps. these transactions, entered into with a counterparty, expose the UCITS to a risk of the counterparty defaulting and/or not executing the swap, which may have a significant impact on the UCITS' 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 UCITS may be exposed to trading difficulties or a temporary inability to trade certain securities in which the UCITS invests or in those received as collateral, in the event of a counterparty defaulting on temporary purchases and sales of securities and/or total return swaps.
  - **Legal risk:** the use of temporary purchases and sales of securities and/or total return swaps may create a legal risk, particularly relating to the swaps.
  - **Sustainability risk:** the risk relating to an event or situation in the environmental, social or governance domain that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment
- **Eligible subscribers and standard investor profile:**
- P units: all subscribers, more specifically natural persons

- E units: all subscribers, more specifically companies
- I units: all subscribers, more specifically institutional investors
- CDN units: more specifically intended for legal entities
- B units: more specifically intended for major institutional investors
- S units: reserved for direct and indirect investments associated with employee savings UCIs classified by the AMF as “bonds and other debt securities denominated in euros”, and UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by the IORP Directive (2003/41/EC) managed or promoted by Crédit Agricole group companies
- R units are strictly reserved for investors subscribing either directly or via intermediaries providing portfolio management services under mandate and/or financial investment consultancy services not authorising them to retain retrocessions, either contractually or pursuant to the MiFID II regulation or national legislation
- I3 units: more specifically intended for institutional investors
- PM units: strictly reserved for the management under mandate of Crédit Agricole Group entities
- R1 units: Reserved for Commerzbank Germany Group entities
- R2 units: strictly reserved for the subscriber(s) authorised by the Management Company
- O units: strictly reserved for feeder funds managed by Amundi Group entities

The Fund is particularly intended for subscribers seeking to boost the performance of the stable portion (12-month horizon) of their cash.

The recommended minimum investment period is 1 year. The amount that might be reasonably invested in this UCITS depends on each investor's personal situation. 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 highly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this Fund.

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

The net asset value is established on each Euronext Paris trading day, with the exception of official French public holidays.

► **Subscription and redemption conditions:**

Subscription and redemption requests are centralised each NAV calculation day at 12:25, except for those originating from feeder UCIs for which the cut-off time for centralisation is set at 16:00.

These requests are executed on the basis of the net asset value established on the next business day and calculated on the following business day thereafter.

<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.

Orders will be executed in accordance with the table below:

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

<sup>1</sup>Unless any specific timescale has been agreed with your financial institution.

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 U.S. Person must immediately notify the Fund’s management company of the change.

- ▶ **Establishments authorised and appointed by the management company to receive subscriptions and redemptions:** CACEIS Bank, the branch office network of the regional banks of Crédit Agricole and branches of LCL (Le Crédit Lyonnais) in France

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

*As a result, these distributors may apply their own cut-off time, which may precede the cut-off time mentioned above, so as to allow them to meet their order transmission deadline with CACEIS Bank France.*

- ▶ **Place and methods of publication or communication of the net asset value:**

The net asset value of the Fund is available on request from the Fund Manager and on the website: [www.amundi.com](http://www.amundi.com)

- ▶ **Features of the units:**

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

R2 units: 2,500 unit(s)

O units: 1 thousandth of a unit

CDN-C units : 1 Unit(s)

B units: 1 unit(s)

S units: 1 thousandth of a unit

R units: 1 thousandth of a unit

I units: 2 unit(s)

E units: 2 Unit(s)

P units: one thousandth of a unit

R1 units: EUR 25,000,000

PM units: 1 thousandth of a unit

I3-EUR units : 100 unit(s)

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

R2-C units: 1 thousandth of a unit

O-C/D unit : one thousandth of a unit

CDN -Cunits: 1 unit(s)

B-D unit: 1 thousandth of a unit

Unit S: 1 thousandth of a unit

Unit R: 1 thousandth of a unit

I units: 1 ten-thousandth of a unit

E units: 1 thousandth of a unit

P units: 1 thousandth of a unit

Unit R1: 1 thousandth of a unit

PM-C units: 1 thousandth of a unit

I3-EUR-C units: 1 thousandth of a unit

- **Decimalisation:**

R2-C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

O-C/D units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

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

B-D units: 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 units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R units: 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 units:

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

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

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

- **Initial Net Asset Value:**

R2-C units: 100,000.00 euros  
O-C/D units: EUR 1,000.00  
CDN-C units: 200,000.00 euros  
B-D units: EUR 10,000.00  
S units: EUR 1,000.00  
R units: EUR 100.00  
I units: EUR 100,000.00  
E units: 10,000.00 euros  
P units: 100.00 euros  
R1 units: EUR 100.00  
PM-C units: EUR 100.00  
I3-EUR-C units: EUR 100,000.00

- **Currency of the units:**

R2-C units: EUR  
O-C/D units: Euro  
CDN-C units : Euro (EUR)  
B-D units: Euro  
S - C units: Euro  
R-C unit: Euro  
I units: Euro  
E units: Euro  
P units: Euro  
R1-C unit: Euro  
PM-C units: EUR  
I3-EUR -C units: Euro

- **Allocation of net profit:**

B-D unit: Distribution  
CDN-C units : Accumulation  
E units: Accumulation  
I units: Accumulation  
I3-EUR -C units: Accumulation  
O-C/D units: Accumulation and/or distribution at the discretion of the Management Company  
P units: Accumulation  
PM-C units: Accumulation  
R-C units Accumulation  
R1-C units: Accumulation  
R2-C units: Accumulation  
S - C units: Accumulation

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

R2-C units: Accumulation

O-C/D units: Accumulation and/or distribution at the discretion of the Management Company

CDN-C units : Accumulation

B-D units: Accumulation and/or distribution at the discretion of the Management Company

S - C units: Accumulation

R-C units: Accumulation

USD I units: Accumulation

E units: Accumulation

P units: Accumulation

R1-C unit: Accumulation

PM-C units: Accumulation

I3-EUR -C units: Accumulation

► **Costs and fees:**

- **Subscription and redemption fees:**

*Subscription and redemption fees increase the subscription price paid by the investor, or reduce the redemption price. Fees are retained by the Fund to offset the costs incurred by the Fund in investing or liquidating the amounts involved. Fees not accruing to the Fund are due to the Management Company, the Promoter, etc.*

Fees paid by the investor, charged at subscription and redemption	Basis	Interest rate
Subscription fees not accruing to the Fund	NAV x Number of units	R2-C units: None
		O-C/D unit: maximum 5.00%
		CDN-C units: None
		B-D units: maximum 10.00%
		S-C units: maximum 10.00%
		R-C units: None
		I units: None
		E units: None
		P units: maximum 0.50%
		R1-C units: None
		PM-C units: maximum 10.00%
		I3-EUR-C units: None
Subscription fees accruing to the Fund	NAV x Number of units	None
Redemption fees not accruing to the Fund	NAV x Number of units	R2-C units: None
		O-C/D unit: None
		CDN-C units: None
		B-D units: None
		S-C units: None
		R-C units: None
		I units: None
		E units: None
		P units: None
		R1-C units: None
		PM-C units: None
		I3-EUR-C units: None
Redemption fees accruing to the Fund	NAV x Number of units	None

**- Administrative and management fees:**

*These fees cover all expenses billed directly to the UCITS, except for transaction costs. Transaction costs include intermediary costs (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged particularly by the Depositary and the Management Company.*

*The following fees may be charged on top of management and administration fees:*

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

	Fees charged to the Fund	Basis	Rate structure
P1 — P2	Financial management fees  Administrative fees external to the management company	Net assets	B-D unit: 0.40 % maximum incl. taxes CDN-C units : 0.40 % maximum incl. taxes E units: 0.60 % maximum incl. taxes I units: 0.40 % maximum incl. taxes I3-EUR-C units: 0.50 % maximum incl. taxes O-C/D units: maximum 0.10% inclusive of tax EUR P units: 0.70 % maximum incl. taxes PM-C units: 0.70 % maximum incl. taxes R-C units: 0.40 % maximum incl. taxes R1-C units: 0.40 % maximum incl. taxes R2-C units: 0.50 % maximum incl. taxes S - C units: maximum 0.10 % incl. tax
P3	Maximum indirect fees (fees and management fees)	Net assets	None
P4	Turnover commissions Received by the Depository ***** Charged by the Fund Manager on foreign exchange transactions and by Amundi Intermediation on any other instrument.	Levied on each transaction or operation	Flat fee of between EUR 0 and 113 inclusive of tax depending on the market. ***** Flat fee of €1 per contract (futures/options) + proportional fee of between 0% and 0.10% depending on financial instrument (securities, currencies, etc.)
P5	Performance fees	Net assets	B-D unit: 15.00% p.a. of any gain above that of the reference asset CDN-C units: 15.00% p.a. of any gain above that of the reference asset E units: 15.00% p.a. of any gain above that of the reference asset I units: 15.00% p.a. of any gain above that of the reference asset I3-EUR units : None O-C/D units: None P units: 15.00% p.a. of any gain above that of the reference asset PM-C units: 15.00% p.a. of any gain above that of the reference asset R-C units: 15.00% p.a. of any gain above that of the reference asset R1-C units: 15.00% p.a. of any gain above that of the reference asset R2-C units: None S-C units: 15.00% p.a. of the performance above that of the reference assets

