Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, 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.

Product name: Amundi Funds – Euro Corporate Short Term Green Bond

Legal entity identifier: 549300U5T6UEW3OI8O37

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective**: 80%	☐ 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 __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective**: __%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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.

What is the sustainable investment objective of this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The sub-fund follows the sustainable investment objective to have the portfolio composed of minimum 80% of sustainable investments, with at least 75% of the net assets invested in a diversified portfolio of Investment Grade "Green Bonds" meeting the criteria and guidelines of the Green Bond Principles as published by the International Capital Market Association. The contemplated "Green Bonds" seek to finance projects that generates a positive and measurable environmental impact in terms of CO_2 emissions reduction.

Furthermore, the Sub-Fund seeks to achieve an ESG score of its portfolio greater than that of its investment universe. In determining the ESG score of the Sub-Fund and the Investment Universe, ESG performance is assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three ESG characteristics of environmental, social and governance. For the purpose of this measurement, the investment universe is defined as Bloomberg Euro Aggregate Corporate 1-3 YEARS Index. No ESG Reference Index has been designated.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The sub-fund seeks to identify green bonds whose objective is to finance projects that generates a positive and measurable environmental impact. The measurability translates into avoided tons of CO_2 emissions per million of euros invested in a year.
Beyond the quantitative and qualitative financial analysis of the bonds that are likely to compose the portfolio, the selection process considers an approach aimed at retaining their environmental qualities according to several points of analysis:

1. Analysis of the characteristics of the bond in terms of :
   - (i) transparency, via the reporting on the avoided tons of CO_2 emissions per million of euros invested in a year;
   - (ii) the environmental impact of funded projects (such as the development of recycled products, the sustainable management of natural resources, etc);
   - (iii) inclusion in the issuer's overall environmental strategy (such as, for example, quantified targets of the company for reducing CO_2 emissions in the context of the global objective of limiting the temperature rise to 1.5°);
   - (iv) inclusion in a global logic of the company aimed at conceptualizing approaches and defining good practices with an environmental aim (circular economy, development of recycling, reduction of waste, etc).
2. the selection of business sectors compatible with the Amundi's ESG policy and in particular the defined exclusion rules;
3. the analysis of the issuer's ESG fundamentals, to retain issuers that are "best performer" within their sector of activity on at least one of their material environmental 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 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 of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

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

Finally, all selected Green Bonds shall meet the criteria and guidelines of the Green Bond Principles as published by the International Capital Market Association.

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 sustainable investments 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, coal and tobacco.

- Beyond the specific 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), 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 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?

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.

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.
- 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 an 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[1].
- 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 investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Objective: This financial product seeks to increase the value of your investment and to provide income over the recommended holding period.

Investments: The Sub-Fund invests at least 75% of its net assets in a diversified portfolio of Investment Grade "Green Bonds" issued by companies around the world, denominated in EUR or other OECD Currencies. Specifically, Investments: The Sub-Fund invests at least 50% of assets in bonds that are denominated in Euro. "Green Bonds" are defined as debt securities and instruments which fund eligible projects meeting the criteria and guidelines of the Green Bond Principles (as published by the ICMA). The Sub-Fund may invest up to 30% in emerging markets bonds. The Sub-Fund's average interest rate duration will be in the range of -2 and +3.

The Sub-Fund makes use of derivatives to reduce various risks, for efficient portfolio management and as a way to gain exposure (long or short) to various assets, markets or other investment opportunities (including derivatives which focus on credit). The Sub-Fund may use credit derivatives (up to 40% of net assets).

Benchmark: The Sub-Fund is actively managed and uses the Euro Short Term Rate Index+ 1 (ESTER+1) (the "Benchmark") a posteriori as an indicator for assessing the Sub-Fund's performance and, as regards the performance fee, as a benchmark used by relevant share classes, for calculating the performance fees. There are no constraints relative to any such Benchmark restraining portfolio construction.

1 https://about.amundi.com/files/nuxeo/dl/0522366c-29d3-471d-85fd-7ec363c20646

Management Process: The investment process identifies the best opportunities in terms of financial prospects and as their ESG, in particular environmental, characteristics. The selection of securities through the use of Amundi's ESG rating methodology and the evaluation of their contribution to environmental objectives aims to avoid adverse impacts of investment decisions on Sustainability Factors associated with the environmental nature of the Sub-Fund. In addition to using the Amundi ESG rating, the ESG investment research team assesses, to the extent available:

(i) Any third party opinion or other certification, such as Climate Bond (CBI) certificates;

(ii) Whether the issuer faces severe ESG controversies; and

(iii) Whether the projects to be financed by the green bond contribute to wider efforts by the issuer to favour the energy and/or environmental transition.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Sub-Fund first applies Amundi's exclusion policy including the following rules:

- legal exclusions on controversial weapons (anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons, etc.);
- companies that seriously and repeatedly violate one or more of the 10 principles of the Global Compact, without credible corrective measures;
- the sectoral exclusions of the Amundi group on Coal and Tobacco (details of this policy are available in Amundi's Responsible Investment Policy available on the website www.amundi.lu).

