

Annex 1 – ESG Related Disclosures

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:

AMUNDI EUR CORPORATE BOND ACTIVE UCITS ETF

Legal entity identifier:

2138008YKV2RMGS1R289

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective: ____%**



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective: ____%**



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20 % of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and/or social characteristics, being carbon footprint reduction, community involvement and human rights, by aiming to have a higher ESG score than the ESG score of the Bloomberg Euro Aggregate Corporate Index (the “**Benchmark**”).

In determining the ESG score of the Sub-Fund and the Benchmark, ESG performance is assessed by comparing the average performance of each security against the security issuer’s industry, in respect of each of the three ESG characteristics of environmental, social and governance, by using Amundi’s in-house ESG rating process described below. The Sub-Fund does not target any particular greater level of ESG score compared to the Benchmark.

The Benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the Sub-Fund.

No ESG reference Benchmark has been designated.

Sustainability

indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used are the global ESG score and the ESG scores in such areas as carbon footprint reduction, community involvement and human rights of the Sub-Fund that are measured against the ESG score of the Benchmark.

Amundi has developed its own in-house ESG rating process based on the “best-in-class” approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG rating scale, the securities which are on the exclusion list correspond to a G. A global ESG score is a single score between A and G in respect of a security/issuer. Each sector/industry is then assessed against bespoke criteria. For corporate issuers, ESG performance is first assessed globally and then at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers’ ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity;

- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer’s strategy to develop its human capital and the respect of the human rights in general;

- The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the environmental and social dimensions or individually on any environmental or social factor. For more information on ESG scores and criteria, please refer to the Amundi ESG Regulatory Statement available on Amundi’s website (www.amundi.ie).

As the Sub-Fund is actively managed it will have a different composition to that of the Benchmark and aims to have an ESG score which is greater than the Benchmark.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

While the Sub-Fund does not have sustainable investment as its objective it will invest a minimum proportion of its assets in sustainable investments as defined by Article 2 (17) SFDR. These Sustainable Investments are selected for their contributions to:

- Environmental objectives: climate change mitigation and adaptation set out under the EU Taxonomy Regulation; and
- Social objectives: decent work, reduced inequality, safe products, ethical marketing practices and improved community wellbeing.

Amundi requires that, a company must be a “best performer” within its sector of activity on at least one of its material environmental or social factors to be considered as contributing to an environmental and/or social objective.

The definition of “best performer” relies on Amundi’s proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a “best performer”, an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview please refer to the Amundi Global Responsible Investment Policy available at <https://about.amundi.com/>.

Additionally, investee companies should not have significant exposure to activities (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) which are not compatible with these objectives. Further details on sectors and factors are available in Amundi’s Sustainable Finance Disclosure Regulation Statement at <https://about.amundi.com/esg-documentation>

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

To ensure sustainable investments do no significant harm (‘DNSH’), Amundi utilises two filters:

- The first DNSH test filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g. GHG intensity of investee companies) via a combination of indicators (e.g. carbon intensity) and specific thresholds or rules (e.g. that the investee company’s carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi’s Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, depleted uranium weapons, nuclear weapons, coal, unconventional fossil fuel and tobacco.

- Beyond the specific Principal Adverse Impacts indicators sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

– *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above:

The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available via the combination of following indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors);
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector;
- Be cleared of any controversy in relation to work conditions and human rights; and
- Be cleared of any controversy in relation to biodiversity and pollution.

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, depleted uranium weapons, nuclear weapons, coal, unconventional fossil fuel and tobacco.

– *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts will evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, the Sub-Fund considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the RTS applying to the Sub-Fund’s strategy and relies on a combination of exclusion policies (normative and sectorial), ESG rating integration into the investment process, engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation. Details of this exclusion policy and the applicable implementation rules per sector are also available in Amundi’s Responsible Investment Policy available on the website www.amundi.ie.

- ESG factors integration: Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.

- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.

- Vote: Amundi’s voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi’s Voting Policy.

- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any indication on how mandatory Principal Adverse Impact indicators are used, please refer to the Amundi ESG Regulatory Statement available at www.amundi.ie.

No



What investment strategy does this financial product follow?

The Sub-Fund's objective is to achieve, over the recommended holding period, a performance higher than that of the Benchmark, after taking into account current expenses.

