SRI Transparenzerklärung

AMUNDI MSCI WORLD CLIMATE PARIS ALIGNED PAB UMWELTZEICHEN UCITS ETF DR

2024 Edition

Preamble

Amundi is Europe's leading asset manager and seeks to be a trusted partner that acts in the interests of its clients and society every day. Our ability to gain the trust of a wide variety of private and institutional investors worldwide has led us to have a global client base of over 100 million retail clients through our distribution partners as well as our direct institutional and corporate clients.

Amundi has made responsible investment one of its founding pillars since its creation in 2010. A pioneer in this field, the group was one of the founding signatories of the United Nations Principles for Responsible Investment (UNPRI) in 2006. This choice is based on two convictions. The first is a clear awareness of the responsibility of investors to allocate savings by taking into consideration, beyond financial criteria, the impact on society in general. The second is the conviction that the inclusion of Environmental, Social and Governance (ESG) criteria in investment policies has a positive impact on financial performance.

Commitment Declaration

Responsible Investment (RI) is an essential part of the strategic positioning and management of the referenced fund(s).

Our full response to the SRI transparency code can be viewed below and is available on our website www.amundi.com

Conformity with the Austrian Ecolabel

Amundi Asset Management is committed to transparency and we consider that we are as transparent as possible given the regulatory and competitive environment in the state in which we operate. The fund complies with the recommendations of the Austrian ecolabel.

Summary

1. Funds covered

This applies to AMUNDI MSCI WORLD CLIMATE PARIS ALIGNED PAB UMWELTZEICHEN UCITS ETF DR fund whose main characteristics are detailed below

Fund name	**Amundi MSCI World Climate Paris Aligned PAB Umweltzeichen UCITS ETF DR**
Fund AUM as of 30/11/2021	428,36 mln $
Main asset class	International equities
Dominant approach	☑ Exclusion ☑ Paris Aligned Benchmark
Applied exclusion criteria	☑ Tobacco ☑ Conventional and unconventional weapons ☑ Nuclear weapons ☑ Nuclear Energy ☑ GMOs and Stem Cells ☑ ESG Controversies ☑ Thermal coal extraction & power generation ☑ Conventional & unconventional oil and gas extraction & power generation ☑ High exposure to climate change
Labels	Umweltzeichen (Austrian ESG label)
SFDR classification	Art-8
AMF classification	International equities
Links to fund related documents	https://www.amundietf.at/professional/product/view/FR0014003FW1

2. General information about the management company

2.1 Name of the fund management company that manages the applicant fund(s)

The fund(s) to which this applies are managed by Amundi Asset Management, a simplified joint stock company (société par actions simplifiée - SAS) with a capital of 1 086 262 605 €.

Registered office: 90, boulevard Pasteur - 75015 Paris - France

Postal address: 90, boulevard Pasteur CS21564 75730 Paris Cedex 15 - France

AMF "Autorité des Marchés Financiers" approval under n° GP 04000036.

Website: www.amundi.com

2.2 What are the company's track record and principles when it comes to integrating SRI into its processes?

Responsible investment has been one of Amundi's founding principles. We are convinced that the environmental, social and governance issues facing companies have a major impact on society. They also have financial consequences. Alongside credit and financial ratings, the ESG rating of an issuer has become a key element in investment decisions.

2.3 How does the company formalize its sustainable investment process?

As a responsible asset manager since its creation in 2010, Amundi has been deeply committed to integrating Environmental, Social and Governance factors in its investment processes and supporting sustainable transitions through an ambitious stewardship policy, sustainable investing strategies geared towards climate mitigation and social cohesion, and sustainable capital market development.

Amundi has formalized its Responsible Investment policy in a document that explains the governance, the policy and the strategy of integrating ESG criteria in the investment policy.

This policy is updated annually and published on the Amundi website: https://le-groupe.amundi.com/Un-acteur-engage/Documentation

Amundi's responsible investment strategy focuses on several key areas:

- **Integrating ESG into management** :

  All managers have access to the ESG ratings produced by the ESG Analysis team, which includes 13,000 issuers worldwide.

- **A targeted exclusion policy**

  Amundi applies targeted exclusion rules in all its active management strategies that concern companies that do not comply with its ESG policy, nor with international and national conventions and frameworks. In addition, Amundi implements sector-specific exclusions, specific to the coal and tobacco industries, which were reinforced at the end of 2020.

– **Engagement with issuers**

A major pillar of our vision as a responsible investor, engagement is exercised during analysts' exchanges with companies throughout the year, and through engagement on major sustainable development issues, through individual or collaborative actions.

– **ESG voting policy**

Amundi's voting policy is in line with its vision as a responsible investor and with its desire to help companies progress towards more sustainable objectives.

– **Responsible investment solutions**

Amundi offers solutions adapted to the various ESG issues and approaches: best-in-class funds, labelled funds, thematic funds and impact funds. Throughout 2021, Amundi continued to innovate in all asset classes to develop this range.

– **Innovative partnerships**

Last but not least, Amundi is developing solutions to finance the energy transition through innovative partnerships with major public investor. We favour initiatives that stimulate both supply and demand and help build a dynamic market for responsible investment instruments.

2.4 How are ESG risks and opportunities – including those linked to climate change – understood/taken into account by company?

The environmental, social and governance issues facing companies have a major impact on society. They also have financial consequences for companies, both in terms of risks and opportunities. Amundi aims to understand these issues as well as possible to assume its role as a corporate citizen and integrate these risks and opportunities into its management decisions.

Amundi's ESG analysis aims to raise awareness and encourage companies to adopt a sustainable development approach by giving them an ESG rating (Environment, Social, Governance) based on a set of criteria. This analysis makes it possible to integrate the intangible risks associated with the company's activity and is therefore likely to reduce the level of risk for the investor. The implementation of ESG analysis therefore lies in the ability to select companies that respond positively to the challenges of sustainable development, based on a benchmark of ESG criteria.

Sustainability Risks

Amundi’s exclusion policy and the integration of ESG scores in investment processes are the key pillars of Amundi’s approach to sustainability risks[1].

