

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability

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

Product name:

Amundi MSCI EM Asia ESG CTB Net Zero Ambition

Legal entity identifier:

213800X25VEVKDSCY057

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 10% 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 through among others, replicating an Index that is meeting the minimum standards for EU Climate Transition Benchmarks (EU CTBs) under Regulation (EU) 2019/2089 amending Regulation (EU) 2016/1011. The law proposes the definitions of minimum standards for the methodology of any 'EU Climate Transition' benchmark indices that would be aligned with the objectives of the Paris Agreement. The Index methodology align with certain criteria such as: - A minimum reduction in Greenhouse Gas (GHG) intensity relative to Parent Index of 30%. - A minimum self-decarbonization rate of GHG emissions intensity in accordance with the trajectory implied by Intergovernmental Panel on Climate Change's (IPCC) most ambitious 1.5°C scenario, equating to at least 7% GHG intensity reduction on average per annum.

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

The weighted average greenhouse gas (GHG) intensity (the "WACI") is used to measure the attainment of each of the environmental or social characteristics promoted by this financial product. The WACI is the weighted average of the Index components' greenhouse gas (GHG) emissions (expressed in tCO2) divided by the enterprise value including cash. The GHG emissions are divided into Scope 1, Scope 2, and Scope 3 emissions. - Scope 1 emissions: those from sources owned or controlled by the company. - Scope 2 emissions: those caused by the generation of electricity

purchased by the company. - Scope 3 emissions: include all other indirect emissions that occur in a company's value chain. MSCI EM Asia ESG Broad CTB Select Index is constructed by applying a combination of values based exclusions and an optimization process to increase the ESG score compared to the Parent Index and to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements while targeting a similar risk profile to the Parent Index, as further described in Annex 1 - ESG Related Disclosures to this Prospectus. More precisely, MSCI EM Asia ESG Broad CTB Select Index (the "Index") is constructed by applying a combination of values based exclusions and an optimization process to increase the ESG score compared to the Parent Index and to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements while targeting a similar risk profile to the Parent Index. First, securities of companies involved in business activities as per MSCI ESG Research including Nuclear Weapons, Tobacco, Controversial Weapons, Oil Sands, Thermal Coal and/or Unconventional Oil & Gas including Arctic Drilling are excluded, together with companies rated as 'Red Flag' MSCI ESG controversies and 'Environmental Orange Flag' controversies. Second, MSCI applies on the remaining investment universe an optimization aimed at maximizing the average MSCI ESG Score of this universe while complying with the following constraints: 1. Compliance with the EU CTB regulation minimum requirements on carbon footprint reduction - Carbon footprint reduction of 30% compared to the Parent Index - Annual reduction of 7% of carbon footprint 2. Minimum allocation to "High Climate Impact Sector" as high as in the Parent Index 3. Targeting an ex ante tracking-error level of 1% In the case where the three constraints are not compatible, MSCI will relax the constraints and notably increase the ex-ante tracking-error level by 0.1% incremental steps. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy.

● ***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?***

At Amundi, the objectives of the sustainable investments are to invest in companies and/or economic actors whose business model and activities contribute to supporting positive environment or social objectives by meeting two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company and/or economic actor to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

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 example for health care sector these material factors are: emissions and energy, biodiversity and pollution, working conditions, product and customer responsibility, and community involvement and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu.

The sustainable nature of an investment is assessed at investee company level. To be considered a sustainable investment, a company has to meet the above objectives and should not have any significant exposure to activities considered as incompatible with long-term sustainable development goals (i.e. carbon intensive energy production and distribution, tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

This approach is specific to investments in securities. When investing into funds managed by third-party managers, Amundi will rely on the policies applied by the external manager.

Principal adverse impacts are the most significant negative impact 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 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, coal, unconventional fossil fuel and tobacco.

In addition, companies and economic actors exposed to severe controversies related to working conditions, human rights, biodiversity and pollution are not considered sustainable investments.

- The second filter aim at verifying that an investee 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?

At Amundi, 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 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), and

- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and

- Be cleared of any controversy in relation to work conditions and human rights.

- 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, 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:

At Amundi, 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 significantly harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do not significantly 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?

- X** Yes, the financial product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the RTS applying to the financial product'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.
 - 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.lu.

No



What investment strategy does this financial product follow?