Benchmark: The Sub-Fund is actively managed by reference to and seeks to outperform (after applicable fees) the Bloomberg Euro Aggregate Corporate Index (the "Benchmark") over the recommended holding period as provided for in the Profile of a Typical Investor (below) without targeting a particular level of outperformance. The Sub-Fund is mainly exposed to the issuers of the Benchmark, however, the management of the Sub-Fund is discretionary, and will be exposed to issuers not included in the Benchmark. The Sub-Fund monitors risk exposure in relation to the Benchmark however, the extent of deviation from the Benchmark may be limited.

The Benchmark is a broad market index, which does not assess or include its constituents according to ESG characteristics and therefore is not aligned with the ESG characteristics promoted by the Sub-Fund.

The Sub-Fund is a financial product that promotes, among other characteristics, environmental and social characteristics pursuant to Article 8 of the Disclosure Regulation.

The Sub-Fund invests at least 80% of its net assets in fixed and floating rate corporate and government bonds of issuers in OECD countries, with at least 70% of its net assets in euro denominated Investment Grade corporate bonds. The Sub-Fund may also invest in bonds of issuers outside OECD countries, bonds issued in currencies other than the euro, provided that these are principally hedged back to euro and high yield, non-Investment Grade bonds.

While complying with the above strategies, the Sub-Fund may also invest in money market instruments including deposits, short-term government bonds and commercial paper, and for up to 10% of net assets in other UCITS and undertakings for collective investment ("UCI") in accordance with the requirements of the Central Bank. Such UCITS or UCI may be domiciled in the EEA or, in the case of UCIs, other fund jurisdictions, and may be constituted as corporates, unit trusts, partnerships or common contractual funds.

Techniques and instruments on securities and Derivatives: The Sub-Fund may use futures, options, forwards and/or swaps for hedging and efficient portfolio management purposes and securities financing transactions, as described under the section 'More about Derivatives and Techniques' of this Prospectus.

The maximum and expected proportions of the Sub-Fund's assets that may be subject to securities financing transactions are disclosed in the table entitled "Use of Securities Financing Transactions and Total Return Swaps".

The Sub-Fund is managed according to an active approach. The investment process employs a combination of qualitative and quantitative methods to identify bonds that may be undervalued or overvalued relative to their intrinsic value, which is estimated based on market characteristics such as credit rating, remaining maturity, industry sector, country risk, seniority, and bond features (e.g., callable or puttable), with all bond positions taken on a long-only basis.

In addition, the investment team process is based on analyses of interest rate and economic trends (top-down) in order to identify geographic areas and sectors that appear likely to offer the best risk-adjusted returns. The Sub-Fund will not have any specific industry or sector focus. The investment process uses both technical and fundamental analysis, including credit analysis, to select sectors and securities (bottom-up) and to build a diversified portfolio.

In certain market circumstances such as where the correlation or volatility of the Sub-Fund's portfolio changes relative to the Benchmark, the management process may increase the portfolio diversification and/or use interest rate derivatives to manage the Sub-Fund risk profile in relation to the Benchmark.

The Sub-Fund seeks for its portfolio to achieve an ESG score greater than that of the Benchmark. The Sub-Fund does not target any particular outperformance of its ESG score compared to the Benchmark.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

Firstly, the Sub-Fund applies the following exclusion rules:

- legal exclusions on controversial weapons (issuers involved in the production, sale, storage, service of anti-personnel mines, cluster bombs, chemical and biological weapons) (>0% of total revenues);
- companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact, without credible corrective measures;
- sectoral exclusions based on measurable thresholds: tobacco (>5% of total revenues), nuclear weapons (>5% of total revenues), thermal coal extraction (>20% of total revenues or annual thermal coal extraction of 70 million tonnes or more) and unconventional fossil fuel (>30% of total revenues);

Secondly, the Sub-Fund, as a binding element, aims to have a higher ESG score than the ESG score of the Benchmark.

At least 75% of the investments of the Sub-Fund will be used to meet the environmental or social characteristics promoted by the Sub-Fund and the Sub-Fund's ESG criteria will apply to at least:

- 90% of debt securities, money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries;
- 75% of debt securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging market countries.

However investors should note that it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. The ESG calculation methodology will not include those securities that do not have an ESG rating, nor cash, near cash, some derivatives and some collective investment schemes.