The exclusion policy applies to all actively managed strategies over which Amundi has full portfolio management discretion. These global exclusion policies address the most significant sustainability risks linked to:

- Environmental risks: climate (companies developing new thermal coal capacities, thermal coal mining, thermal coal power generation), and environment (breaches of UNGC Principles 7, 8 & 9)
- Social risks: health (complete tobacco product manufacturers), labour and human rights (breaches of UNGC Principles 1, 2, 3, 4, 5 & 6)
- Governance events: corruption (breaches of UNGC Principle 10)

Moreover, Amundi’s ESG scores and criteria are all made available in Amundi’s portfolio managers front office portfolio management systems. Amundi ESG scoring represents a key source of information for portfolio managers to take into account Sustainability Risks in their investment decisions. The ESG score aims to measure the ESG performance of an issuer, e.g. its ability to anticipate and manage the sustainability risks and opportunities inherent to its industry and to its individual circumstances.

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

Climate change risk

Amundi is also convinced that asset management companies and investors can no longer ignore the risks posed by climate change. We have a key role to play in financing the transition to a low-carbon economy and the management of climate related risks and opportunities should be aligned with long-term goals. Our responsibility as an investment management company is to ensure that investors take into account the long-term risks as well as the opportunities that emerge from this transition. To do this, we promote positive impact investments and encourage responsible practices within the companies in which we invest. In our aim to promote positive impact, we engage with companies, individually, but also through shared initiatives like Climate Action 100+. At Amundi we firmly believe in the power of collaborative action, hence we are member in initiatives like Finance for Tomorrow, or the Net Zero Asset Managers Initiative.

In 2020, Amundi contributed in particular to the following initiatives:

- Science-Based Targets: Amundi wrote to 253 companies in different sectors to invite them to commit to or upgrade their Science Based Targets (SBTs) to fight climate change.

The challenges linked to the energy transition are at the heart of Amundi's responsible investment strategy, and in 2020 it continued its commitment to a low-carbon economy. These commitments are in line with the Crédit Agricole Group's climate strategy and the governance set up for this purpose.

The asset management industry is facing financial risks related to climate change. For Amundi, these risks are not specific, being covered by the ESG approach that Amundi has placed at the heart of its raison d'être as a responsible investor. The ESG approach implemented since Amundi's creation, and expanded since 2018, relies in particular on the integration of extra-financial (ESG) criteria in the management processes, on a targeted exclusion policy, and through specific initiatives on the energy transition and the decarbonisation of portfolios.

ESG risks and opportunities related to climate change are taken into account in the environmental dimension of our ESG analysis for all our investments. In order to better respond to the specificity of the analysis of transition and physical risks, Amundi has organized itself to strengthen its climate data capabilities so that it has climate measures available to assess its investments in a comprehensive manner.

Comprehensive transition risk assessment:

We assess the company's level of commitment to reducing its footprint in order to adjust the level of transition risk exposure. To do this, Amundi uses a combination of metrics: Carbon Emissions, Carbon Intensity, Green and Brown Activities and Targets. In addition, Amundi uses a comprehensive rating to assess both a company's exposure and performance with respect to the energy and ecological transition, the TEE (Transition Énergétique et Écologique) Rating. This rating is calculated using the same scale and sources as our ESG rating. In addition to traditional data providers, Amundi also relies on open source data to conduct its comprehensive transition risk assessment (e.g. the Science Based Target Initiative database).

Physical risk assessment:

On the physical risk side, Amundi's strategies use the Physical Risk Exposure Score developed by Trucost, which measures an issuer's exposure to seven extreme weather events, both chronic and acute (extreme cold, heatwaves, water insecurity, floods, tsunamis, wildfires and hurricanes) using asset-level data. This measure assesses the location of a company's operations to determine if they are exposed to chronic and/or acute climate risks. In addition, portfolio managers also take into account internal ratings that include consideration of an issuer's climate performance.

Temperature, -2°C alignment:

This approach consists of comparing a company's carbon emissions trajectory with sectoral carbon footprints. These carbon footprints aim to be consistent with limiting global warming to 2°C or below. As this approach is not yet stabilized and several data providers are still developing their products, we are closely following the ongoing developments.

The temperature rating means that the emissions attributable to the fund are in line with this global temperature increase, based on the emissions reduction targets of the companies in which the fund invests.

As part of its ESG research toolkit, CDP temperature ratings are used to enhance Amundi's forward-looking assessment capabilities to identify priorities and the degree of action required, including engaging companies in the investment universe to set more ambitious, science-based emissions reduction targets.

CDP's temperature ratings are based on a forthcoming protocol developed by CDP and WWF to translate companies' emissions targets into temperatures. The ratings reflect the global warming that would occur if global GHG emissions were reduced at the same rate as the selected company's emissions, based on the ambitious target it has set.

1.5°C is the maximum global temperature increase that science considers possible to avoid the worst effects of global warming, and each additional temperature increase is likely to have devastating effects. Currently, climate action is consistent with limiting warming to 3.2°C by the end of the century.

To assess temperatures, the dataset uses emissions and target data from the CDP - the global disclosure platform and the world's largest environmental dataset.

2.5 Which teams are involved in the management company's responsible investment activity?

Specialized resources

The Responsible Investment business line defines and implements Amundi's sustainable finance strategy in all its dimensions, serving the various asset management activities: company analysis and rating, engagement and voting, integration of ESG factors and design of sustainable investment solutions, key portfolio sustainability indicators, ESG promotion, and participation in market work and initiatives.

At the end of December 2023, the business line had 42 employees. It is organized into four different teams:

- **ESG Analysis, Engagement and Voting**: This international team is situated in Paris, Dublin, London and Tokyo. ESG analysts meet, engage and maintain dialogue with companies to improve their ESG practices, with responsibility for rating these companies and defining exclusion rules. ESG analysts work alongside a team of specialists dedicated to voting policy and pre-meeting dialogue. Based in Paris, they define the voting policy for the General Meetings of companies in which Amundi invests on behalf of its clients.
- **ESG Methods and Solutions**: This team of quantitative analysts and financial solution engineers is in charge of maintaining and developing Amundi's proprietary ESG scoring system, ESG data management systems (including the selection of external data providers to generate proprietary ESG scores). They help analysts and portfolio managers to integrate ESG considerations into their investment decisions, as well as business development teams to create innovative solutions by integrating sustainability-related data into financial products (ESG ratings, climate data, impact measures, controversies etc.). They oversee the development and integration of ESG analysis tools into Amundi's portfolio management and client reporting systems and are also responsible for implementing client-specific ESG exclusion rules.
- **ESG Business Development & Advocacy** : This team is responsible for supporting and developing an ESG offering and solutions that meet the needs and challenges of investors, providing ESG advice and services to all Amundi clients, managing ESG advocacy to and collaborations with responsible finance initiatives, as well as developing training programs for our clients.