The following costs may be added to the fees invoiced to the UCITS as listed above:

- Exceptional legal costs associated with the recovery of the UCITS' debts;
- Costs related to fees due to the AMF from the Management Company in connection with its management of the UCITS.

Administrative and management fees are charged directly to the Fund's Income Statement.

#### **- 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 (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index) is applied.

As such, from 01 June 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 May. All observation periods that begin on or after 01 June 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.
- In this case, any underperformance in excess of five years will no longer be considered during the new observation period; conversely, any underperformance generated over the last five years will continue to be considered.

The performance fee shall represent 15% 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.

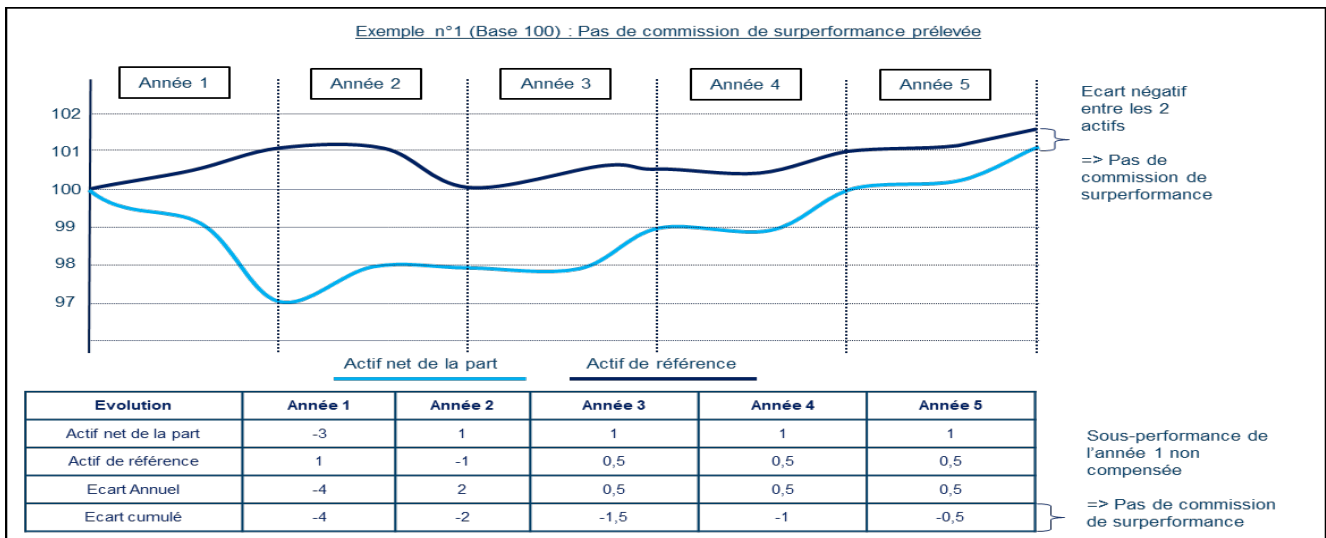
If, during the observation period, the net assets of the unit (before deduction of the performance fee) are lower than the Reference Assets, the performance fee will be nil and will be subject to a provision reversal when the Net Asset Value is calculated. Provision reversals are capped at the level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