The Sub-Fund objective is to track the performance of MSCI EM Asia ESG Broad CTB Select ("the Index"), and to minimize the tracking error between the net asset value of the sub-fund and the performance of the Index. MSCI EM Asia ESG Broad CTB Select Index is an equity index based on the MSCI EM Asia Index (the "Parent Index") representative of the large and mid-cap securities across Emerging Markets countries

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

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

in Asia. The Index excludes companies whose products have negative social or environmental impacts, while overweighting companies with a strong MSCI ESG Score. Additionally, the Index aims to represent the performance of a strategy that reweights securities based upon the opportunities and risks associated with the climate transition to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements.

● ***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?***

This is a passively managed ETF. Its investment strategy is to replicate the Index while minimizing the related tracking error. MSCI EM Asia ESG Broad CTB Select Index is constructed by applying a combination of values based exclusions and an optimization process to increase the ESG score compared to the Parent Index and to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements while targeting a similar risk profile to the Parent Index, as further described in Annex 1 - ESG Related Disclosures to this Prospectus. MSCI EM Asia ESG Broad CTB Select Index (the "Index") is constructed by applying a combination of values based exclusions and an optimization process to increase the ESG score compared to the Parent Index and to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements while targeting a similar risk profile to the Parent Index. First, securities of companies involved in business activities as per MSCI ESG Research including Nuclear Weapons, Tobacco, Controversial Weapons, Oil Sands, Thermal Coal and/or Unconventional Oil & Gas including Arctic Drilling are excluded, together with companies rated as 'Red Flag' MSCI ESG controversies and 'Environmental Orange Flag' controversies. Second, MSCI applies on the remaining investment universe an optimization aimed at maximizing the average MSCI ESG Score of this universe while complying with the following constraints: 1. Compliance with the EU CTB regulation minimum requirements on carbon footprint reduction - Carbon footprint reduction of 30% compared to the Parent Index - Annual reduction of 7% of carbon footprint 2. Minimum allocation to "High Climate Impact Sector" as high as in the Parent Index 3. Targeting an ex ante tracking-error level of 1% In the case where the three constraints are not compatible, MSCI will relax the constraints and notably increase the ex-ante tracking-error level by 0.1% incremental steps. The Product strategy is also relying on systematic exclusions policies (normative and sectorials) as further described in Amundi Responsible Investment policy. The Product strategy is also relying on systematic exclusions policies (normative and sectorials) as further described in Amundi Responsible Investment policy.

● ***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?***

To assess good governance practices of the investee companies, Amundi has developed an 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.

Each corporate security (shares, bonds, single name derivatives, ESG equity and fixed income ETFs) included in investment portfolios has been assessed for good governance practices applying a normative screen against UN Global Compact (UN GC) principles on the associated issuer. The assessment is performed on an ongoing basis. Amundi's ESG ratings Committee monthly reviews lists

of companies in breach of the UN GC leading to rating downgrades to G. Divestment from securities downgraded to G is carried out by default within 90 days.

Amundi Stewardship Policy (engagement and voting) related to governance complements this approach.



