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

SUMMARY

Product Name: Lyxor MSCI New Energy ESG Filtered (DR) UCITS ETF

Legal entity identifier: 9695008U0BHDZBWYFV02

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 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 Sub-Fund adopts a non-financial approach based on a commitment making it possible to reduce the Investment Universe (as the number of issuers) by at least 20%.

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 10% in sustainable investments, as shown in the table below.

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

All non-financial data, both external and internal, are centralised by the Responsible Investment Business Line, which is responsible for checking the quality of the data received and of their distribution. This includes automated quality control, as well as qualitative monitoring by ESG analysts who are specialists in their sector. ESG scores are updated monthly in Amundi's proprietary rating tool (Stock Rating Integrator (SRI) module).

The sustainable development indicators used by 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 checking process, with responsibilities distributed between the level one check conducted by the investment 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 an ESG quantitative score translated into seven ratings, ranging from A (the best scores in the universe) to G (the worst scores). On the Amundi ESG rating scale, those securities on the exclusion list correspond to a rating of G. For corporate issuers, ESG performance is assessed overall and according to relevant criteria, by comparison with the average performance of its sector of activity, through the combination of the three ESG factors.

The ESG rating methodology applied by Amundi is based on 38 criteria, which are either generic (common to all companies regardless of their activity), or sector-specific, weighted by sector and considered according to their impact on an issuer's reputation, operational efficiency and regulations. Amundi ESG ratings are likely to be expressed globally on the three factors – E, S and G – or individually on any environmental or social factor.

Amundi ESG scores are constructed using Amundi's ESG analysis framework and rating methodology. For this purpose, we use the following source data: Moody, ISS-Oekem, MSCI and Sustainalytics.

As a result, the limitations of our methodology are linked to the use of ESG data. The ESG data landscape is in the process of being normalised, 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 on which ESG data are based.

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

Every month, ESG scores are 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).