

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

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.

This financial product doesn't commit to make any sustainable investments.

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.

The financial product also aims to have a higher ESG score than the ESG score of the J.P.Morgan EMBI Global Diversified Index (the "Parent Benchmark Index"). The Parent Benchmark Index is a broad

market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product.

Investment strategy

The financial product (the “**Sub-Fund**”) seeks to achieve its investment objective through investment primarily in debt securities such as sovereign, quasi-sovereign and corporate bonds in emerging markets and denominated in hard currencies (USD, EUR, GBP or JPY) (“**Debt Securities**”), and to a lesser extent in currency forward and futures contracts for currency hedging purposes only, (together with Debt Securities, “**Financial Instruments**”).

Debt Securities will be selected by implementing the Sub-Investment Manager’s proprietary discretionary investment strategy (the “**Trading Strategy**”).

The Trading Strategy will be based on the Sub-Investment Manager’s own (a) ESG Screening Methodology (as defined in (i) below), (b) top-down analysis and (c) bottom-up instrument selection:

- (i) The ESG Screening Methodology determines the eligibility of Debt Securities for inclusion in the Sub-Fund through a combination of ESG scoring and exclusion criteria.
- (ii) the top-down analysis aims at identifying specific regions, countries and/or industries within emerging markets presenting investment opportunities. The top-down analysis is based on the assessment of the political and economic environment through analysis of macro-economic indicators such as GDP growth, as well as regulatory, legal and accounting rules, unique to a specific region, country and/or industry through a continuous regulatory monitoring (for example through monitoring of local regulator publications).
- (iii) the bottom-up instrument selection approach aims at selecting individual Debt Securities presenting the best investment opportunities amongst the different regions, countries and/or industries identified through the top-down analysis (achieved through comparison of the risk and return profile of the Debt Securities). The bottom-up analysis is based on a keen understanding of the Debt Securities achieved through in-depth analysis of the Debt Security itself and its issuer. At the Debt Securities level, analysis is based on elements such as the debt structure (such as duration and timing of principal and interest payments). At the issuer level:
 - when the issuer is a corporate or a quasi-sovereign, such in-depth analysis is typically achieved through discussions with the issuer’s management, assessment of the issuer’s corporate governance, comprehensive review of the balance sheet and financial statements of the issuer, industry and competitive analysis and evaluation of all components of the capital structure and levels of debt of the issuer, as well as the economic situation of the country on which the issuer is listed (which may already be covered by the top-down analysis described above);
 - when the issuer is a sovereign, such analysis is typically based on the analysis of macro-economic factors like GDP growth and fiscal balance of the country (which may already be covered by the top-down analysis described above), and on fundamental factors such as current account balance and external debt of the country.

Consequently, the Trading Strategy will result in a portfolio composed of the selected Debt Securities, which may or may not be constituents of the Benchmark Index (respectively the “**Benchmark Index Securities**” and the “**Off-Benchmark Index Securities**”).

The proportion of Benchmark Index Securities and Off-Benchmark Index Securities in the portfolio of the Sub-Fund may vary during the lifetime of the Sub-Fund and will be selected using the Sub-Investment Manager’s bottom-up Debt Securities selection approach.

Off-Benchmark Index Securities will be comprised of Debt Securities that do not meet Benchmark Index inclusion rules due to specific reasons typically such as income, ownership, size, or other Benchmark Index criteria specifications.

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 of environmental or social characteristics

The Investment Manager’s exclusion policy is implemented through an exclusion list of issuers, along with continuous screening for relevant sanction breaches. The Investment Manager implements pre-trade and post-trade controls for all Sub-Fund holdings in reference to the exclusion list. All ESG data are centralized by the Investment Manager which is responsible for controlling the quality of the data and monitoring the guidelines and commitments with regards to the environmental or social characteristics of the Sub-Fund.

Methodologies

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 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.

Data sources and processing

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.

Limitations to methodologies and data

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.

Due diligence

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.

To assist with carrying out the Investment Manager's responsible investment goals, the Investment Manager has established an internal Sustainability Committee consisting of several senior members of the firm. The committee is tasked with collaborating with our investment teams to implement data and process solutions that effectively incorporate ESG factors into the investment analysis, as well as producing an annual sustainability report that highlights our integration progress both at the firm and investment strategy level.

Engagement policies

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.

Designated reference benchmark

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