

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

Name: Lyxor Global Green Bond 1-10Y (DR) UCITS ETF

Legal entity identifier: 549300AN4QVQ0SPP1Y68

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

The Sub-Fund promotes environmental and/or social characteristics through among others replicating an Index composed of Green Bonds. To be eligible a bond must be considered as a “Green Bond” by MSCI ESG Research.

Green bonds are fixed income securities in which the proceeds will be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes through their use of proceeds

Investment strategy

The investment objective of MULTI UNITS LUXEMBOURG - Lyxor Global Green Bond 1-10Y (DR) UCITS ETF is to track both the upward and the downward evolution of the “Bloomberg MSCI Global Green Bond 1-10 Year Index” (the “Index”) denominated in Euros, in order to offer an exposure to the Green Bonds market issued by investment grade entities and denominated in multiple currencies – while minimising the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”).

This is a passively managed ETF. Its investment strategy is to replicate the Index while minimizing the related tracking error.

To be eligible for inclusion in the “Bloomberg MSCI Global Green Bond 1-10 Year Index” (the “Index”), a bond must be deemed eligible as a “Green Bond” by MSCI ESG Research (as detailed hereafter). MSCI ESG Research provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide. It consists of an integrated suite of tools and products to efficiently manage research, analysis and compliance tasks across the spectrum of ESG factors. An independent research-driven methodology is used to evaluate green bonds to ensure they adhere to established Green Bond principles and are classified by their environmental use of proceeds. MSCI ESG Research has developed and implemented the following set

of criteria to defined Green Bonds which are eligible to the index.

Green bonds are fixed income securities in which the proceeds will be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes through their use of proceeds.

Securities (both self-labeled green bonds and unlabeled bonds) are independently evaluated by MSCI ESG Research along four dimensions to determine whether they should be classified as a green bond:

i) Stated use of proceeds: project bonds are considered eligible if the use of proceeds falls within at least one of six eligible environmental categories defined by MSCI ESG Research: Alternative Energy; Energy Efficiency; Pollution Prevention and Control; Sustainable Water; Green Building; and Climate Adaptation.

ii) Process for green project evaluation and selection: Bonds are considered eligible if the issuer clearly delineates the specific criteria and process for determining eligible projects or investments in the bond prospectus or supporting documentation. Project criteria must outline either specific projects or the specific categories of activities to be financed.

iii) Process for management of proceeds: A formal process to ring-fence net proceeds to the eligible use of proceeds must be disclosed in the bond prospectus or supporting documentation. Eligible mechanisms to ring-fence net proceeds include:

- Direct recourse to eligible revenues or assets (e.g., a green securitized bond, green project bond, or green revenue bond);
- Creation of a separate legal entity;
- Creation of a sub-portfolio linked to the issuer's investment operations for eligible projects;
- Other auditable mechanism whereby the balance of tracked proceeds is reduced periodically by amounts matching investments made in eligible projects during that period.

iv) Commitment to ongoing reporting of the environmental performance of the use of proceeds : At issuance, issuers of index eligible green bonds must either report on projects financed by the bonds' proceeds, or commit to doing so within one year. This reporting obligation will continue until bond proceeds have been fully dispersed or for the life of the bond, as circumstances necessitate. For reporting to be considered eligible, it must include one or more of the following:

- A list of specific projects/investments, including amount disbursed to each individual project;
- Aggregate project/investment categories, including amount disbursed to each project type;
- Quantitative or qualitative reporting on the environmental impact of the project pool (e.g., greenhouse gas emissions savings, reduction in water consumption, increased energy efficiency per unit of output, etc.).

More information can be found on the website: <https://www.msci.com/>.

The Sub-Fund follows an extra-financial approach significantly engaging that contributes to and has positive impacts on the energy and ecological transition by investing permanently at least 90% of the net asset value of the Sub-Fund in Green Bonds comprising the Index. To be eligible in the Index, Green Bonds shall meet the criteria defined by MSCI ESG Research (as mentioned above).

Through its methodology and the manner it is constructed (as described above), the Index is aligned

with the sustainable investment objective of the Sub-Fund and differs from a broad market index. Limits of the extra-financial approach are mentioned in the section “Limits of the extra-financial approach” of the prospectus.

The Product strategy is also relying on systematic exclusions policies (normative and sectorials) as further described in Amundi Responsible Investment policy.

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.

Proportion of investments

At least 90% of the Sub-Fund’s securities and instruments will meet the promoted environmental or social characteristics in accordance with the binding elements of the Index methodology. Furthermore, the Sub-Fund commits to have a minimum of 1% of sustainable investments as per the below chart. Investments aligned with other E/S characteristics (#1B) will represent the difference between the actual proportion of investments aligned with environmental or social characteristics (#1) and the actual proportion of sustainable investments (#1A).

The planned proportion of other environmental investment represents a minimum of 1% (i) 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

Yes, the Index has been designated as a reference benchmark to determine whether the Sub-Fund is aligned with the environmental and/or social characteristics that it promotes.

According to applicable regulations to index sponsors (including BMR), index sponsors should define appropriate controls/diligence when defining and/or operating index methodologies of regulated indexes.

The investment objective of MULTI UNITS LUXEMBOURG - Lyxor Global Green Bond 1-10Y (DR) UCITS ETF is to track both the upward and the downward evolution of the “Bloomberg MSCI Global Green Bond 1-10 Year Index” (the “Index”) denominated in Euros, in order to offer an exposure to the Green Bonds market issued by investment grade entities and denominated in multiple currencies – while minimising the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”).

Additional information on the Index can be found at <https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices/#/ucits>