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

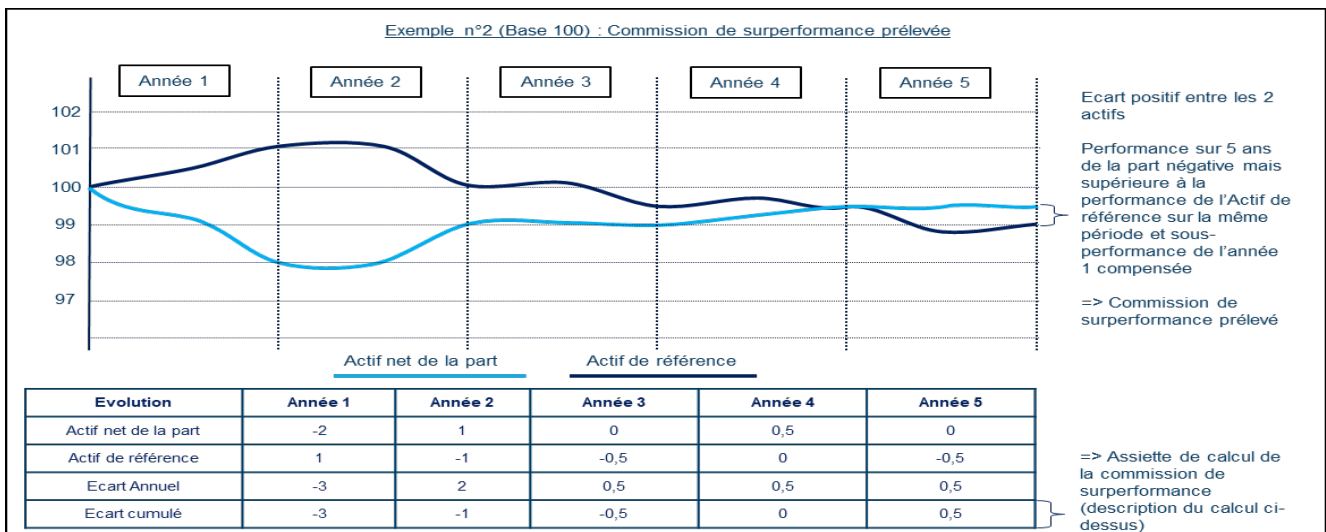
**The Management Company will receive the performance fee even if the unit's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

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

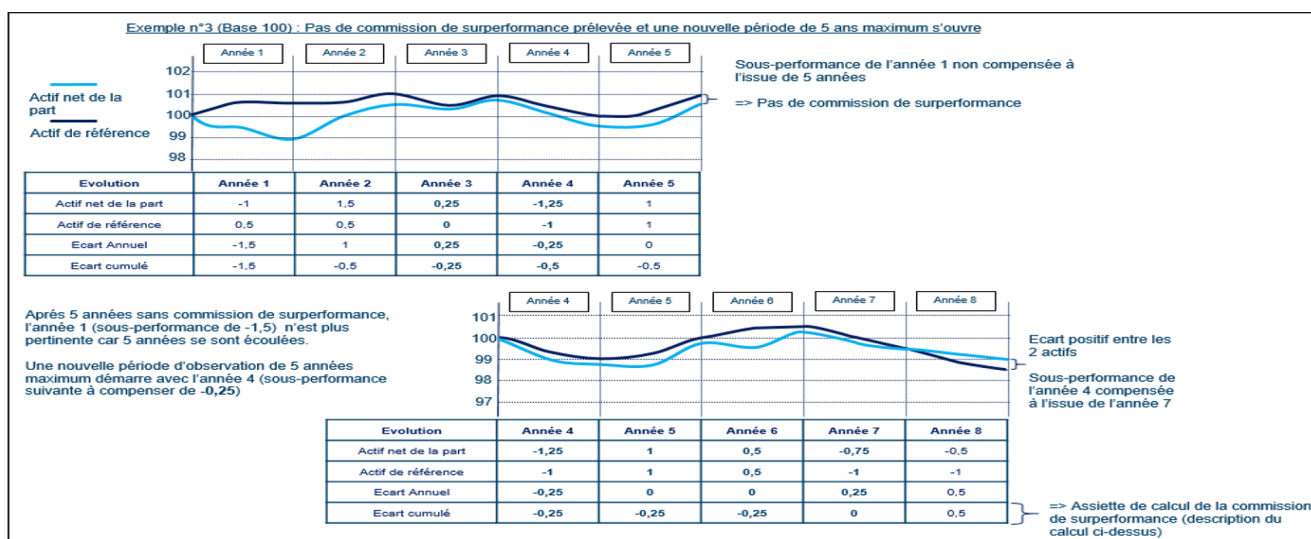
In the case of unrecovered underperformance:



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 AM, 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;
- qualitative and quantitative monitoring of the collateralisation (management of diversification, ratings, liquid assets, etc.), of 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's billing may not exceed 50% of the revenues 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, in particular when entering into temporary purchases and sales of securities and certain derivatives.

