

Trust  
must be earned

**Amundi**  
ASSET MANAGEMENT

# Amundi US Equity ESG Improvers SMA

## Product Profile

[amundi.com/usinvestors/sma](https://amundi.com/usinvestors/sma)

### Portfolio Facts

#### Investment Objective

We seek to generate responsible alpha, which we define as attractive risk-adjusted returns and a higher ESG rating, relative to the S&P 500 Index.

#### Typical Holdings Range

40 to 70

#### Strategy Inception Date

August 1, 2020

#### Benchmark

S&P 500® Index

### Portfolio Management



#### Craig Sterling

Managing Director  
Head of Equity Research, US  
Director of Core Equity  
Portfolio Manager

- Joined Amundi US in 2015
- Investment experience since 1991



#### Timothy Stanish

Managing Director  
Director of Mid Cap Equities, US  
Portfolio Manager

- Joined Amundi US in 2018
- Investment experience since 2000



#### Chen-Chen Shih

Senior Quantitative Analyst

- Joined Amundi US in 2012
- Investment experience since 1990

## Investment Philosophy

**We believe quality companies with solid fundamentals, combined with high or improving ESG ratings, may be well positioned to drive alpha generation over time.**

Amundi views companies with positive ESG momentum as having greater potential to impact long-term returns. Leveraging this philosophy, our US Equity ESG Improvers SMA takes a dynamic, forward-looking approach to investing, employing strong fundamental analysis to identify companies at **three stages of ESG development: ESG Leaders, ESG Improvers and Future ESG Improvers.**

#### ESG LEADERS

Quality companies with attractive valuations and strong ESG ratings. To qualify as having a strong ESG rating the stock must have an ESG rating in the top 1/3 of the investable universe as denoted by Amundi ESG Ratings.

#### ESG IMPROVERS

Companies with solid fundamental investment cases and positive ESG trends ("ESG Momentum").

#### FUTURE ESG IMPROVERS

Companies with solid fundamental investment cases that are expected to deliver improving ESG momentum.

## Key Features

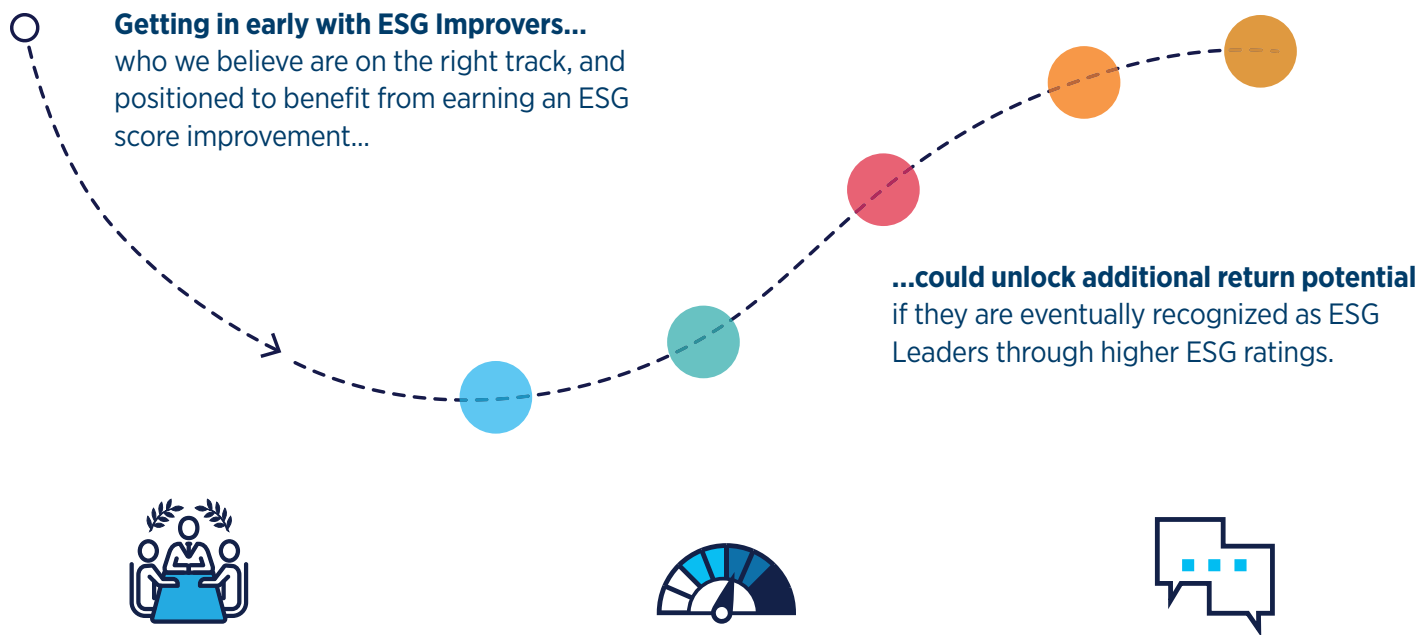
Amundi US Equity ESG Improvers SMA (the "SMA") is a conviction-based strategy that reaches beyond a static best-in-class ESG approach to offer investors:

- **A US equity approach that seeks alpha through ESG momentum.** Fundamental research and active engagement help our investment professionals identify and seek to influence companies they believe to be on a positive trajectory toward higher ESG ratings. As US firms continue to close the ESG gap with more mature global companies, we believe this market offers attractive opportunities.
- **A diversified\* portfolio of ESG Improvers and Leaders, to help balance risk and return.** While primarily focused on ESG Improvers, the portfolio also dedicates a core allocation to Future ESG Improvers and ESG Leaders. We believe including companies with varying ESG ratings and risk profiles helps the SMA pursue strong risk-adjusted returns for investors.
- **Broad expertise to navigate an evolving ESG investment landscape.** Our investment team combines deep ESG investment expertise with the strengths of a robust global structure, offering investors a strong potential ally in a constantly changing environment. A recognized leader in responsible investing, Amundi has helped shape the ESG investment landscape through decades of active engagement in corporate and regulatory initiatives.

\* Diversification does not assure a profit or protect against loss.

# Seeking Alpha Through ESG Momentum and a Dynamic Approach

Our distinct and proprietary approach seeks higher return potential by focusing on ESG Improvers, Future ESG Improvers, and ESG leaders.

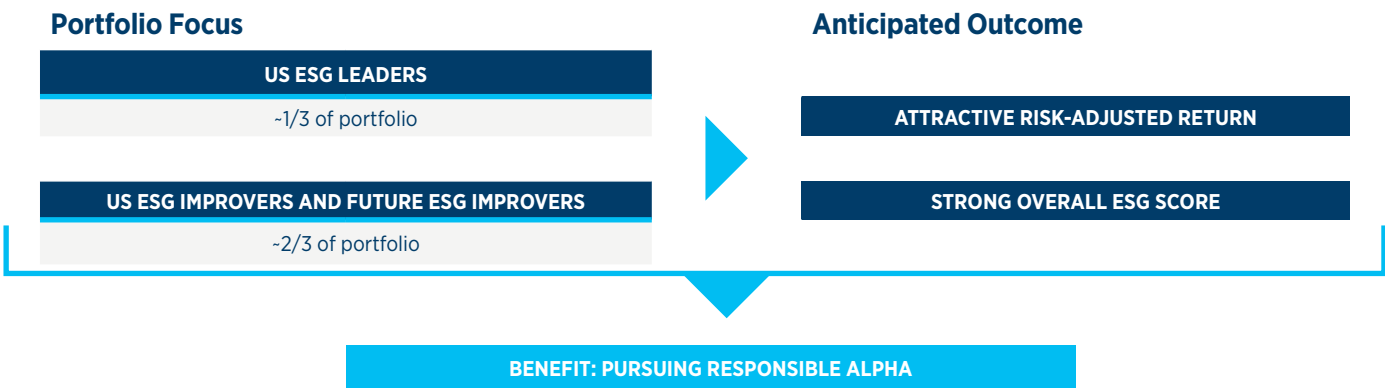


POSITIVE ESG TRAJECTORY		POSITIVE FUNDAMENTAL IMPACT		INFORMED ENGAGEMENT
identifying fundamentally sound companies showing ESG momentum	+	focusing on ESG drivers that could have a measurable financial impact	+	collaborating with management to distinguish one-off improvements from structural ones

Source: Amundi US. For illustrative purposes only. ESG Improvers are companies with solid fundamental investment case and a positive ESG trend (“ESG Momentum”). ESG Leaders are quality companies with attractive valuations and strong ESG ratings. Future ESG Improvers are companies with a solid fundamental investment case that are expected to deliver improving ESG momentum. To qualify as having a strong ESG rating the stock must have an ESG rating in the top 1/3 of the investable universe as denoted by Amundi ESG Rating. Increased ESG ratings do not necessarily correlate to increased performance or performance potential.

## Diversification to Balance Risk and Return Potential

We believe a portfolio that blends companies at varying points on their ESG trajectories allows managers to pursue attractive long-term returns while managing risk for investors.



