

Website Product Disclosures further to art. 10(1) of the Sustainable Finance Disclosure Regulation for art. 8 sub-funds

SUMMARY

Name: Amundi Marathon Emerging Markets Bond Fund Legal entity identifier: 549300YMGZRZ7XV6VD18

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

The financial product will promote the following environmental and social characteristics:

- Exclusion of issuers involved in activities deemed to have negative environmental and/or social outcomes;
- Exclusion of issuers deemed to have violated United Nations Global Compact principles;
- Exclusion of issuers deemed to have the lowest ESG scores in the investment universe;
- Increased weighted exposure to instruments categorised as "Green Bonds" under the Climate Bonds Initiative, the aim of which is to incentivize sustainable financing aligned with climate change solutions.
- Increased weighted exposure to instruments with the higher ESG performance.

The ESG performance of an issuer is assessed using ESG scores from third party research providers that involves evaluation of the issuer against a combination of environmental social and governance factors, which include but are not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;
- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;
- Governance: business regulations, corruption, democratic life, political stability, security.

These environmental and social characteristics are incorporated through the implementation of the investment strategy.

Proportion of investments

The Investment Manager will ensure at any time that at least 75% of the securities composing the Sub-Fund's portfolio are aligned with the environmental and / or social characteristics of the Sub-Fund in accordance with the binding elements of the investment strategy of the Sub-Fund. Included in the remaining 25% of "Other" assets are cash, hedging positions and securities that are not aligned with

the environmental or social characteristics, but which may be held for liquidity, efficient portfolio management or diversification purposes, and to achieve the investment objective of the Sub-Fund.

Monitoring, methodologies, data sources and their limitations, due diligence and engagement policies

The Investment Manager implements an ESG Screening Methodology in the investment process to determine the eligibility of Debt Securities for inclusion in the Sub-Fund through a combination of ESG scoring and exclusion criteria as further described below.

Debt Securities may be deemed eligible for inclusion if:

- Such Debt Security is a constituent of the J.P.Morgan ESG EMBI Global Diversified Index (the “**Benchmark Index**”). The Benchmark Index is derived from a subset of the J.P.Morgan EMBI Global Diversified Index (the “**Parent Benchmark Index**”). Issuers included in the Benchmark Index are scored using an ESG scoring methodology (the “**Benchmark Scoring Methodology**”) calculated from a range of external data sources including third-party research providers and by applying specific exclusion rules (non violation of the UNGC principles and exclusion of issuers involved in the following sectors : thermal coal, tobacco, weapons) to determine the extent to which a security is aligned with environmental, social and governance (“**ESG**”) characteristics. Sovereign and quasi-sovereign issuers in the Parent Benchmark Index with the highest scores pursuant to the Benchmark Scoring Methodology will be overweighted in the Sub-Fund whereas issuers with lower scores will be underweighted. Sovereign and quasi-sovereign issuers in the Parent Benchmark Index with the lowest score will be excluded from the Sub-Fund to ensure that environmental and social characteristics are reinforced.
- Such Debt Security is a constituent of the J.P.Morgan CEMBI Index (the “**Corporate Parent Benchmark Index**”) and complies with the same specific exclusion rules as described above. The issuers with the highest ESG scores will be overweighted whereas issuers with lower scores will be underweighted. The issuers with the lowest score will be excluded to ensure that environmental and social characteristics are reinforced; or
- If a Debt Security is not a constituent of the Benchmark Index or the Corporate Parent Benchmark Index, but complies with the same specific exclusion rules as described above. The issuers with the highest ESG scores will be overweighted whereas issuers with lower scores will be underweighted. The issuers with the lowest score will be excluded to ensure that environmental and social characteristics are reinforced.

Quasi-sovereign and corporate issuers with any involvement (based on revenues) in the following activities, deemed to have negative environmental and/or social outcomes, will not be considered eligible Debt Securities under the ESG Screening Methodology:

Category	Category of Involvement	Revenue Threshold
Oil Sands	Extraction	0%
Thermal Coal	Extraction	0%
	Production	0%
Tobacco	Production	0%
Military Contracting	Weapons	0%
Small Arms	Civilian customers (Assault Weapons)	0%
	Military/Law enforcement customers	0%
	Key components	0%
	Civilian customers (Non-assault weapons)	0%
Controversial Weapons	Tailor-made and essential	0%

Any issuers that, at the time of such purchase, are not aligned with the principles of the UN Global Compact, or are designated under a financial sanctions regimes imposed by the Office of Foreign Assets Control, the United Kingdom or the Council of the European Union shall also be considered ineligible for inclusion in the Sub-Fund pursuant to the ESG Screening Methodology.

The Investment Manager has integrated corporate and sovereign ESG ratings and data from external providers as inputs into their fundamental research and credit analysis. By combining this data with market data available from Bloomberg and FactSet, the Investment Manager is able to form a more holistic view of an issuer, while at the same time having the ability to assess the most material sustainability issues. Internal data dashboards have been developed that allow the Investment Manager to track and monitor various sustainability factors for its portfolios as well as its investable universe.

The methodology limitations are by construction linked to use of ESG data. The ESG data landscape is currently being standardized which can impact data quality; data coverage also is a limitation. Current and future regulation will improve standardized reporting and corporate disclosures on which ESG data rely.

The Investment Manager strives to integrate sustainability factors across its research and investments to provide valuable, risk-adjusted returns for its clients. The Investment Manager aims to develop an ESG integration process, through which it will identify relevant factors, assess the impact of these factors on its target investment, model how these factors are accounted for in financial projections and risk assessments, and engage with issuers to mitigate residual sustainability risk or enhance opportunities. Analysis of sustainability factors will become a part of its due diligence process and ESG considerations will become a standard component of its investment memoranda. The due diligence process for analyzing sustainability factors will be tailored to each investment on a case-by-case basis.

In Emerging Markets, the Investment Manager has cultivated deep relationships with sovereign debt management offices over the years. Given the relevance of sustainability factors in emerging markets and recent prevalence of ESG-labelled debt, engagements have evolved into more frequent dialogue with sovereign issuers and underwriters on net-zero targets and policy actions, use of proceeds allocations to green, social, and/or sustainability projects, and the ambition of sustainability-linked bond KPIs and performance targets.