- **COO Office**: This team is responsible for coordinating the department with the group's support functions, producing activity monitoring dashboards (Business, Budget, IT, Audit, projects), and supervising major cross-functional projects.

Governance dedicated to ESG policy

With the support of these teams, Amundi leads four committees that are regularly monitored by Amundi's CEO:

ESG strategic committee

Chaired by Amundi's Chief Executive Officer, the ESG Strategic Committee meets every two months to define Amundi's ESG policy and its key orientations for France and internationally. It validates the policy and the themes of engagement.

ESG rating committee

The ESG Rating Committee meets every month. It defines and validates the ESG rating, decides on exclusion policies and on investment strategies that integrate ESG ratings.

ESG voting committee

The ESG Voting Committee meets annually to validate the voting policy but can be convened as needed. Its role is to examine and validate Amundi's commitments and the exercise of its voting rights, and to ensure that they are consistent with the key ESG commitments.

ESG management committee

The ESG management committee includes the senior leadership of the ESG functions. It meets weekly to approve investment strategies for private equity and debt in the field of social and solidarity investments. Besides this, the committee is responsible for setting objectives and priorities for the ESG and voting teams, building a consolidated view on ESG resources and capabilities across the whole group and promoting ESG across the whole business, addressing client requests and business opportunities.

2.6 How many employees are directly involved in the company's sustainable investment activity?

As of December 2023, our Responsible Investment managers represent approximately 500 people, plus our 27 experts dedicated to ESG analysis, ESG rating methodology and pre-meeting voting and dialogue.

2.7 Is the company involved in any RI initiatives?

As a responsible investor with a growing influence in the consideration of ESG criteria, Amundi participates in numerous initiatives as a member or signatory.

These international initiatives bring together institutional investors and asset management professionals. Their objective is to encourage companies to improve their practices and transparency in the areas of climate change and deforestation, water resource protection, health, nutrition in developing countries, etc.

	Amundi's Involvement / Actions
PRI - Principles For Responsible Investment	PRI signatory since 2006 and a long-term partner of PRI in Person Events PRI transparency report performed every year Regular discussions with several PRI teams on policy and specific issues. Participation in collective engagement on cybersecurity and on responsible sourcing of cobalt. Participation in the PRI coordinated investor response to Vale dam failure In January 2019
Finance for Tomorrow	One of the founding members of this French Initiative launched by Europlace in 2017 The Head of Amundi institutional and corporate coverage is Vice-President of Finance for Tomorrow The Head of Amundi ESG External Relations is Co-Pilot of the Public Affairs permanent Commission Significant contributor to both "Taxonomy and European green deal" and "Just transition" working groups
CDP - Carbon Disclosure Project	Member since 2004 Amundi supports the CDP Science-Based Targets campaign (October 202O) Amundi, first to use CDP's temperature ratings (July 2020) CPR Climate Action fund in exclusive partnership with the CDP (use of CDP climate data) Participation in the « CDP Non-Disclosure Campaign » in 2017 and 2019 (on climate change/forest/water) Contribution to the CDP European Water Report in 2017 Amundi regularly hosts CDP's events
Climate Action 100+	Investor signatory since 2017 Active member, through KBI, by taking part in their collaborative engagements
Green Bonds Principles	Member of the Executive Committee of the Green Bond Principles (2015) Involved in several working groups
PLWF - Platform Living Wage Financials	Member of the PLWF initiative in 2018. Collaboration with the PLWF in 2019/2020 to produce a joint letter calling for improved transparency in the luxury fashion sector
One Planet Sovereign Wealth Fund Asset Manager	One of the founding members of the One Planet Summit SWF AM Working group (2019) Amundi actively participated to workshops in Paris and NYC
Finance Lab of the French Ecological and Inclusive Ministry	Active member of the Finance Lab Participation to different workshops
EFAMA - European Fund and Asset Management Association	The Chief Financial Officer of Amundi is Vice-President of EFAMA The ESG Advocacy & Public Affairs representative of Amundi is Vice-Chairman of the standing Committee "Stewardship, ESG and Market Integrity"

AMF - Financial Markets Authority	The Head of the ESG Analysis, Engagement and Voting team is a member of the Climate and Sustainable Finance Commission
AFG - French Asset Management Association	Amundi is a member of the RI Committee and of several working groups of AFG (coal, ESG data, etc.)
Medici Committee	Think-tank supported by Amundi, this Committee has a twofold objective: help Amundi define its investment policy and contribute to social debates.

Source: Amundi

Active participation in local initiatives

Amundi actively participates in working groups led by market bodies aimed at advancing responsible finance, sustainable development and corporate governance. Amundi is a member of the French Asset Management Association (AFG), the European Fund Management Association (EFAMA), the French Institute of Administrators "Institut Français des Administrateurs" (IFA), the Observatory for Corporate Social Responsibility "Observatoire de la Responsabilité Sociétale des Entreprises" (ORSE), the French Society of Financial Analysts "Société Française des Analystes Financiers" (SFAF) European SIFs (France, Spain, Italy, Sweden), Canadian, Japanese and Australian SIFs, the French association "Entreprises pour l'Environnement", the Finance Lab of the French Ministry of Ecology and Inclusion, the One Planet Sovereign Wealth Fund Asset Manager, and the Platform Living Wage Financials (PLW). Amundi is also a member and director of Finansol.

In addition, Amundi supports the Academic Chair in Sustainable Finance and Responsible Investment, created in 2007, sponsored by the French Asset Management Association (AFG) and run by the École Polytechnique and the Institut d'Économie Industrielle (IDEI) in Toulouse.

