

ETF



Amundi ETF Responsible Investing

Achieve your Responsible
Investing ambitions with
Europe's largest asset manager

Confidence
must be earned

Amundi
ASSET MANAGEMENT

Amundi – your trusted partner for responsible investment

The popularity of responsible investment continues to rise, as more and more investors seek to align their investments with their ESG (environmental, social and governance) values.

And they are looking for the most advanced and innovative responsible-investment options – tailored to their individual objectives and preferences.

Amundi has been at the forefront of responsible investment for more than a decade – it was **one of our founding principles** and continues to be at the very heart of our operations.

With our track record and client-centric approach, investors trust us to meet their evolving needs. As Europe's largest asset manager by assets under management and one of the top 10 largest globally, Amundi is in a strong position to drive the change that investors seek.

PUBLICLY RECOGNISED EXPERTISE

- Principles for Responsible Investment (PRI): **in 2019, Amundi was once again awarded the top rating A+¹** for its Responsible Investment approach
- Best Asset manager for SRI/ESG: 1st place in the SRI & Sustainability ranking published by Extel, from 2015 to 2019 in the Asset Management Best Firms category for SRI/ESG²



1. Source: UN PRI, United Nations Principles for Responsible Investment 2019.

2. Source: Extel - SRI & SUSTAINABILITY SURVEY June 2019.

The ETF, indexing and smart beta platform, fully committed to responsible investing

As a solution provider, we pride ourselves in offering our clients a wide range of solutions and guide them in their responsible investing journey.

We offer our clients a **comprehensive range of equity and fixed income ETF and index funds** replicating several responsible investment index families.

In addition, with our **state-of-the-art index management and research capabilities**, we developed a recognized know-how in creating fully bespoke solutions that meet their evolving needs.

Beyond that, **as climate-change advocates**, we're always thinking about innovative ways to help clients invest sustainably. For example, we co-designed the MSCI Low-Carbon Leaders Index, which provides clients with an effective tool for limiting the exposure of their portfolios to carbon risk. We are committed as well in the development of climate solutions to accompany investors in their climate change transition strategy.

As part of its responsible investing approach, Amundi also instigates positive ESG change in companies and organisations, through proactive engagement and effective influencing.

Our **proactive approach to engagement** starts with meeting companies to better understand their ESG challenges – and we encourage companies to adopt best practice in addressing ESG risks, providing them with recommendations and measuring progress on an ongoing basis.

Voting is also key, in our goal to advance ESG improvements. We exercise voting rights at annual general meetings, and we also arrange pre-AGM discussions, to alert companies to any agenda items that the meeting might vote against. **Passive investment has always been integrated in this voting policy since the creation of the first index fund.**

The Amundi responsible investing ETF range

We recognise that investors have different requirements and that all are at different stages of their responsible investment 'journey'. One size definitely does not fit all, when it comes to responsible investment.

But we have the know-how to make it simple – and suitable for all investors.

As a one-stop-shop solution provider, we are committed to developing simple and ready-to-use tools that will help clients to easily implement their ESG strategy, depending on their objectives, constraints and the level of ESG focus they wish to implement in their portfolios.