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 approved by Amundi AM at ad-hoc meetings of its "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 include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

In order to justify inclusion in the Amundi Intermédiation shortlist, counterparties are assessed by several teams, which give opinions on various criteria:

- counterparty risk: the Amundi Credit Risk team, under the governance of the Amundi Group Credit Risk Committee, is in charge of assessing each counterparty on the basis of precise criteria (shareholding, financial profile, governance, etc.);
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- 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. Financial institutions of an OECD country with a minimum rating ranging from AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are primarily selected when setting up the transaction.

#### Broker selection policy

At meetings of the Broker Committees, the Management Company also draws up a list of approved brokers, based on recommendations by 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.

In order to justify inclusion in the Amundi Intermédiation shortlist, brokers are assessed by several teams, which give opinions on the basis of various criteria:

- a universe that is restricted to brokers which enable transactions to be paid for/delivered on a delivery versus payment basis or cleared listed derivatives;
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- quality of post-execution processing.

## IV – COMMERCIAL INFORMATION

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

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

Amundi Asset Management

Customer Services

91-93, Boulevard Pasteur - 75015 Paris, France

The Fund's NAV is available on request from the Fund Manager and on the website: [www.amundi.com](http://www.amundi.com)

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

### **Disclosure of the UCITS' portfolio composition:**

The management company may disclose, directly or indirectly, the composition of the UCITS' portfolio to unitholders of the UCITS who qualify as professional investors governed by the ACPR, the AMF or the equivalent European authorities, solely for the purpose 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.

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.

**Respect by the Fund of criteria relating to social, environmental and governance quality objectives (SEG):**

The Management Company provides investors with information on how the UCITS's investment policy takes account of the criteria for compliance with ESG objectives. This information can be found on the Management Company's website ([www.amundi.com](http://www.amundi.com)) and in the UCITS's annual report (for periods beginning on or after 1 January 2012).

**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.

Notwithstanding the above, the "do no significant harm" principle only applies to those investments underlying the sub-fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this sub-fund do not take into account the EU criteria for environmentally sustainable economic activities.

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

In particular, the Fund may invest up to 35% of its assets in eligible financial securities and money-market instruments issued or guaranteed by any government or authorised public or semi-public institution.

## **VI – GLOBAL RISK**

**Global risk ratio calculation method:**

The Commitment Approach

## **VII - ASSET VALUATION AND ACCOUNTING RULES**

**Principle**

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

- continuity of trading,
- consistency of accounting methods from one year to the next,
- independent 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 in accordance with the following valuation rules:

- 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 market prices used to calculate the net asset value and the historic cost of the securities in the portfolio are recognised in an account entitled “Estimation differences”.

However:

- Securities for which a price has not been recorded on 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 Independent 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 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 1 year: Interbank rate in euros (Euribor)
  - 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 maturity of over 1 year: Rates for French treasury bills (BTAN and OAT) with similar maturity dates for the longest durations.

Negotiable debt instruments 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 likely 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 the responsibility of the Management Company.
- Monetary investments, deposits and financial instruments held in the portfolio and denominated in foreign currencies are translated into the accounting currency of the UCITS at the exchange rate on the valuation date.

- 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 agreement 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 market value of the loaned securities.

- 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 or 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 issuer risk.

#### **Recognition method**

Securities entering and leaving the portfolio are recognised excluding costs.

Revenues are recognised when received.

Revenues consist of:

- income from securities,
- dividends and interest received on foreign securities, at the foreign currency rate,
- cash proceeds in foreign currency, loan income, 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, or taxes.

For the purposes of preserving the interests of the unitholders or 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 UCI.

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 was defined taking account of the economic strategy, objectives, values and interests of the group, management companies belonging to the group, UCITS managed by group companies and their unitholders. The objective of this policy is to not encourage excessive risk-taking, in particular through the non-observance of the risk profile of the managed UCITS.

Furthermore, the management company has implemented suitable measures to prevent conflicts of interest.

The remuneration policy is adopted and supervised 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 upon written request from the management company.

Prospectus updated on: 01 June 2022

# UCITS NAME: AMUNDI ENHANCED ULTRA SHORT TERM BOND SRI

## FONDS COMMUN DE PLACEMENT (mutual fund)

### REGULATIONS

#### SECTION 1 – ASSETS AND UNITS

##### Article 1 - Joint-ownership units

The joint ownership rights are expressed as units, each unit corresponding to an identical share of the Fund's assets. Each unitholder is entitled to joint-ownership of the Fund's assets proportional to the number of units held.