In 2020, Amundi helped launch the Club France 30% investor group.

This initiative aims to promote greater gender diversity at all levels of the corporate hierarchy and calls on France's large caps (SBF 120) to draw up an action plan to have at least 30% women in their management teams by 2025.

Support for the development of a think tank: the Medici Committee

Amundi is a member of the Medici Committee, a working group dedicated to responsible finance created by Amundi. This reflection aims to address the major social issues of the day in terms of their relationship with finance, with two objectives:

1) Clarifying how Amundi can implement its fourth pillar and, in particular, define its responsible investment policy (study the ESG criteria to be taken into account and their possible or likely evolution in terms of public debates and emerging issues).

2) Contributing to the public debate, allowing Amundi to fully assume its social role and to be a different type of financial company, due to its unique understanding and perspectives on the world around it.

The Medici Committee, chaired by Amundi's CEO, brings together renowned personalities of different nationalities and backgrounds: economists, philosophers, scientists, sociologists, business leaders, representatives of non-profits, etc.

Their mission is to:

- Study, from a multidisciplinary point of view, the major economic, social and environmental issues facing our societies and economies.
- Seek ways to transform them into responsible financial policy.

- Create practical recommendations for financiers and companies.
- Encourage the promotion of its work.

2.8 List the public SRI funds managed by the company

Our publically available SRI funds can be found on our website under the following link.

3. General information about the SRI fund(s) that come under the scope of the code.

3.1 What is (are) the fund(s) aiming to achieve by integrating ESG factors?

The general objective of the fund is to replicate the performance of its benchmark MSCI World Climate Change Paris Aligned Low Carbon Select Index and to minimize the tracking error between the net asset value of the fund and the performance of the Index.

The UCI promotes environmental, social and governance (ESG) criteria within the meaning of Article 9 of Regulation (EU) 2019/2088 on sustainability disclosure in the financial services sector (referred to as the Disclosure Regulation).

The range of MSCI Climate Change Paris Aligned Low Carbon Select Indices aims to provide exposure to the performance of eligible stocks of their Parent Index, selected and weighted so as to form a universe consistent with a 1.5° C global warming scenario. The indices incorporate a range of climate targets while excluding controversial or high environmental impact activities.

The indices are designed in line with the minimum standards proposed in the Final Report of the Technical Expert Group (the 'TEG') mandated by the European Union, relating to climate related benchmarks and reporting on environmental, social and governance (ESG) factors. They meet the criteria for awarding the European Union's 'Paris Agreement' label (benchmarks aligned with the objectives of the Paris Agreement).

The index methodology aims to select and weight companies from the Parent Index with the objectives of complying with the ESG and climate objectives set out in the 'Benchmark' regulation with respect to the Paris-Agreement Aligned Benchmarks, namely:

- Excluding companies involved in controversial activities (weapons, tobacco, etc.);
- Exclusion of companies involved in serious ESG controversies ('Do Not Harm' principle) notably related to the 10 United Nations Principles (Global Compact). These Principles cover respect for human rights, international labour standards, respect for the environment, and the fight against corruption;
- Limiting exposure to companies involved in the extraction and exploitation of fossil fuels, which contribute significantly to global warming;
- Reducing greenhouse gas emissions intensity of the Reference Index by 50% relative to the Parent Index (past emissions),
- Reducing potential greenhouse gas emissions intensity of the Reference Index by 50% relative to the Parent Index (based on fossil fuel reserves),
- Reducing annual index emissions by 7% per year (self decarbonation),
- Achieving a "Green to Brown Ratio" at least 4 times better than the Parent Index,
- Maintaining exposure to high intensity sectors at least equivalent to the exposure of the Parent Index, in order to promote the transition from 'brown' to 'green';

For more details, see sections 3.5 (details of ESG indicators) and 4.1 (portfolio construction).

3.2 What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the fund(s)?

ETFs replicate the performance of their Reference Index calculated by an index provider. For this fund, stock selection and benchmark calculations are performed by MSCI.

In order to carry out its reporting duties, AMUNDI has subscribed to the services of multiple ESG and financial data providers such as MSCI, Refinitiv, TruCost, V.E. and Bloomberg.

For more information on the composition of the index, its operating rules and ESG assessment, please sections 3 and 4 of this Transparency Code.

3.3 What ESG criteria are taken into account by the fund(s)?

The introduction of ESG criteria into the investment process of the funds is consistent with Amundi's investment philosophy, which aims in particular to take into account the risks and opportunities resulting from extra financial analyses as well as to influence companies to adopt more sustainable practices.

The indices replicated by these investment vehicles are designed to represent the performance of companies that have a robust ESG profile and contribute to a global warming scenario consistent with that chosen by the Paris Agreements.

General sector and environmental exclusions:

The index methodology provides for the exclusion of companies active in controversial sectors (tobacco, weapons, etc.) and/or with high environmental impact (fossil fuels).

Studying and monitoring controversies:

The index methodology provides for the exclusion of companies subject to serious ESG controversies.

Published, estimated and anticipated climate data:

In order to form portfolios consistent with the objectives of the Paris Agreements, the index methodology is based on climate data:

- Published by issuers: Greenhouse gas emissions, for example;
- Estimated: When data are missing or appear incorrect, MSCI estimates these data using a proprietary model;
- Anticipated: MSCI collects the scenario of companies publishing their plan to reduce their emissions (in particular those adhering to the SBT initiative)

The analysis of all these elements leads to the indicators described in section 3.5.

3.4 What principles and criteria linked to climate change are taken into account in the fund(s)?

Through building a portfolio compatible with scenario +1.5C, the fund has precise and ambitious climate targets:

- Carbon intensity reduction target of 50% relative to the Parent Index;
- Potential carbon intensity reduction target of 50% relative to the Parent Index;
- Target of reducing the carbon footprint by 7% per year (self decarbonation);

Strict exclusions related to environmental considerations also apply, as certain activities are inconsistent with global warming limitation objectives, including:

- Fossil fuel extraction and exploitation (conventional and unconventional coal, gas & oil)
- Power generation from fossil fuel

Companies with high transition risk arising from climate change are also excluded.