Furthermore, sustainable investments will represent at least 80% of the portfolio, with a minimum of 75% of net assets invested in Investment Grade "Green Bonds" meeting the criteria and guidelines of the Green Bond Principles as published by the International Capital Market Association. Up to 25% of the net assets may be invested in convertible bonds (max 5%), ABSs and MBSs (max 10%), equities and equity-linked instruments (max 10%) and UCITS/UCIs (max 10%), subject to their assessment as sustainable investments.

In order for the green bond issuer or investee company to be deemed to contribute to the Sub-Fund's sustainable investment 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 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 of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

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

Lastly and as a binding element, the Sub-Fund aims to have a higher ESG score than the ESG score of its investment universe.

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 cash, near cash, some derivatives and some collective investment schemes.

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

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

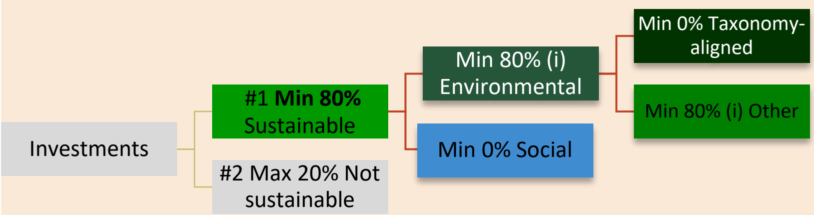
We rely on Amundi ESG scoring methodology. Amundi's ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria. In the Governance dimension, we assess an issuer's ability to ensure an effective corporate governance 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.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation and the minimum share of sustainable investments?

The sub-fund commits to have a minimum of 80% of sustainable investments and the remaining assets will be held in cash and instruments for the purpose of liquidity and portfolio risk management. The planned proportion of "Environmental", respectively "Other" investments represents a minimum of 80% (i) and may change as the actual proportions of Taxonomy-aligned and/or Social investments increase.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

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.

How does the use of derivatives attain the sustainable investment objective?

Derivatives are not used to attain the sustainable investment objective.

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[2]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

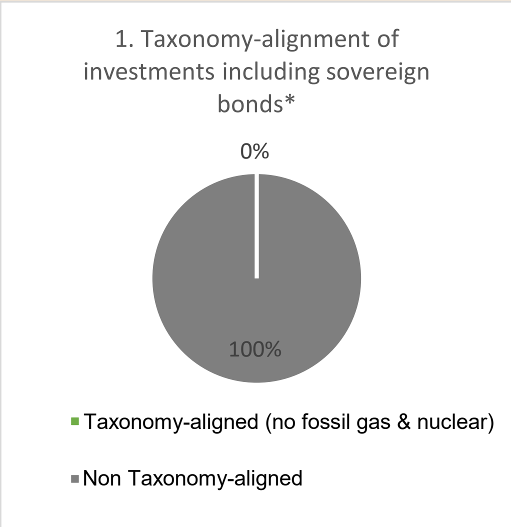
☒ No

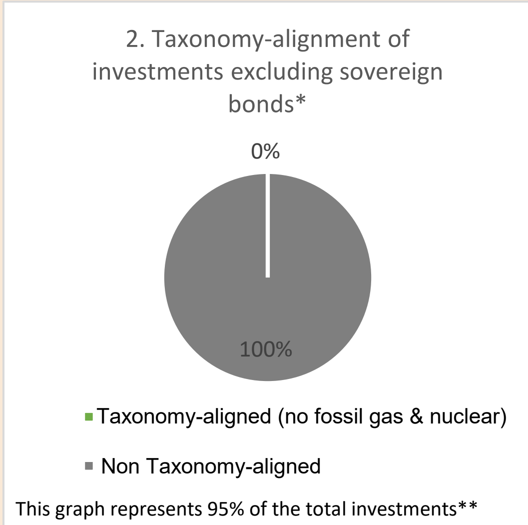
[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply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

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*
*** This percentage is purely indicative and may vary.*

- ***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 will have a minimum commitment of 80% of sustainable investments with an environmental objective with no commitment on their alignment with the EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund has no minimum defined minimum share.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The investments are cash, held to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets or for a period of time strictly necessary in case of unfavourable market conditions, and assets held for hedging purposes. There are no minimum environmental or social safeguards for these assets.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

No, there is not.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

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.lu