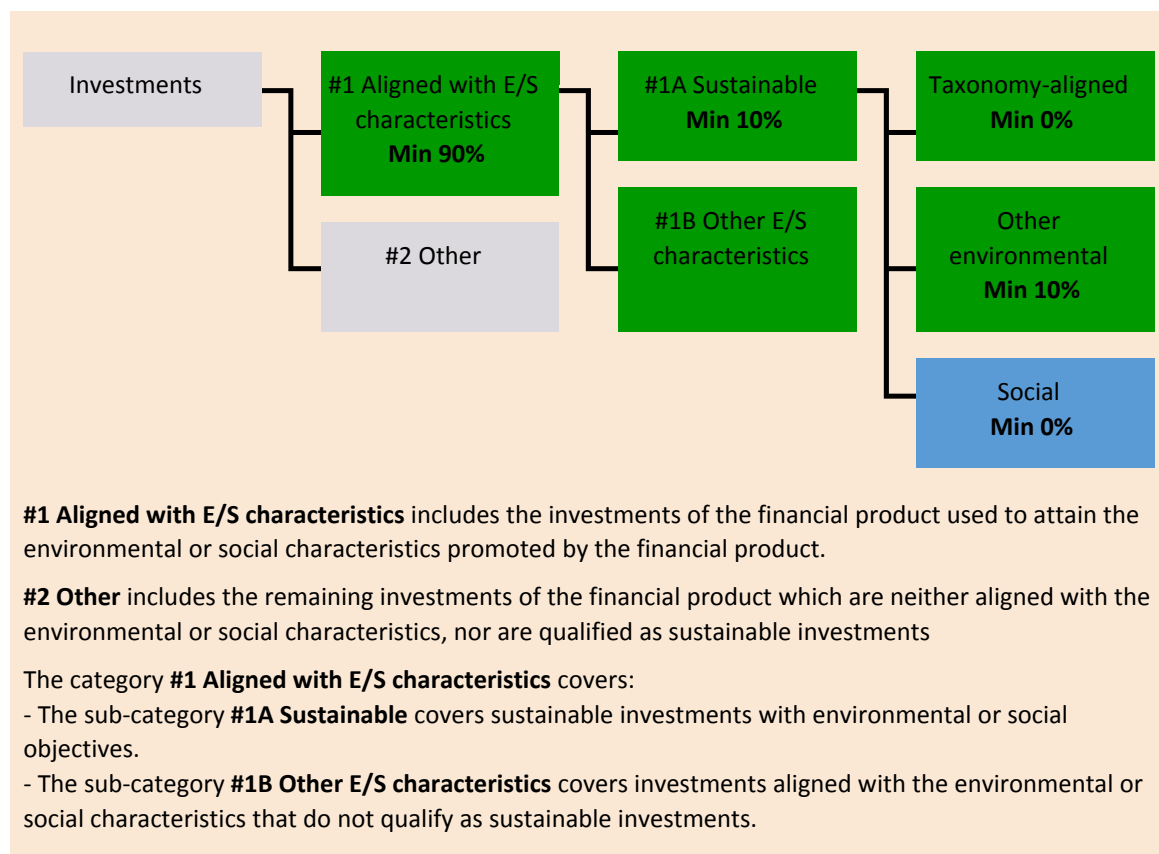
Asset allocation describes the share of investments in specific assets.

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.

What is the asset allocation planned for this financial product?

At least 90% of the Sub-Fund's securities and instruments will meet the promoted environmental or social characteristics in accordance with the binding elements of the Index methodology. Furthermore, the Sub-Fund commits to have a minimum of 10 % of sustainable investments as per the below chart. 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). The planned proportion of other environmental investment represents a minimum of 10 % (i) and may change as the actual proportions of Taxonomy-aligned and/or Social investments increase.



● 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.

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.



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 Taxonomy ?

Yes :

In fossil gas

In nuclear energy

No

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.

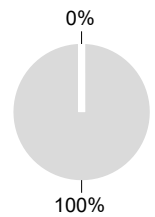
1. Taxonomy-alignment of investments including sovereign bonds*

Taxonomy-aligned (no fossil gas and nuclear)
 Non Taxonomy-aligned



2. Taxonomy-alignment of investments excluding sovereign bonds*

Taxonomy-aligned (no fossil gas and nuclear)
 Non Taxonomy-aligned



This graph represents 100% of the total investments.**

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

** This percentage is purely indicative and may vary.

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

There is 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 will have a minimum commitment of 10 % of Sustainable Investments with an environmental objective as indicated in this Annex with no commitment on their alignment with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

The Sub-Fund has no minimum share of socially sustainable investments.



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 may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available. There are no minimum environmental or social safeguards.



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

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?

Yes, the Index MSCI EM Asia ESG Broad CTB Select has been designated as a reference benchmark to determine whether the Sub-Fund is aligned with the environmental and/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?**

According to applicable regulations to index sponsors (including BMR), index sponsors should define appropriate controls/diligence when defining and/or operating index methodologies of regulated indexes.

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

The investment objective of the Sub-Fund is to track both the upward and downward evolution of the Index, while minimising the difference between the return of the Sub-Fund and the return of the Index.

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

MSCI EM Asia ESG Broad CTB Select Index is an equity index based on the MSCI EM Asia Index (the "Parent Index") representative of the large and mid-cap securities across Emerging Markets countries in Asia. The Index excludes companies whose products have negative social or environmental impacts, while overweighting companies with a strong MSCI ESG Score. Additionally, the Index aims to represent the performance of a strategy that reweights securities based upon the opportunities and risks associated with the climate transition to meet the EU Climate Transition Benchmark (EU CTB) regulation minimum requirements.

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

Additional information on the Index can be found at : www.MSCI.com



Where can I find more product specific information online?

Additional information on the Sub-Fund can be found at www.amundi-etf.com.

Disclaimer

15/10/2024.