3.5 What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used etc.)?

The construction of the benchmark is based on an ESG analysis and assessment methodology specific to MSCI. Amundi only acts as an index manager with the objective of replicating the index constructed by MSCI.

The index methodology for the fund covered by this Transparency Code is based on:

- General sectoral exclusions (weapons, tobacco, etc.);
- Environmental sector exclusions (fossil fuel extraction);
- Sector specific exclusions from the Climate Benchmarks regulation;
- Exclusions based on particularly serious controversies, via the MSCI Controversy Score;
- A selection and weighting of issuers based on their resilience to climate change, their past carbon emissions and their commitment to reduce future carbon emissions

The assessment and scale of each indicator are detailed below:

(i) General sector exclusions

MSCI assesses the degree of participation of universe companies in controversial activities, such as the production of tobacco, or the production of unconventional weapons. To do this, MSCI's research is based on public information such as annual reports and other sources (press, NGOs etc.). The absolute revenues as well as the percentage of revenues related to these activities are estimated by MSCI.

Exclusions are made based on this percentage of revenues or the revenues themselves. Exclusion thresholds depend on the activities covered, as shown in the table below.

Values-based Exclusions Criteria	Definition and threshold
Controversial Weapons	All companies involved in Controversial Weapons as defined by the Methodology of the MSCI Ex Controversial Weapons Indexes.
Nuclear Weapons	All companies deriving 0% or more revenue from the production of Nuclear Weapons and components
Conventional Weapons	All companies deriving 1% or more revenue from weapons systems, components, and support systems and services
Genetically Modified Organisms (GMO)	All companies deriving 1% or more revenue from activities like genetically modifying plants, such as seeds and crops, and other organisms intended for agricultural use or human consumption
Nuclear Power	All companies deriving 1% or more revenue from nuclear power activities
Stem Cells	All companies that conduct stem cell research with cells derived from human embryos.
Geographical (non ESG)	All companies classified in non-OECD countries as per the MSCI Country of Classification framework
Tobacco	All companies that are involved in the manufacturing of Tobacco products
Tobacco Distribution	All companies deriving 5% or more revenue the distribution of tobacco products

Source: MSCI

MSCI's business involvement methodology is available at the following link.

(ii) Environmental Sector Exclusions

Environmental Exclusions	Scope	Definition and threshold
Extraction, Production & Distribution	Thermal Coal Mining	All companies deriving more than 1% revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover revenue from metallurgical coal; coal mined for internal power generation (e.g. in the case of vertically integrated power producers): intra-company sales of mined thermal coal; and revenue from coal trading
	Unconventional Oil & Gas Extraction	All companies deriving more than 5% revenue (either reported or estimated) from unconventional oil and gas production. It covers revenue from the production of oil sands. oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane, as well as revenue from onshore or offshore oil and gas production in the Arctic region. It does not cover revenue from conventional oil and gas production including deep water, shallow water, and other onshore/offshore oil and gas.
	Conventional Oil & Gas Extraction	All companies deriving more than 5% revenue (either reported or estimated) from the production of deep water, shallow water, and other onshore/offshore oil and gas. It does not cover revenue from unconventional oil and gas production (oil sands, shale oil, shale gas) and onshore/offshore oil and gas production in the Arctic region.
	Oil & Gas Refining	All companies deriving 5% or more revenues from refining oil and gas.
	Distribution of fossil fuels	All companies deriving 5% or more revenues from the distribution of fossil fuels (explicitly Gas Stations and pipelines)
	Oil&Gas Equipment Services	All companies deriving 30% or more revenues from the Oil & Gas Equipment & Services
Power Generation	Thermal Coal-based Power Generation	All companies deriving 1% or more revenue (either reported or estimated) from thermal coal-based power generation
	Oil Power Generation	All companies deriving 5% or more revenue (either reported or estimated) from liquid fuel-based power generation
	Natural Gas-based Power Generation	All companies deriving 5% or more revenue (either reported or estimated) from natural gas-based power generation
High exposure to Climate Change	High exposure to Climate Change	All companies with an MSCI Low Carbon Transition Category of Operational Transition, Product Transition and Asset Stranding

(iii) Regulatory specific sector exclusions Climate Benchmarks

The following exclusions correspond to regulatory requirements for funds aligned with the Paris Agreements (some of which are redundant with previous exclusions):

Paris-Aligned Benchmark Exclusions	Definition and threshold
Controversial Weapons	All companies involved in Controversial Weapons as defined by the methodology of the MSCI Ex-Controversial Weapons Indexes.
Tobacco	All companies that are involved in the manufacturing of Tobacco products
Tobacco Distribution	All companies deriving 5% or more revenue the distribution of tobacco products
Thermal Coal Mining	All companies deriving 1% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes revenue from metallurgical coal, coal mined for internal power generation (e.g. in the case of vertically integrated power producers), intra-company sales of mined thermal coal, and reverue from coal trading (either reported or estimated)
Oil & Gas	All companies deriving 10% or more revenue from oil and gas related activities, including distribution/retail, equipment and services, extraction and production, pipelines anc transportation and refining but excluding biofuel production and sales and trading activities.
Power Generation	All companies deriving 50% or more revenue from thermal coal based power generation, liquid fuel based power generation and natural gas based power generation .

(iv) MSCI Controversy Scores

Based on public information (e.g. annual reports) and other sources (press, NGOs, etc.), MSCI determines whether companies are subject to ESG controversies and assesses the severity of each of them. Controversies can lie within each of the broader ESG pillars:

MSCI ESG Controversies Coverage - Stakeholder 'Pillars' and 'Indicators'

Environment	Human rights & community	Labor rights & supply chain	Customers	Governance
• Biodiversity & land use • Toxic emissions & waste • Energy & climate change • Water stress • Operational waste (Non-hazardous) • Supply chain management • Other	• Impact on local communities • Human rights concerns • Civil liberties • Other	• Labor management relations • Health & safety • Collective bargaining & unions • Discrimination & workforce diversity • Child labor • Supply chain labor standards • Other	• Product safety & quality • Anticompetitive practices • Customer relations • Privacy & data security • Marketing & advertising • Other	• Bribery & fraud • Governance structures • Controversial investments • Other

Source: MSCI

This results in an assessment on a scale of 0 to 10 (0 = severe controversies), which is the basis on which exclusions are made. For more details on controversies, please refer to Section 3.6 of this Transparency Code and the following link.