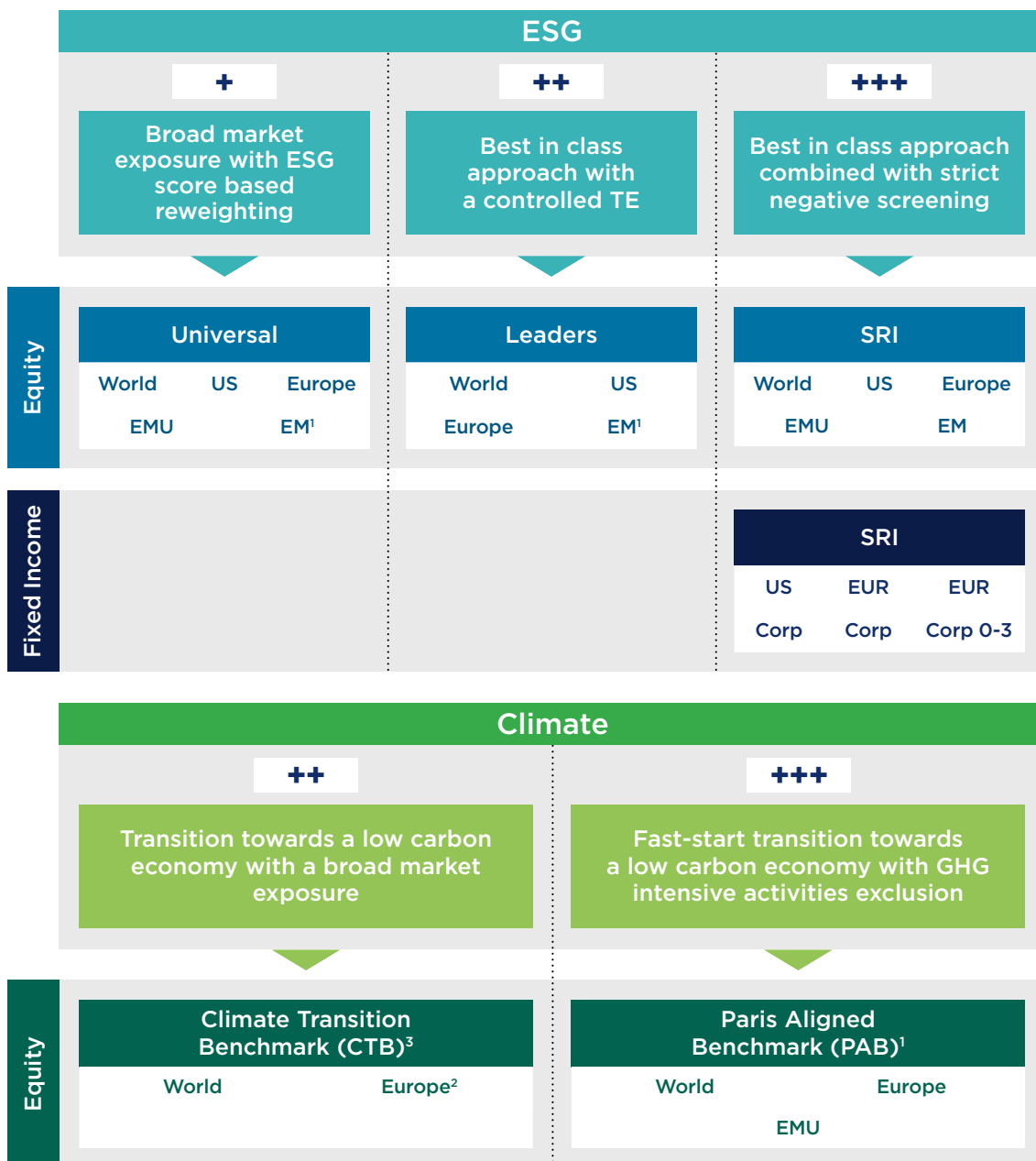
So, our range is comprehensive, covering equity and fixed income, as well as various index ESG methodologies. And we offer three different levels of ESG investment. There's also the opportunity to focus exclusively on climate-oriented investment.



Main Risks:

Investment in a Fund carries a substantial degree of risk such as Risk of capital loss - Underlying risk - Volatility Risk. Before any investment, please read the detailed descriptions of the main risks in the KIID and prospectus.

An expanded range to address investor's various sustainability objectives



With our focus on choice and flexibility, we believe that every investor can find the right responsible investment solution for their requirements.

1. Soon-to-come.
 2. Exists in Index funds format only.
 3. Subject to MSCI consultation outcome.

Deep dive into ESG index methodologies

To offer 'three degrees' of ESG intensity, we apply different customised index methodologies: from broad market exposure with first ESG filter to best in class selection with a higher degree of exclusion.

	+	++	+++																				
	MSCI ESG Universal Select	MSCI ESG Leaders Select Issuer Capped 5%¹	MSCI SRI Issuer Capped 5%¹																				
Positive screening		Best in class - 50%	Best in class - 25% (75% exclusion)																				
Negative screening	<table border="1"> <thead> <tr><th>Sectors</th></tr> </thead> <tbody> <tr><td>Tobacco Thermal coal</td></tr> <tr><th>ESG rating</th></tr> <tr><td>-</td></tr> <tr><th>Controversies</th></tr> <tr><td>< 1</td></tr> </tbody> </table>	Sectors	Tobacco Thermal coal	ESG rating	-	Controversies	< 1	<table border="1"> <thead> <tr><th>Sectors</th></tr> </thead> <tbody> <tr><td>Tobacco Thermal coal Weapons Alcohol</td></tr> <tr><td>Gambling Nuclear power</td></tr> <tr><th>ESG rating</th></tr> <tr><td>< BB</td></tr> <tr><th>Controversies</th></tr> <tr><td>< 3</td></tr> </tbody> </table>	Sectors	Tobacco Thermal coal Weapons Alcohol	Gambling Nuclear power	ESG rating	< BB	Controversies	< 3	<table border="1"> <thead> <tr><th>Sectors</th></tr> </thead> <tbody> <tr><td>Tobacco Thermal coal Weapons Alcohol Gambling</td></tr> <tr><td>Nuclear power Adult entertainment Genetically modified organisms (GMO)</td></tr> <tr><th>ESG rating</th></tr> <tr><td>< A</td></tr> <tr><th>Controversies</th></tr> <tr><td>< 4</td></tr> </tbody> </table>	Sectors	Tobacco Thermal coal Weapons Alcohol Gambling	Nuclear power Adult entertainment Genetically modified organisms (GMO)	ESG rating	< A	Controversies	< 4
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Source: MSCI as of May 2020.