The term of the Fund is 99 years starting from its inception date, except in the event of early dissolution or extension as set forth in these Regulations.

Unit categories: The features of the various categories of units and their access conditions are set out in the Fund's Prospectus.

The different unit categories may:

- have different rules for allocating revenue (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- carry different subscription and redemption fees;
- have different nominal values;
  
- be systematically hedged against risk, either partially or in full, as set out in the Prospectus. Hedging is done through financial instruments that reduce the impact of the hedging transactions for the Fund's other unit categories to a minimum;
- be reserved for one or more distribution networks.

The Management Company may, after having informed the unitholders and the Depositary, consolidate or split the number of units.

Units may be subdivided on the decision of the Management Company's Board of Directors in tenths, hundredths, thousandths, ten-thousandths or one hundred-thousandths called fractions of units. The provisions in the rules governing the issuing and redeeming of units shall also apply to fractions of a unit, whose value will always be proportional to that of the unit they represent. All other provisions regarding units shall automatically apply to fractions of a unit unless provisions state otherwise.

The Management Company's Board of Directors may also decide, at its own discretion, to split the units by issuing new units which shall be allocated to unitholders in exchange for their existing units.

##### Article 2 - Minimum level of assets

Units may not be redeemed if the Fund's assets fall below €300,000; where net assets remain below that level

for thirty days, the Management Company shall take the necessary measures to wind up the relevant UCITS, or to perform one of the transactions listed in Article 411-16 of the French Market Regulator's (AMF) General Regulations (transfer of the UCITS).

### **Article 3 – Issuance and redemption of units**

Units can be issued at any time at the request of the bearers. They will be issued at their net asset value plus, where applicable, the subscription fee.

Redemptions and subscriptions are performed under the terms and conditions defined in the prospectus.

Fund units may be listed for trading in compliance with applicable laws and regulations.

Subscriptions must be paid up in full on the day of the net asset value calculation. They may be paid in cash and/or financial instruments. The Management Company has the right to refuse the securities offered, provided it informs the purchaser of its decision within seven days of their remittance. If accepted, contributed securities shall be measured according to the rules set out in Article 4, and the subscription shall take place based on the first net asset valuation following the acceptance of the securities concerned.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a portion representing the assets of the portfolio, then only the written consent signed by the outgoing holder must be obtained by the Fund or the management company. If the redemption in kind does not correspond to a portion representing the assets of the portfolio, then all holders must give their written consent authorising the outgoing holder to redeem their units against certain specific assets, as defined explicitly in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the management company's consent and in compliance with the interests of unitholders, be made in kind under the conditions set out in the Fund's prospectus or regulations. The assets are then delivered by the issuing account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4, and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuing account holder within a maximum of five days following the unit's valuation.

If the unitholder is a feeder UCI, redemptions may be made wholly or partially in kind when the feeder UCI has made a specific request to be reimbursed in securities. This redemption will occur in proportion to the assets held in the portfolio of the Master UCI. They shall be settled by the issuing account holder within a maximum of five days following the unit's valuation.

If however, under exceptional circumstances, the reimbursement requires the prior sale of Fund assets, this period may be extended but shall not exceed 30 days.

Except in the event of a succession or a living gift, the disposal or transfer of units between unitholders, or from unitholders to a third party will be considered as a redemption followed by a subscription. If a third party is involved, the amount of the disposal or the transfer must, if applicable, be made up by the beneficiary in order to reach the minimum subscription level required by the Prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the redemption of units by the Fund, like the issuance of new units, may be temporarily suspended by the Management Company when exceptional circumstances require it and the interest of the unitholders demands it.

If the net asset value of the Fund is lower than the amount specified by the Regulations, no further units may be

redeemed.

Minimum subscription conditions could be set according to the procedures stipulated in the Prospectus.

The Fund may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the French Monetary and Financial Code, whether temporarily or permanently, in whole or in part, in situations that objectively require the closure of subscriptions, such as when the maximum number of units has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. Triggering of this tool will be subject to notification by any means of the existing holders relating to its activation, as well as the threshold and the objective situation that led to the decision of partial or total closure. In the event of a partial closure, this notification by any means shall explicitly set out the arrangements by which existing holders may continue to subscribe for the duration of this partial closure. Unitholders are also notified by any means of the decision of the Fund or the management company either to terminate the total or partial closure of subscriptions (when falling beneath the trigger threshold), or not to do so (in the event of a change in the threshold, or a change in the objective situation leading to the implementation of this tool). A change in the objective situation in question or the trigger threshold of the tool must always be made in the interests of the unitholders. The notification by any means gives the exact grounds for these changes.

