

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

Product Name: AMUNDI FUND SOLUTIONS - Buy and Watch High Income Bond Opportunities 09/2030 **Legal entity identifier:** 213800PWNA1Z7AS85564

No sustainable investment objective

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

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilizes two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g. GHG intensity of investee companies) via a combination of indicators (e.g. carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific Principal Adverse Impacts indicators sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above:

The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available via the combination of following indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
- Be cleared of any controversy in relation to work conditions and human rights and
- Be cleared of any controversy in relation to biodiversity and pollution.

Sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles and Human Rights. The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example, the model has a dedicated criteria called “Community Involvement & Human Rights” which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts will evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

Environmental or social characteristics of the financial product

At the end of the construction phase of the portfolio, the Sub-Fund will have an ESG score of its portfolio greater than its investment universe which is defined as the ICE BofA Global High Yield Index. The Sub-Fund does not invest in F & G-rated securities (utilising Amundi's ESG rating methodology).

However, during the Reinvestment Period, the Sub-Fund's portfolio ESG Score may or may not be greater than that of its investment universe.

Investment strategy

Objective: This financial product seeks to achieve income and as a secondary objective capital appreciation over the recommended holding period by investing mainly in a diversified portfolio of the permissible instruments described below.

Investments: The Sub-Fund invests mainly in a diversified portfolio Investment Grade or sub-Investment Grade debt and debt-related instruments issued by companies incorporated, headquartered or having their principal business activities in the OECD or by any government, supranational bodies, local authorities or international public bodies from any country in the world, including Emerging Markets, whereas the Sub-Fund may invest up to 100% of its net assets in sub-Investment Grade debt and debt-related instruments.

The Sub-Fund may invest in Money Market Instruments for treasury purposes and/or in case of unfavourable market conditions and Credit Institution Deposits in order to achieve its investment goals and/or for treasury purposes and/or in case of unfavourable market conditions denominated in Euro, GBP and US dollar. The Sub-Fund will seek to hedge back to Euro the currency exposure from investments in instruments not denominated in Euro. The Sub-Fund may invest up to 30% of its net assets in Emerging Markets. The Sub-Fund may invest up to 5% of its net assets in equities. The Sub-Fund's investments may include, but are not limited to, subordinated bonds, senior bonds, preferred securities and convertible securities. The Sub-Fund's investments may include contingent convertible bonds up to 10% of its net assets and corporate hybrid bonds up to 20% of its net assets. The Sub-Fund may invest up to 20% of its net assets in callable bonds maturing after the Maturity Date (28th June 2030), provided they have a first call date before the Maturity Date. The maturity or call date of the bonds will generally be compatible with the Sub-Fund's Maturity Date. The Sub-Fund may use

derivatives to reduce various risks, for efficient portfolio management and as a way to gain exposure to various assets, markets or income streams. The Sub-Fund may also invest up to 10% of its net assets in other UCIs and UCITS.

During the portfolio construction phase (which starts after the end of the initial subscription period and ends two weeks after the Sub-Fund's launch date, hereinafter the "Portfolio Construction Phase"), the Sub-Fund does not invest in F- or G-rated securities (utilising Amundi's ESG rating methodology). At the end of its investment universe, which is defined as ICE BofA Global High Yield Index. During the reinvestment period (which starts after the end of the Portfolio Construction Phase and ends at the Sub-Fund's Maturity Date) (the "Reinvestment Period"), the Sub-Fund's portfolio ESG score may or may not be greater than that of its investment universe. In any case, the Sub-Fund will not invest in G-rated securities (utilising Amundi's ESG rating methodology). Securities which are downgraded to F- (utilising Amundi's ESG rating methodology) may be kept until the Sub-Fund's Maturity Date.

Benchmark: The Sub-Fund is actively managed and is not managed in reference to a benchmark.

Further Management Process: The Sub-Fund integrates Sustainability Factors in its investment process and takes into account principal adverse impacts. When investing in third party managers it does consider principal adverse impacts of investment decisions on Sustainability Factors as long as information is available as outlined in more detail in section "Sustainable Investing" of the Prospectus and in Appendix V – ESG Related Disclosures to the Prospectus.

All securities held in the Sub-Fund are subject to the ESG Criteria. This is achieved through the use of Amundi's proprietary methodology and/or third party ESG information. The Sub-Fund first applies Amundi's exclusion policy including the following rules: - legal exclusions on controversial weapons (anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons, etc.); - companies that seriously and repeatedly violate one or more of the 10 principles of the Global Compact, without credible corrective measures; - the sectoral exclusions of the Amundi group on Coal and Tobacco (details of this policy are available in Amundi's Responsible Investment Policy available on the website www.amundi.lu).

At the end of the construction phase of its portfolio, the Sub-Fund will have an ESG score of its portfolio greater than its investment universe which is defined as the ICE BofA Global High Yield Index. The Sub-Fund does not invest in F & G-rated securities (utilising Amundi's ESG rating methodology).

During the Reinvestment Period, the Sub-Fund's portfolio ESG score may or may not be greater than that of its investment universe.

The Sub-Fund's ESG Criteria apply to at least: • 90% of equities issued by large capitalisation companies in developed countries; debt securities, money market instruments with an investment grade credit rating; and sovereign debt issued by developed countries; • 75% of equities issued by large capitalisation companies in emerging market countries; equities issued by small and mid-capitalisation companies in any country; debt securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging market countries. However investors should note that it may not be practicable to perform ESG analysis on cash, near cash, some derivatives and some collective investment schemes, to the same standards as for the other investments. The ESG calculation methodology will not include those securities that do not have an ESG rating, nor cash, near cash, some derivatives and some collective investment schemes. Furthermore and in consideration of the minimum commitment of 5% of Sustainable Investments to sustainable investments with an environmental objective, the Sub-Fund invests in investee companies considered as "best performer"

when benefiting over the best top three rating (A, B or C, out of a rating scale going from A to G) within their sector on at least one material environmental or social factor.