Furthermore and in consideration of the minimum commitment of 20% of Sustainable Investments, the Sub-Fund invests in investee companies considered as “best performer” when benefiting over the best top three rating (A, B or C, out of a rating scale going from A to G) within their sector on at least one material environmental or social factor.

Good governance

practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

We rely on Amundi ESG scoring methodology. Amundi's ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria. In the Governance dimension, we assess an issuer's ability to ensure an effective corporate governance framework that guarantees it will meet its long-term objectives (e.g. guaranteeing the issuer's value over the long term). The governance sub-criteria considered are: board structure, audit and control, remuneration, shareholders' rights, ethics, tax practices and ESG strategy. Amundi ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. G-rated companies are excluded from our investment universe.



What is the asset allocation planned for this financial product?

Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

-turnover

reflecting the share of revenue from green activities of investee companies

-capital expenditure

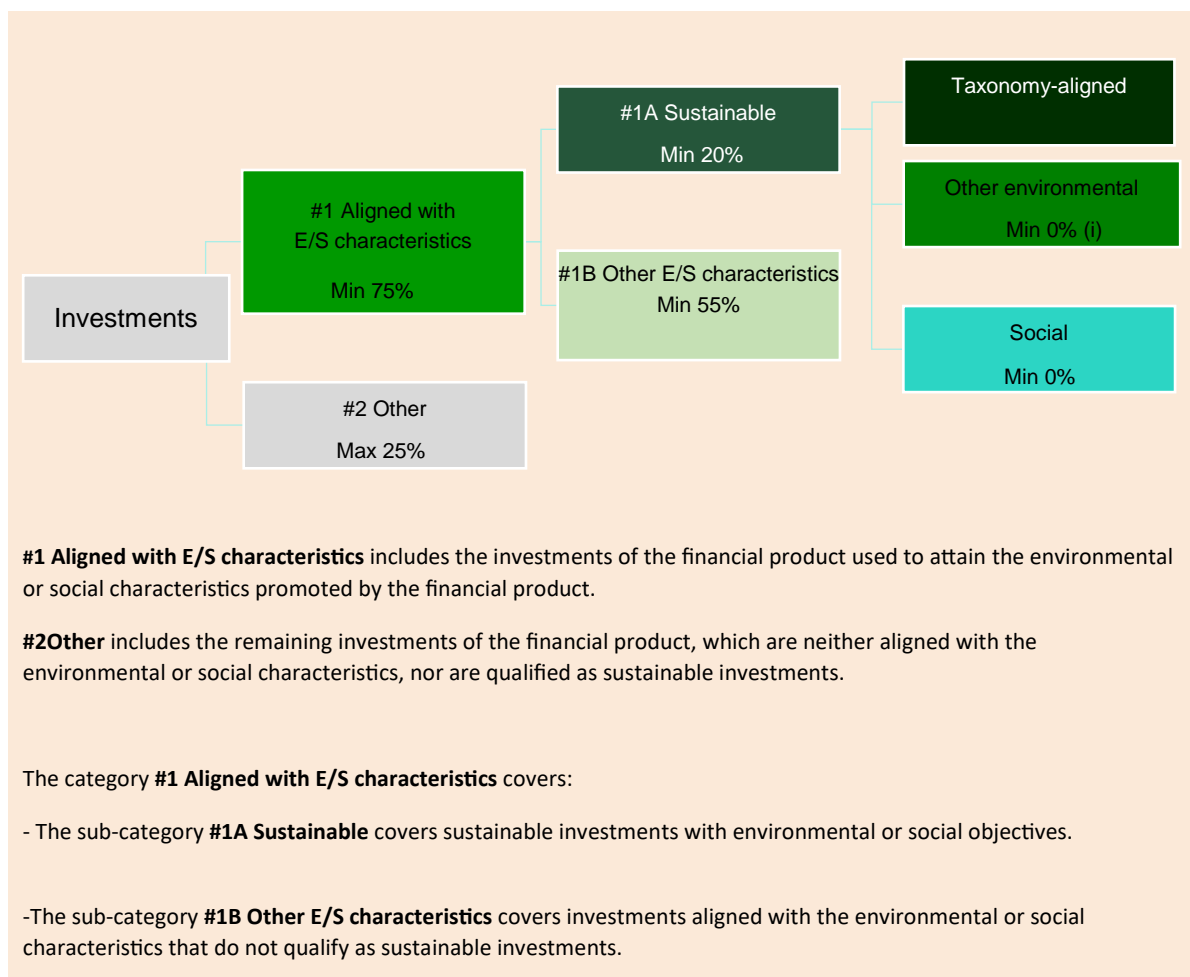
(CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- operational expenditure

(OpEx) reflecting green operational activities of investee companies.