Clauses resulting from the U.S. Dodd-Frank Act:

The management company may limit or prevent the direct or indirect holding of Fund units by any person who is a Non-Eligible Person as defined hereinbelow.

A Non-Eligible Person is:

- a U.S. Person as defined in U.S. Regulation S of the Securities and Exchange Commission ("SEC"); or
- any other person (a) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority, or (b) who may, according to the Fund's management company, cause damage to the Fund that it would not have otherwise suffered or incurred.

In relation to this, the Fund's management company may:

- (i) refuse to issue any unit if it seems that as a result of such issuance, said units would or could be held directly or indirectly by or on behalf of a Non-Eligible Person;
- (ii) at any time request that a person or entity whose name is listed in the unitholders' registry provide it with information, and a statement to that effect, indicating that such person would deem necessary to determine whether the actual beneficiary of the units is a Non-Eligible Person or not; and
- (iii) carry out, within a reasonable timeframe, a mandatory redemption of all the [units/shares] held by a unitholder/shareholder if it seems that the latter is (a) a Non-Eligible Person and, (b) such person is the sole or joint beneficiary of the units. During such timeframe, the actual beneficiary of [the units/shares] may present comments to the competent body.

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, according to the Fund's management company, cause damage to the Fund that it would not have otherwise suffered or incurred.

The mandatory redemption will be carried out at the latest known net asset value less, if applicable, any applicable costs, fees and dues, that will remain payable by the Non-Eligible Person.

## **Article 4 - NAV calculation**

The NAV of the units is calculated in accordance with the valuation rules set out in the prospectus.

Contributions in kind may only consist of the securities, currencies or contracts that are eligible for the Fund; contributions and redemptions in kind are valued using the same valuation rules as for the calculation of the Fund's NAV.

## **SECTION 2 - FUND OPERATIONS**

### **Article 5 – The Management Company**

The Management Company manages the Fund in accordance with the strategy defined for the Fund. The Management Company will at all times act in the sole interest of the unitholders and it alone is entitled to exercise the voting rights attached to the Fund units.

#### **Article 5 a - Operating rules**

The instruments and deposits eligible to form part of the UCITS' assets are described in the Prospectus, as are the investment rules.

### **Article 6 – The Depositary**

The Depositary performs the duties entrusted thereto in accordance with the laws and regulations in force as well as those contractually entrusted by the Management Company.

In particular, it checks that the decisions of the Management Company are properly taken. If necessary, the Depositary must take any custodial measures that it considers useful.

It shall notify the French Market Regulator (AMF) of any disputes with the Management Company.

If the Fund is a feeder UCITS, the Depositary has entered into an information exchange agreement with the Depositary of the master UCITS (or has drawn up appropriate specifications, where applicable, when it is also the Depositary of the master UCITS).

### **Article 7 – The Independent Auditor**

The Management Company appoints an Independent Auditor for a term of six financial years, after obtaining the agreement of the French Market Regulator (AMF). It certifies that the accounts are true and fair. The Independent Auditor's appointment may be renewed.

The Independent Auditor is required to notify, as soon as practicable, the French Market Regulator (AMF) of any fact or decision concerning the undertaking for collective investments in transferable securities of which the Independent Auditor has become aware in the performance of the audit and that might:

1. Constitute violation of the legal or regulatory provisions applicable to such undertakings and that might have material effects on the financial position, results or assets;
2. Adversely affect the conditions or the continuity of its operations;
- 3° Triggers the expression of reservations or refusal to certify the accounts.

Asset valuations and the determination of exchange rates used in currency conversions, mergers or demergers shall be audited by the Independent Auditor.

They assess any contribution or redemption in kind under their responsibility, except in the case of redemptions in kind for an ETF on the primary market.

It shall verify the composition of the assets and other items prior to publication.

The Independent Auditor's fees shall be determined by mutual agreement between the Independent Auditor and the Management Company on the basis of a schedule of work specifying the measures deemed necessary.

The Independent Auditor shall certify the circumstances underlying any interim dividend distributions.