(v) Carbon emissions considerations

MSCI is a leader in carbon and environmental data, risk assessment and analysis related to climate change or natural resource scarcity.

a. Weighted average carbon intensity ("WACI")

MSCI analysed the environmental performance of more than 10,000 companies worldwide. MSCI's normalised greenhouse gas ('GHG') emissions data provide a carbon performance indicator. To calculate the carbon intensity of any company included in the indices, MSCI reviews companies' annual reports and accounts, environmental/sustainability reports, public disclosures, and corporate websites.

However, many companies do not disclose their environmental or carbon impacts. When there is no public disclosure, MSCI uses its environmental profiling system. This proprietary model maps the GHG impacts of business activities across several hundred sectors. MSCI's broad coverage aims to ensure that all companies that do not disclose their carbon footprint are potentially eligible for inclusion in the index.

Six greenhouse gases (GHGs) are included in the analysis; these are all GHGs regulated under the Kyoto Protocol. Each gas has a different ability to facilitate global warming. Although carbon dioxide (‘CO2’) is the least powerful of GHGs, it is one of the most prevalent in terms of anthropogenic emissions. GHG emissions are calculated for each company and converted to tonnes of carbon dioxide equivalent based on appropriate global warming potential factors.

The quantities of greenhouse gas emissions in scopes 1, 2, and 3 are then normalised by firm value, to calculate the ‘carbon intensity.’ The carbon intensity of an index or WACI (Weighted Average Carbon Intensity) is calculated by taking the weighted average of the index constituents.

b. Weighted average potential carbon intensities

The potential carbon intensities are calculated in a similar way as above, based on potential emissions, as measured by the fossil fuel reserves of the company rather than on past emissions.

c. Low Carbon Transition Score and Category

MSCI ESG Research’s Low Carbon Transition Risk assessment is designed to identify potential leaders and laggards by holistically measuring companies’ exposure to and management of risks and opportunities related to the low carbon transition.

The final output of this assessment is two company-level factors as described below:

- **Low Carbon Transition Category**: This factor groups companies in five categories that highlight the predominant risks and opportunities they are most likely to face in the transition.
- **Low Carbon Transition Score:** This score is based on a multi-dimensional risks and opportunities assessment and considers both predominant and secondary risks a company faces. It is industry agnostic and represents an absolute assessment of a company’s position vis-à-vis the transition.

LOW CARBON TRANSITION SCORE	LOW CARBON TRANSITION CATEGORY		LOW CARBON TRANSITION RISK / OPPORTUNITY	
Score = 0	ASSET STRANDING		Potential to experience “stranding” of physical / natural assets due to regulatory, market, or technological forces arising from low carbon transition.	Coal mining & coal based power generation; Oil sands exploration/production
	TRANSITION	PRODUCT	Reduced demand for carbon-intensive products and services. Leaders and laggards are defined by the ability to shift product portfolio to low-carbon products.	Oil & gas exploration & production; Petrol/diesel based automobile manufacturers, thermal power plant turbine manufacturers etc.
		OPERATIONAL	Increased operational and/or capital cost due to carbon taxes and/or investment in carbon emission mitigation measures leading to lower profitability of the companies.	Fossil fuel based power generation, cement, steel etc.
	NEUTRAL		Limited exposure to low carbon transition carbon risk. Though companies in this category could have exposure to physical risk and/or indirect exposure to low carbon transition risk via lending, investment etc.	Consumer staples, healthcare, etc.
Score = 10	SOLUTIONS		Potential to benefit through the growth of low-carbon products and services.	Renewable electricity, electric vehicles, solar cell manufacturers etc.

d. Green to Brown Ratio

For each constituent in the Parent Index, the Green Revenue% is calculated as the cumulative revenue (%) from the six CleanTech themes which are as follows:

- Alternative Energy
- Energy Efficiency
- Sustainable Water
- Green Building
- Pollution Prevention
- Sustainable Agriculture

For each constituent in the Parent Index, the Brown Revenue% is calculated as the cumulative revenue (%) from the following sources:

- Revenue% (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties.
- Revenue% from the extraction, production and refining of Conventional and Unconventional Oil & Gas.
- Revenue% from thermal coal based power generation, liquid fuel based power generation and natural gas based power generation.

The Green Revenues to Fossil Fuels based Revenues multiple for either the Parent Index or the Index is calculated as a ratio of the Weighted Average Green Revenue to the Weighted Average Fossil Fuels based Revenue.

Details on MSCI's Climate data and methodologies are available at the following link and in Appendix II of the index methodology.

3.6 How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?

- **Frequency of review of issuer ESG assessment:**

Companies ESG assessment is reviewed annually by MSCI, but it can sometimes be reviewed more frequently in the event of a material ESG event. Controversies are evaluated as they occur.

- **Managing controversies**

MSCI provides assessments of possible controversies related to companies' operations, products, and services with a negative E, S, and G impact. The assessment framework is designed to be in line with the international standards represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact.

This analysis provides a score on the controversy (as presented below), allowing to assess its severity. MSCI teams monitor multiple sources from companies, governments, the media and NGOs to uncover and update new controversies.

SCORE	SEVERITY	TYPE	STATUS
0	Very Severe Very Severe Very Severe Very Severe	Non-Structural Non-Structural Structural Structural	Concluded Ongoing Concluded Ongoing
1	Severe	Structural	Ongoing
2	Severe Severe	Structural Non-Structural	Concluded Ongoing
3	Severe	Non-Structural	Concluded
4	Moderate	Structural	Ongoing
5	Moderate Moderate	Structural Non-Structural	Concluded Ongoing
6	Moderate	Non-Structural	Concluded
7	Minor	Structural	Ongoing
8	Minor Minor	Structural Non-Structural	Concluded Ongoing
9	Minor	Non-Structural	Concluded
10	None	NA	NA