To assess good governance practices of the investee companies, we rely on Amundi ESG scoring methodology. Amundi's ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria. In the Governance dimension, we assess an issuer's ability to ensure an effective corporate governance framework that guarantees it will meet its long-term objectives (e.g. guaranteeing the issuer's value over the long term). The governance sub-criteria considered are: board structure, audit and control, remuneration, shareholders' rights, ethics, tax practices and ESG strategy. Amundi ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. G-rated companies are excluded from our investment universe.

Each corporate security (shares, bonds, single name derivatives, ESG equity and fixed income ETFs) included in investment portfolios has been assessed for good governance practices applying a normative screen against UN Global Compact (UN GC) principles on the associated issuer. The assessment is performed on an ongoing basis. Amundi's ESG ratings Committee monthly reviews lists of companies in breach of the UN GC leading to rating downgrades to G. Divestment from securities downgraded to G is carried out by default within 90 days.

Amundi Stewardship Policy (engagement and voting) related to governance complements this approach.

Proportion of investments

At least 75% of the investments of the sub-fund will be used to meet the environmental or social characteristics promoted by the sub-fund in accordance with the binding elements of the investment strategy. Furthermore, the Sub-Fund commits to have a minimum of 5% of sustainable investments. Investments aligned with other E/S characteristics will represent the difference between the actual proportion of investments aligned with environmental or social characteristics and the actual proportion of sustainable investments. The planned proportion of other environmental investment represents a minimum of 5% and may change as the actual proportions of Taxonomy-aligned and/or Social investments increase.

Monitoring of environmental or social characteristics

All ESG data, either externally or internally processed, is centralised by the Responsible Investment Business line, which is responsible for controlling the quality of the inputs and processed ESG outputs. This monitoring includes an automated quality check as well as a qualitative check from ESG analysts who are specialists of their sectors. ESG scores are updated on a monthly basis within Amundi's proprietary tool Stock Rating Integrator (SRI) module.

Sustainability indicators used within Amundi rely on proprietary methodologies. These indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions. Moreover, these indicators are embedded within Amundi's control framework, with responsibilities

spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Methodologies

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity;
- Social dimension: these measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

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

Data sources and processing

Amundi's ESG scores are built using Amundi's ESG analysis framework and scoring methodology. We source data from the following sources for ESG scores: Moody, ISS-Oekom, MSCI, and Sustainalytics.

Data quality controls of external data providers are managed by the Global Data Management unit. Controls are deployed at different steps of the value chain, from pre-integration controls, post-integration ones, to post calculation ones like controls on proprietary scores for instance.

External data are collected and controlled by the Global Data Management team and are plugged into the SRI module.

The SRI module is a proprietary tool that ensures the collection, quality check and processing of ESG data from external data providers. It also calculates the ESG ratings of issuers according to Amundi proprietary methodology. The ESG ratings in particular are displayed in the SRI module to portfolio managers, risk, reporting and the ESG teams in a transparent and user-friendly manner (issuer's ESG rating together with the criteria and the weights of each criterion).

For ESG ratings, at each stage of the calculation process, the scores are normalised and converted into Z-scores (difference between the company's score and the average score in the sector, as a number of

standard deviations). Hence each issuer is assessed with a score scaled around the average of their sector, enabling to distinguish best-practices from worst practices at sector level (Best-in-Class approach). At the end of the process, each issuer is assigned an ESG score (approximately between -3 and +3) and the equivalent on a letter scale from A to G, where A is the best, and G the worst.

Data is then disseminated via Alto front office to portfolio managers and is monitored by the risk team.

ESG scores utilize data derived from external data providers, internal ESG assessment/research conducted by Amundi, or through a regulated third party recognised for the provision of professional ESG scoring and assessment. Without mandatory ESG reporting at company level, estimations are a core component of data providers' methodology.

Limitations to methodologies and data

Our methodology limitations are by construction linked to use of ESG data. The ESG data landscape is currently being standardised 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.

We are aware of these limitations which we mitigate by a combination of approaches: the monitoring of controversies, the use of several data providers, a structured qualitative assessment by our ESG research team of the ESG scores, the implementation of a strong governance.

Due diligence

Each month, the ESG scores are recalculated according Amundi quantitative methodology. The result of this calculation is then reviewed by the ESG analysts who perform a qualitative "sampling control" on its sector based on various checks that may include (but are not limited to): the main significant variations of the ESG score, the list of the new names with a bad score, the main divergence of score between 2 providers. After this review the analyst can override a score from the calculated score which is validated by the management of the team and is documented by a note stored in Amundi database iPortal. This can also be subject to a validation of the ESG Rating Committee.

The investment management team is responsible for defining the investment process of the product, including the design of the appropriate risk framework in collaboration with the investment risk teams. In this context, Amundi has an investment guideline management procedure as well as a breach management procedure applying across all operations. Both procedures reiterate strict compliance with regulations and contractual guidelines. Risk managers are in charge of monitoring breaches on a day-to-day basis, alerting fund managers and requiring that portfolios are brought back into compliance as soon as possible and in the best interest of investors.

Engagement policies

Amundi engages investee or potential investee companies at the issuer level regardless of the type of holdings held (equity and bonds). Issuers engaged are primarily chosen by the level of exposure to the subject of engagement, as the environmental, social, and governance issues that companies face have a major impact on society, both in terms of risk and opportunities.

Designated reference benchmark

This Sub-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.