If the Fund is a feeder UCITS:

- the Independent Auditor has entered into an information exchange agreement with the Independent Auditor of the master UCITS.
- where it is also the Independent Auditor of the master UCITS, it shall prepare an appropriate work programme.

Its fees are included in the management fees.

## **Article 8 – Management report and accounts**

At the end of each financial year, the Management Company shall prepare the summary documents and shall draw up a report on the management of the Fund during the year then ended.

The Management Company shall establish, at least every six months, an inventory of the Fund's assets which will be audited by the Depositary.

The Management Company holds these documents for consultation by the unitholders for a period of four months from the year-end and informs them of their income entitlement: these documents are either sent by mail at the express request of the unitholders, or made available to them at the Management Company's offices.

## **SECTION 3 - ALLOCATION OF PROFITS**

### **Article 9: Allocation of distributable sums**

The distributable sums consist of:

- 1° The net profit plus any amounts carried forward and plus/minus the balance of income accruals;
- 2° The realised capital gains, net of fees, less any realised capital losses, net of fees recorded during the fiscal year, plus any net capital gains of the same nature recorded during prior fiscal years which have not been distributed or accumulated and plus/minus the balance of capital gains accruals.

The sums mentioned under 1° and 2° may be distributed, in whole or in part, independently from one another.

Distributable sums are paid out within a maximum of 5 months following the fiscal year-end.

The Fund's net income is equal to the sum of interest income, arrears, bonuses and awards, dividends, directors' fees, as well as all income arising from the securities that make up the Fund's portfolio, plus the income from amounts available on a temporary basis and minus management fees and interest on loans.

The Management Company determines the allocation of the distributable sums.

For each class of units, as applicable, the Fund may select for each of the sums mentioned under 1 and 2 one of the following options:

- Full accumulation: distributable sums will be fully accumulated, with the exception of those amounts which are subject to compulsory distribution by law;
- Full distribution: distributable amounts are fully distributed, to the nearest rounded figure;
- For the Funds which prefer to maintain the freedom to capitalise and/or distribute and/or carry forward any distributable sums, the Management Company decides each year on the appropriation of distributable amounts mentioned under 1 and 2.

If applicable, the Management Company may decide, during the fiscal year, to pay one or more interim dividends within the limits of the net income of each of the sums mentioned under 1 and 2 recognised as at the date of the decision.

The specific terms of allocation of income are described in the Prospectus.

## **SECTION 4 - MERGER - DEMERGER - DISSOLUTION - LIQUIDATION**

### **Article 10 - Merger - Demerger**

The Management Company may either transfer all or some of the Fund assets into the fund of another UCITS or split the Fund into two or more other mutual funds.

These merger or demerger transactions can only be carried out after the unitholders have been informed. After each transaction, new certificates will be issued stating the number of units held by each unitholder.

### **Article 11 - Winding up - Extension**

If the level of the Fund's assets remains below the level specified in Article 2 above for a period of thirty days, the Management Company shall inform the French Market Regulator (AMF) and shall wind up the Fund, except in the event of a merger with another mutual fund.

The Management Company may wind up the Fund early; it shall notify the unitholders of this decision and no application for subscription or redemption shall be accepted after such an announcement.

The Management Company may also wind up the Fund if it receives an application to redeem all its units, if the Depositary ceases to operate and no other Depositary has been appointed, or on expiry of its term, if it is not extended.

The Management Company shall inform the French market Regulator (AMF) by mail of the winding-up date and procedures chosen. It will then send the Independent Auditors' report to the French Market Regulator (AMF).

The Management Company may decide, with the Depositary's consent, to extend the Fund's term. The decision must be taken at least three months before the Fund's scheduled expiry date, and made known to the unitholders and to the French Market Regulator (AMF).

## **Article 12 – Liquidation**

In the event that the Fund is wound up, the Management Company or the the person nominated to that effect shall act as the liquidator, failing which a liquidator shall be appointed by the court at the request of any interested party. They shall therefore be vested with extensive powers to realise the assets, pay any potential creditors, and distribute the available balance between the unitholders, in the form of either cash or securities. The Independent Auditor and the Depositary shall work until the transactions involved in liquidation are all complete.

## **SECTION 5 - DISPUTES**

### **Article 13 – Jurisdiction – Address for service**

Any disputes relating to the Fund arising during the Fund's life or during its liquidation, whether between unitholders, or between unitholders and the Management Company or the Depositary, shall be brought before the competent courts.

Regulations updated on: 01 June 2022