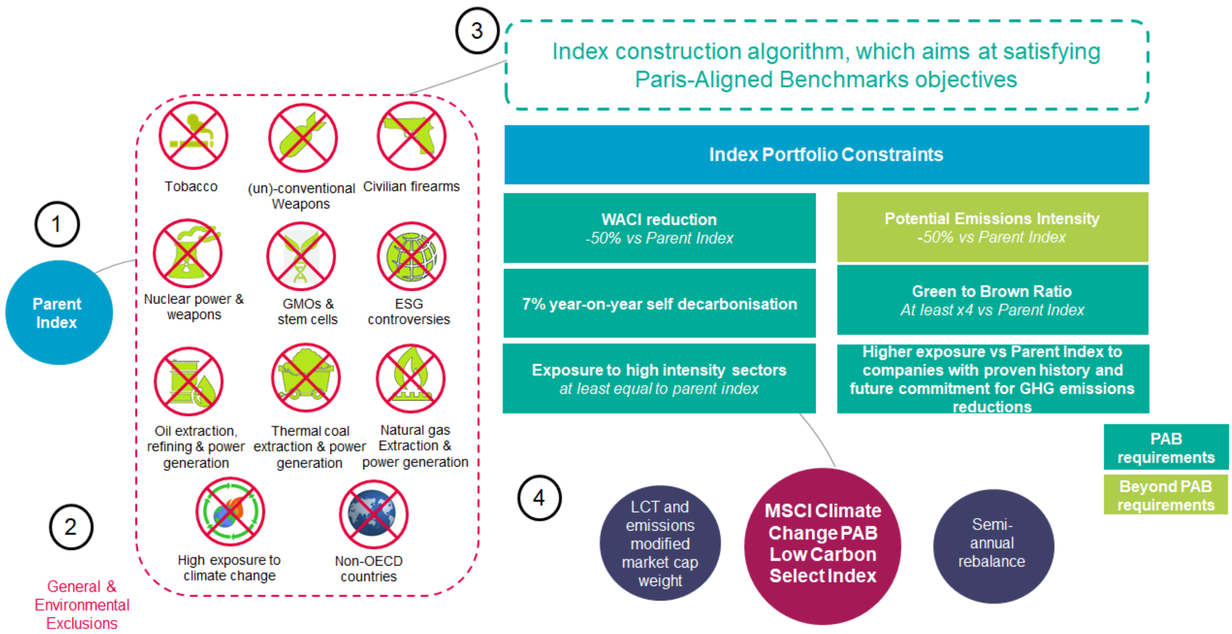
Issuers subject to a score 0 ESG controversy (very serious) or 1 (serious, only on the Environmental pillar) at the time of rebalancing, are not eligible for the final portfolio.

4. Investment Process

4.1 How are the results of the ESG research integrated into portfolio construction?

All of the ESG indicators described in 3.5 contribute to the construction of the final index composition.

The general index methodology can be described by the following chart:



Step 1:

- The rebalancing process is applied semi-annually, in May and November
- The starting universe is the MSCI World Index, which is representative of large and mid-cap stocks in developed markets

Step 2:

- Exclusion of issuers not covered by MSCI
- Application of general sector exclusions (described in 3.5.i), environmental exclusions (described in 3.5.ii) and Paris-Aligned Benchmarks specific exclusions (described in 3.5.iii)
- Exclusion of firms involved in a major ESG controversy based on a MSCI ESG Controversy score (described in 3.5.iv and 3.6)
- Exclusions of issuers with high risk arising from climate, based on their Low Carbon Transition Category (described in 3.5.v.c) : Operational Transition, Product Transition and Asset Stranding
- Exclusion of non-OECD issuers (namely Hong-Kong and Singapore)
- The remaining stocks see their weight in the Parent Index modified by a combination of their LCT Category and their LCT positioning relative to their peers, with the objective of increasing the weight

of companies involved in climate change opportunities and reducing the weight of companies exposed to climate change risks. Together, the remaining stocks form the Initial Universe.

Step 3:

- Based on the Initial Universe above, an algorithm is applied to select and weight the stocks in the Reference Index. The algorithm aims to select and weight companies from the Parent Index with the objectives of complying with the ESG and climate objectives set out in the 'Benchmark' regulation with respect to the Paris-Agreement Aligned Benchmarks, namely:
    - Reducing greenhouse gas emissions intensity of the Reference Index by 50% relative to the Parent Index (past emissions),
    - Reducing potential greenhouse gas emissions intensity of the Reference Index by 50% relative to the Parent Index (based on fossil fuel reserves),
    - Reducing annual index emissions by 7% per year (self decarbonation) : this is done by overweighting stocks with a proven track record of reducing their past intensities and setting objectives to reduce them in the future
    - Achieving a "Green to Brown Ratio" at least 4 times better than the Parent Index,
    - Maintaining exposure to high intensity sectors at least equivalent to the exposure of the Parent Index, in order to promote the transition from 'brown' to 'green';

Step 4:

- The final index composition will be in place for the next 6 months, with the treatment of corporate actions following the same process as in the Parent Index

The fund covered by this Code then replicates the composition and performance of its Reference Index, as described in section 5.1.

The detailed index methodology is available at the following link.

4.2 How are criteria specific to climate change integrated into portfolio construction?

See section 3.4

4.3 How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?

As stated in step 2 above, companies not subject to ESG assessment (in that case ESG controversies, business involvement and climate considerations) are excluded.

4.4 Has the ESG evaluation or investment process changed in the last 12 months?

There was no change to MSCI methodology in the last 12 months.

The fund was launched in September 2021.

4.5 Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?

No investment is made in entities pursuing strong social goals or social enterprises

4.6 Does (do) the fund(s) engage in securities lending activities? does the process for selecting the counterparty(ies) integrate ESG criteria?

This fund does not engage in security lending/borrowing.

4.7 Does (do) the fund(s) use derivative instruments? Describe the potential limits in terms of exposure; if appropriate, their impact on the SRI nature of the fund(s).

To manage inflows and outflows, as well to adapt to the specificities of certain local equity markets (market access, liquidity, tax), the Investment Manager may combine physical replication with replication through derivative instruments such as futures. As a result, the fund may hold a cash position while maintaining total exposure to the index.

The use of derivatives does not alter the ESG nature of the Fund.

The selection of counterparties is made in accordance with the procedure applicable to Amundi and is based on the principle of selecting the best counterparties available in the market.

