

March 2022

AMUNDI US ADVISORY:

Questions and Answers on Valuations for Securities Related to Russia and Ukraine

As Amundi US continues to conduct daily assessments of the events taking place in Ukraine, we remain committed to regular communication with our clients. The following Q&A outlines how Amundi US determines the price of Russian and Ukrainian securities in our portfolios, how we comply with sanctions against Russia, and how we obtain and provide the latest information to our clients.

How is Amundi US responding to the evolving events in the Ukraine, on a team-by-team basis?

- Our investment teams are closely monitoring the situation to ensure prudent portfolio management.
- Our internal support teams are analyzing in real time the consequences of imposed sanctions and measures to be taken.
- Our operations/services and technology teams are carefully assessing risks, to ensure critical operations are executed in the best conditions.
- Our client services teams are contacting clients to respond to their requests in a timely manner.

How is Amundi US complying with US and international sanctions and regulations related to Russian securities and the ruble?

Amundi US is committed to complying with laws, regulations and sanctions of the United States, including those of the US Department of the Treasury's Office of Foreign Assets Control (OFAC), France, the European Union and the United Nations, as well as applicable laws, regulations and sanctions in the jurisdictions in which Amundi operates. In line with our communications above, Amundi US is continuously monitoring developments and our investment teams are considering all potential options (including divestments, liquidation, etc).

What is your approach to sanctioned Russian assets – for example, to stocks which should be excluded from portfolios before May 25th at the request of the US?

We are continuously assessing the situation, complying with evolving regulations and seeking to protect the interests of our clients.

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We will divest from these assets whenever it is possible, knowing that the Russian exchange is closed and that local currency government bonds are stopped practically suspended on the market.

How are you valuing Ukrainian and Russian securities in the current context?

We have been carefully considering recent geopolitical events and their effect on the pricing of securities and other investments. In general, the funds use market prices, whenever possible, in valuing investments. When market prices are not available, or when Amundi US considers the prices unreliable, an investment's fair value is determined based on available relevant information. As the situation evolves, Amundi US is monitoring in real time the effect on capital markets and liquidity, frequently reassessing valuations under evolving market conditions.

Due to the current situation, valuation methods have been adapted as of March 1, 2022. Russian assets listed outside of Russia such as Global Depository Receipts (GDR) and American Depository Receipts (ADR) are valued according to current market prices when this information is available and reliable, but the closure of the Moscow Stock Exchange has made it necessary to use alternative methods in order to determine the valuation of the affected securities.

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