At least 75% of the investments of the Sub-Fund will be used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy of the Sub-Fund. Furthermore, the Sub-Fund commits to have a minimum of 20% of sustainable investments as per the below chart. While the Sub-Fund commits to invest at least 20% of the Sub-Fund's NAV in sustainable investments, sustainable investments may contribute to either an environmental or social objective. This means that between 0% and 20% of the Sub-Fund's NAV might at any point in time be in investments that qualify as sustainable investments aligned with an environmental objective and between 0% and 20% of the Fund's NAV might at any point in time be in investments that qualify as sustainable investments aligned with a social objective.

Investments aligned with other E/S characteristics (#1B) will represent the difference between the actual proportion of investments aligned with environmental or social characteristics (#1) and the actual proportion of sustainable investments (#1A).



● *How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?*

Derivatives are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund currently has no minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy. The Sub-Fund does not commit to make taxonomy-compliant investments in fossil gas and/or nuclear energy as illustrated below. Nevertheless, as part of the investment strategy, it may invest in companies that are also active in these industries. Such investments may or may not be taxonomy aligned.

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹

- Yes:
 - In fossil gas
 - In nuclear energy
- No

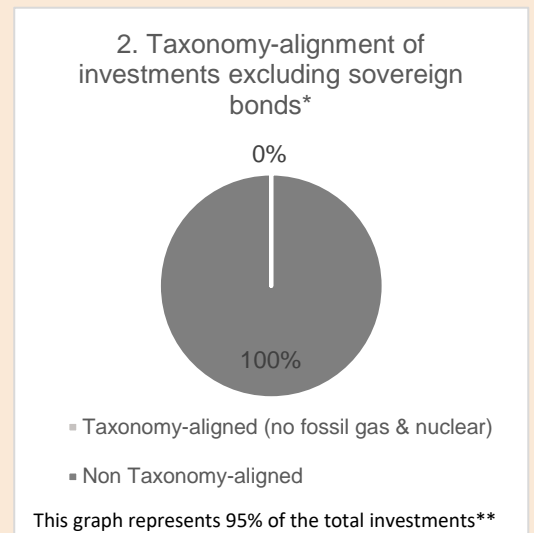
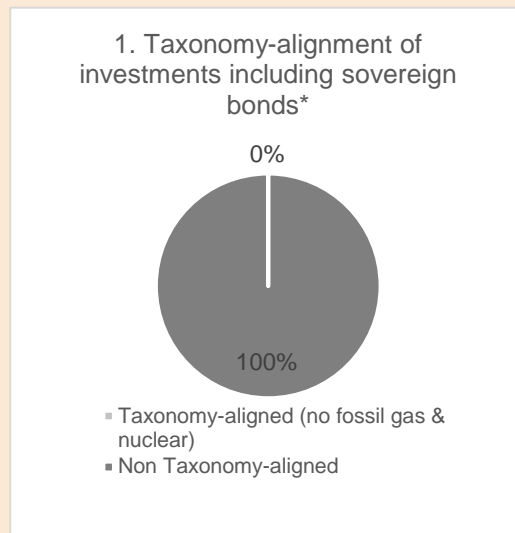
Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**

The Sub-Fund has no minimum proportion of investment in transitional or enabling activities



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund has no minimum defined minimum share of investments with an environmental objective that are aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

The Sub-Fund has no minimum defined minimum share of investments with a socially sustainable objective.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Included in “#2 Other” are cash and instruments for the purpose of liquidity and portfolio risk management. It will also include any ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available. ESG unrated securities are held for the purpose of achieving the Sub-Fund’s investment objective. The Sub-Fund excludes companies which contravene the Responsible Investment Policy, such as those which do not respect international conventions, internationally recognized frameworks or national regulations as described in the section of the Prospectus entitled “Integration of Sustainability Risks by Amundi”..



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This Sub-Fund does not have a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental or social characteristics that it promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Where can I find more product specific information online?



More product-specific information can be found on the website: www.amundi.ie