For Illustrative Purposes Only. Note: To qualify as having a strong ESG rating the stock must have an ESG rating in the top 1/3 of the investable universe as denoted by Amundi ESG Rating. ESG Rating scale is based on a rating scale from A to G (where A is the best). G-rated issuers (worst issuers) are assessed manually and submitted to the ESG rating committee for examination and approval.

# An Experienced Team Leveraging Global Resources



















The portfolio's management team averages more than 25 years of industry experience and is supported by a team of 13 dedicated research analysts\* with an average of over 23 years industry experience.

**ESG Expertise:** Craig Sterling, lead portfolio manager and a member of the Amundi ESG Ratings Committee, ensures the timely flow of ESG research and ratings to the Portfolio Management and Fundamental Research Analyst teams.

The Global Amundi ESG team provides company research, thematic industry research, and ESG ratings that the portfolio management and analyst teams leverage when conducting their fundamental research. In addition, the analyst and ESG teams conduct joint engagements with companies if ESG issues are a more prominent part of the discussion.

## Amundi's Strong and Established ESG Presence

The Global Amundi ESG team also serves as a center of excellence in support of the portfolio management and analyst teams to provide a deeper understanding of ESG issues and emerging themes.

Team of ESG Experts	External Data Providers	Proprietary ESG Tools
<div><p><b>70+</b></p><p>Specialists responsible for ESG research, methodology and development in a</p><p><b>Dedicated Responsible Investment Business Line</b></p></div>	<div><div><p><b>ESG Ratings</b></p><p>MSCI  ISS  ESG  V.E </p><p> SUSTAINALYTICS  EthiFinance</p></div><div><p><b>Climate transition Risks and Climate Physical Risks</b></p><p>MSCI   Climate Bonds </p><p>TRUOCOST™  </p></div><div><p><b>Controversies</b></p><p> SUSTAINALYTICS</p><p>MSCI   RepRisk</p><p><small>ESG data science and quantitative solutions</small></p></div></div> <div><p><b>Raw Data</b></p><p>REFINITIV </p></div> <div><p><b>SDGs*</b></p><p>TRUOCOST™</p></div> <div><p><b>Sovereigns</b></p><p> Verisk Maplecroft</p></div>	<div></div> <ul style="list-style-type: none"><li>• <b>Internal ESG database to collect, analyze &amp; process data from providers</b></li><li>• <b>Quality check</b></li><li>• <b>Dissemination of ESG ratings on Amundi's portfolio management system ALTO** for management / control / reporting teams to access</b></li></ul>
<p><b>&gt; 19,000* issuers ESG rated</b></p> <p><b>ESG coverage spans across main equity &amp; fixed income indexes</b></p>		