RESPONSIBLE INVESTING GLOSSARY

Best in class: The best in class approach is a type of ESG selection that consists in investing in companies that are frontrunners in their sector in terms of meeting Environmental, Social and Governance criteria, ie companies with best ESG ratings.

Screening: Screening refers to investment filters. They enable investors to select companies on the basis of predefined extra-financial criteria.

Positive screening: Rather than excluding companies, positive screening aims at selecting companies with the most responsible practices, based on ESG criteria.

Negative screening: Negative screening corresponds to the exclusion of certain companies that do not comply with specific, pre-set ESG criteria. The exclusion can be sectoral or linked to certain practices.

Norms-based screening: it is a negative screening strategy that excludes investments that do not comply with minimum standards of business practice based on internationally accepted norms (UN Declaration of Human Rights for example).

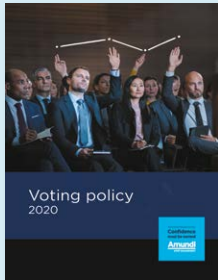
1. Selected universe: Market Cap. Weighting. **Orange = specific Amundi customisation.**

2. For further details related to MSCI Red Flags and Controversial Weapons definitions, as well as sector exclusions (negative screening), please refer to MSCI index methodologies.

A truly active owner and thought leader

STRONG CORPORATE ENGAGEMENT

Voting policy 2020



- An ESG-integrated approach to assess companies
- Ongoing shareholder dialogue
- The votes are a result of analysis and dialogue
- A pragmatic approach, taking into account the context in which each company operates

Annual CEO letter 2020

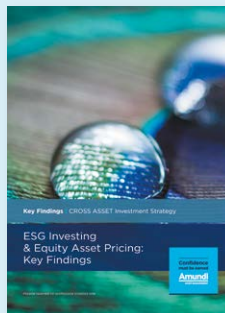
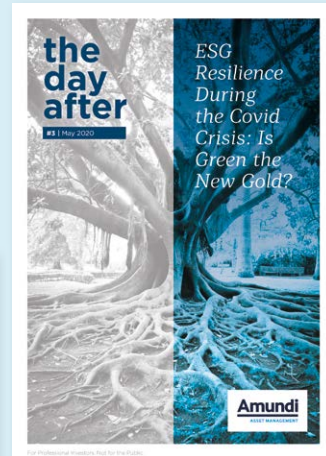
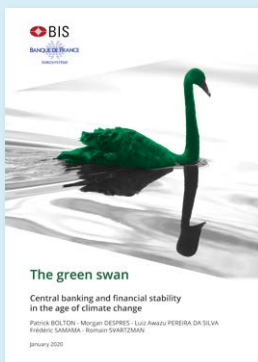


Focus on two societal issues

- **Energy transition**
Request the publication of greenhouse-gas emissions and monitor the commitments to reduce and offset them
- **Social cohesion**
Encourage the publication and analysis of the pay-equity ratio¹

DEDICATED ESG RESEARCH

Regularly updated by Amundi's research teams and ESG department



Research papers are available on Amundi Research Center website.

1. Source: Amundi Voting Policy 2020 - Ratio between CEO compensation and average employee compensation.

ABOUT US

Amundi is Europe's largest asset manager by assets under management and ranks in the top 10¹ globally. It manages 1.527 trillion² euros of assets across six main investment hubs³ and provides retail, institutional and corporate clients with innovative investment strategies and solutions tailored to their needs.

Amundi offers its clients in Europe, Asia-Pacific, the Middle East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes.

Amundi was a pioneer in the European ETF market and ranks among the largest European ETF providers⁴, with €44bn⁴ in assets under management. Amundi ETF offers investors a broad range of more than 140 ETFs characterized by continuous innovation and competitive prices.



Find out more on
www.amundiETF.com
or on Bloomberg
ETFA<GO>

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1. Source IPE "Top 400 asset managers" published in June 2019 and based on AUM as of end December 2018. - 2. Amundi figures as of March 31, 2020. 3. Investment hubs: Boston, Dublin, London, Milan, Paris and Tokyo. - 4. Source: Amundi ETF as of March 2020.

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