4.8 Does (do) the fund(s) invest in mutual funds? how do you ensure compatibility between the policy for selecting mutual funds and the SRI policy of the fund(s)? How many funds can be held?

The fund cannot invest in other mutual funds.

5. ESG Controls

5.1 What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?

- Index level controls

The fund covered by this Transparency Code replicates an index developed by the index provider, i.e. MSCI

The index and ESG data provider (MSCI) ensures the correct application of the index methodology, as described in 4.1 (construction rules, ESG integration strategy, etc.). MSCI verifies a posteriori that the final composition of the index is in line with ESG constraints, including the objectives of the indices aligned with the Paris Agreements of the Climate Benchmarks regulation.

MSCI is a regulated entity under the European Union Benchmark Regulation (EU BMR). As such, it must ensure the quality of the calculation service through a suitable control system.

- Fund level controls

The fund uses physical replication to track its benchmark. This method consists of investing directly in all or parts of the index components., in a proportion substantially similar to the index.

Amundi's Risk Team ensures consistency between the index received through the index provider and the investments actually made by the Management team, by performing a control of the Tracking Error, the weights of the fund relative to its index and by ensuring that the issuers of the fund positions are part of the composition of the replicated index.

6. Impact measures and ESG reporting

6.1 How is the ESG quality of the fund(s) assessed?

A factsheet is produced on a monthly basis, and compares the ESG quality of the fund to its Parent Index, based on the MSCI ESG rating:

- ESG rating measures the ability of underlying issuers to manage key risks and opportunities related to E, S, and G factors relating to their sector. The report includes an ESG rating of the investment vehicle by combining the rating of the various underlyings and their weight in the portfolio. The granularity of the rating is given for each of the E, S and G pillars as well as at the sub theme level.

Bewertung nach ESG Kriterien (Quelle: Amundi)

	Index	Parent index
Gesamtrating	7,12	6,94
Umwelt	7,06	6,75
Sozial	5,21	5,17
Governance	5,75	5,76

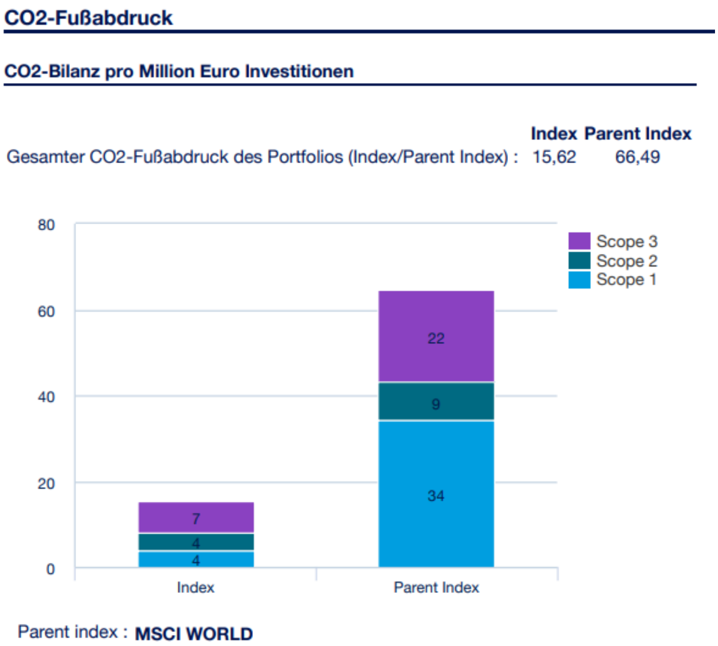
Parent index : **MSCI WORLD**

Example as of February 29th 2024

Source: MSCI / Calculations by Amundi

6.2 What ESG indicators are used by the fund(s)?

Amundi also publishes the weighted average carbon intensity of the fund compared to its Parent Index. Emissions are based on scopes 1, 2 and 3.



Example as of February 29th 2024

Source: Trucost / Calculations by Amundi

6.3 What communication resources are used to provide investors with information about the SRI management of the fund(s)?

Amundi provides investors with a multitude of documents on its Responsible Investment approach and ESG issues. These documents include its Responsible Investment policy, its Voting policy, transparency codes of the relevant funds, research documents, sector analyses, engagement reports, brochures on Responsible Investment Solutions and Amundi RI Ambitions, etc. This documentation is available on Amundi's website by clicking on the following link: https://www.amundi.com/int/ESG/Documentation

The table below summarizes the available documentation:

Document Name	Contents	Frequency	Method of transmission
ESG ambitions 2025	Amundi's responsible investment ambitions to be achieved by 2025	-	Website (www.amundi.com)
RI Transparency Report	Amundi's annual report on its ESG reporting obligations under the Principles for Responsible Investment (PRI)	annually	Website (www.amundi.com)
Engagement Report	Details of Amundi's engagement process, results of our dialogue and engagement with companies on issues related to environmental, social and governance risks	annually	Website (www.amundi.com)

Responsible Investment Policy	Amundi's responsible investment policy	annually	Website (www.amundi.com)
Amundi SFDR Statement	This statement refers to the European Sustainable Finance Disclosure Regulation, "SFDR"	annually	Website (www.amundi.com)
Stewardship Report	This report sets out our response to the requirements of a number of different Stewardship Codes.	annually	Website (www.amundi.com)
Voting Policy	Analytical framework of Amundi's voting policy	annually	Website (www.amundi.com)
Report on voting rights and dialogue with shareholders	Implementation of Amundi's voting policy	annually	Website (www.amundi.com)
ESG Report	For SRI funds: ESG ratings of the portfolio, its benchmark and/or the investment universe Environmental, social and governance indicators	monthly	Website (www.amundi.com)
Social Impact Reporting	For social impact funds: Details of social impact investments by theme (employment, housing, health, education, non-profit services, international solidarity, environment), list of social impact companies funded, and testimonials	annually	Website (www.amundi.com)

6.4 Does the fund management company publish the results of its voting and engagement policies?

Amundi publishes the results of its voting and engagement policy every year. Please find more information on the website: https://www.amundi.com/int/ESG/Documentation

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Confidence must be earned

Amundi ASSET MANAGEMENT

DISCLAIMER

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