\* ESG Experts as of 2/29/2024; Number of Issuers as of 12/31/2023. The analyst team's focus is on high-conviction ideas and portfolio surveillance. This is based on extensive analyst industry experience, comprehensive creative and independent research, and a common corporate performance and valuation framework grounded in business model economics demonstrated through the firm's proprietary Economic Value Added (EVA) model. \*\*ALTO: Amundi Leading Technologies & Operations. Amundi is not affiliated with third party entities listed.

**For more information about this strategy, contact your financial professional or go to [amundi.com/usinvestors/sma](https://amundi.com/usinvestors/sma).**

The **S&P 500® Index** is a commonly used measure of the broad US stock market. Indices are unmanaged and their returns assume reinvestment of dividends and, unlike mutual fund returns, do not reflect any fees or expenses associated with a mutual fund. It is not possible to invest directly in an index. **Alpha** represents excess return relative to the return of the benchmark. A positive alpha suggests value added by the manager versus the benchmark.

#### A Word About Risk

**The market prices of securities** may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues or adverse investor sentiment. **The Portfolio generally excludes corporate issuers that do not meet or exceed minimum ESG standards.** Excluding specific issuers limits the universe of investments available to the Portfolio, which may mean forgoing some investment opportunities available to funds without similar ESG standards. Investing in small- and mid-sized companies may offer the potential for higher returns, but are also subject to greater short-term price fluctuations than larger, more established companies. **Some securities in which the Portfolio invests may have limited liquidity** and, therefore, may be more difficult to purchase or sell; low trading volume may lead to market fluctuations that may impact the value of those securities. **At times, the Portfolio's investments may represent industries or sectors** that are interrelated or have common risks, making it more susceptible to any economic, political, or other risks affecting those industries and sectors.

#### Important Information

Amundi US is the US business of Amundi Asset Management group of companies. Investment advisory services are offered through Amundi Asset Management US, Inc. Not all Amundi products and services are available in all jurisdictions. The Amundi Asset Management logo used in this document only refers to a brand owned by Amundi and not to any service or product offered or manufactured by Amundi Asset Management SAS, headquartered in Paris.

Amundi US acts as a discretionary investment manager or non-discretionary model provider in a variety of separately managed account or wrap fee programs (each, an "SMA Program") sponsored by a third party investment adviser, broker-dealer or other financial services firm (a "Sponsor"). When acting as a discretionary investment manager, Amundi US is responsible for making and implementing all investment decisions in SMA Program accounts. When acting as a non-discretionary model provider, Amundi US's responsibility is limited to providing investment recommendations (in the form of model portfolios) to the SMA Program Sponsor who may or may not, in their sole discretion, utilize such recommendations in connection with its management of SMA Program accounts. In such "model-based" SMA Programs ("Model-Based Programs"), it is the Sponsor, and not Amundi US, which serves as the investment manager to, and has trading responsibility for, the Model-Based Program accounts.

There is no guarantee that the portfolio will continue to hold any particular security and securities are held in varying percentages. Holdings are subject to change since the portfolio is actively managed. Holdings are intended to illustrate the composition and characteristics of the SMA for separately managed accounts. Across client portfolios, there may be variations in holdings, characteristics and performance information as dictated by reasons such as diversification needs, specific client guidelines, account size, cash flows, the timing and terms of execution of trades, and differing tax situations.

The Model Portfolio/SMA securities holdings information provided is intended solely for your use in evaluating the Model Portfolio/SMA portfolio(s). Under no circumstances does the information contained within constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation to buy, hold or sell securities.

Separately managed account programs may require a minimum asset level and, depending on specific investment objectives and financial position, may not be appropriate for all investors. Actual fees and account minimums may vary.

**The investment strategies described are those of Amundi US. These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.**