

Publications on the website pursuant to Art. 10(1) of the Regulation on sustainability-related disclosures in the financial services sector, for those financial products covered by Article 8

SUMMARY

Product name:

Amundi MSCI Europe Ex EMU ESG Selection UCITS ETF

Legal entity identifier:

969500H218RFA9IBDC10

With no sustainable investment objective

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

This financial product is committed to sustainable investment.

Environmental or social characteristics of the financial product

The Fund promotes environmental and/or social characteristics through the replication of a reference benchmark incorporating an environmental, social and governance ("ESG") rating. The reference benchmark is constructed using a Best-in-Class approach, i.e., companies with the highest ESG ratings in each sector (according to the Global Industry Classification Standard [GICS]) are selected in order to construct the Reference Benchmark. The Best-in-Class approach aims to favour the best performing companies within a universe, sector or class. With this Best-in-Class filter, the Fund adopts a non-financial approach based on a commitment making it possible to reduce the Investment Universe by at least 20% (by number of issuers).

Proportion of investments

At least 90% of the UCI's securities and instruments are subject to an ESG analysis and are therefore aligned with the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy. In addition, the UCI undertakes to hold a minimum of 20% in sustainable investments, as shown in the table below.

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

Whether processed externally or internally, all ESG data are centralised by the Responsible Investment Business Line, which is responsible for monitoring the quality of ESG data processed. This monitoring includes automated quality checks, as well as qualitative checks carried out by ESG analysts who are specialists in their sectors. ESG scores are updated monthly in Amundi's proprietary tool, the Stock Rating Integrator (SRI) tool.

The sustainability indicators used at Amundi are based on proprietary methodologies. These indicators are permanently available in the portfolio management system, allowing managers to assess the impact of their investment decisions.

In addition, these indicators are incorporated into Amundi's monitoring process, with responsibilities distributed between the level one check conducted by the management teams themselves and the level two check conducted by the Risk teams, which continuously monitor compliance with the environmental or social characteristics promoted by the fund.

The Amundi ESG rating used to determine the ESG score is a quantitative ESG score based on seven ratings, ranging from A (best) to G (worst). On the Amundi ESG rating scale, those securities on the exclusion list correspond to a rating of G. Issuers' ESG performance is assessed overall and according to relevant criteria, by comparison with the average performance of their sector, combining the three ESG factors.

The methodology applied to Amundi's ESG rating uses 38 criteria, which can be generic (common to all companies regardless of their activity) or sector-specific. The criteria are weighted by sector, and their impact on the issuer's reputation, operational efficiency and regulatory compliance is taken into account. Amundi ESG ratings are likely to be expressed overall on the three factors – E, S and G – or individually on any environmental or social factor.

Amundi ESG scores are established using Amundi's ESG analysis framework and rating methodology. For ESG scores, we obtain data from the following sources: Moody, ISS-Oekem, MSCI and Sustainalytics.

As a result, our methodological limitations are linked to the use of ESG data. The ESG data landscape is in the process of being standardised, which may impact data quality; data coverage also represents a limitation. Current and future regulations will improve the standardisation of the reporting and disclosures of companies which ESG data are based.

We are aware of these limitations, which we mitigate through a combined approach.

Every month, the ESG score is recalculated according to Amundi's quantitative methodology. The result of this calculation is then reviewed by ESG analysts who carry out a qualitative "sampling check" of their sector based on various checks.

Amundi has a policy on engagement with issuers in which we are invested and those in which we could potentially invest, regardless of the type of holdings held (equities and bonds).