

## Informazioni sulla sostenibilità

A seguito dell'entrata in vigore del Regolamento Delegato (UE) 2022/1288 della Commissione del 6 aprile 2022 (la "SFDR – II livello") che integra il regolamento (UE) 2019/2088 del Parlamento Europeo e del Consiglio (la "SFDR – I livello") per quanto riguarda le norme tecniche di regolamentazione che specificano i dettagli del contenuto e della presentazione delle informazioni relative al principio «non arrecare un danno significativo», che specificano il contenuto, le metodologie e la presentazione delle informazioni relative agli indicatori di sostenibilità e agli effetti negativi per la sostenibilità, nonché il contenuto e la presentazione delle informazioni relative alla promozione delle caratteristiche ambientali o sociali e degli obiettivi di investimento sostenibile nei documenti precontrattuali, sui siti web e nelle relazioni periodiche che sono parte del pacchetto di misure dell'UE circa le questioni ambientali, sociali e di governance, NEAM (di seguito "NEAM" o la "Società di gestione") si impegna a pubblicare sul proprio sito web informazioni conformi al capitolo IV della SFDR – II livello.

## Sintesi

- **Nome del Comparto: NEF Ethical Balanced Dynamic**

- Nessun obiettivo di investimento sostenibile: questo prodotto finanziario promuove alcune caratteristiche ambientali o sociali ma non ha come obiettivo un investimento sostenibile. Ciononostante, una parte degli investimenti ha una natura sostenibile che contribuirà agli Obiettivi per lo Sviluppo Sostenibile delle Nazioni Unite.

Il Gestore degli investimenti si assicura che ogni investimento sostenibile non danneggi in modo significativo alcun obiettivo ambientale o sociale attraverso il monitoraggio costante di tutti i principali indicatori obbligatori di impatto negativo, laddove siano disponibili dati affidabili. Ci si aspetta che la qualità dei dati disponibili migliori nel tempo. Il Gestore degli investimenti prende in considerazione i principali impatti negativi dei suoi investimenti attraverso una combinazione di processi interni come il rating ESG, le strategie di esclusione degli emittenti associati a comportamenti o attività controverse e il confronto con le società oggetto di investimento.

Le Linee guida dell'OCSE per le Imprese Multinazionali e i Principi Guida delle Nazioni Unite sulle Imprese ed i Diritti Umani sono integrati nella metodologia di valutazione ESG dell'Investment Manager.

- Caratteristiche ambientali o sociali del prodotto finanziario: il Comparto promuove alcune caratteristiche ambientali, sociali e di governance ("ESG") e mira ad investire principalmente in azioni ed obbligazioni emesse da società con alti profili ambientali, sociali e di governance, utilizzando come riferimento l'indice MSCI ESG World. In particolare, utilizzerà un rating ESG, come spiegato più avanti nelle altre sezioni del documento.

Il Comparto non investirà in emittenti sovrani di paesi o stati federali in cui vige la pena di morte e si asterrà inoltre dall'investire in società coinvolte in settori controversi quali alcol, armamenti,

bombe a grappolo, gioco d'azzardo, armi nucleari, energia nucleare o uranio impoverito, materiale pornografico e tabacco.

- Strategia di investimento: Il Comparto è un comparto etico e bilanciato, il cui obiettivo è quello di ottenere una crescita del capitale, nel rispetto dei principi ESG a medio-lungo termine, attraverso un'allocazione attiva del rischio principalmente in obbligazioni e azioni. Il Comparto può investire in azioni, OICR/OICVM aperti, azioni e obbligazioni o strumenti a reddito fisso.

La promozione delle caratteristiche ambientali e sociali viene effettuata dal Comparto su base continuativa come parte del processo di investimento, applicando sia un criterio di valutazione negativa (criteri di esclusione) sia un criterio di valutazione il quale attraverso una completa integrazione ESG. La strategia d'investimento include la valutazione delle pratiche di governance delle società partecipate.

- Quota degli investimenti: il Comparto investe almeno il 70% del proprio patrimonio netto in attività che sono state valutate "idonee" rispetto al processo ESG in vigore. Il Comparto deterrà un minimo del 10% del proprio patrimonio in investimenti sostenibili.

Fino al 30% degli investimenti potrebbe non essere in linea con queste caratteristiche.

- Monitoraggio delle caratteristiche ambientali o sociali: la conformità degli investimenti alle caratteristiche ambientali e sociali promosse viene monitorata su base continuativa. Inoltre, la funzione di gestione del rischio della Società di gestione controlla il rispetto degli elementi obbligatori. In questo modo, il Comparto utilizza indicatori ambientali e sociali per valutare se le caratteristiche ambientali e sociali promosse sono state raggiunte.
- Metodologie: il raggiungimento delle caratteristiche ambientali e sociali promosse viene valutato attraverso l'applicazione di una procedura di valutazione ESG propria. La procedura prevede l'applicazione di una serie di criteri ESG (il "Filtro ESG") per valutare il raggiungimento delle caratteristiche ambientali e sociali promosse.
- Fonti e trattamento dei dati: il software esclusivo Gestore degli investimenti per la Gestione Sostenibile del Portafoglio (GSP) utilizza dati provenienti da fornitori di dati terzi. La qualità dei dati è garantita dall'utilizzo di diversi fornitori di servizi (ad esempio, MSCI ESG Research LLC) al fine di usufruire della migliore qualità possibile dei dati.
- Limitazioni delle metodologie e dei dati: il Gestore degli investimenti si basa su dati forniti da fornitori di dati terzi che possono applicare modelli diversi e contenere dati imprecisi o incompleti. Questi limiti sono costantemente presi in considerazione e mitigati dal Gestore degli investimenti.
- Due diligence: Amundi esegue un "controllo a campione" qualitativo del settore sulla base di vari accertamenti. Dopo questa verifica, la valutazione viene approvata e pubblicata. Questa può anche essere soggetta a una convalida del Comitato di rating ESG.
- Politiche di impegno: Amundi coinvolge le società partecipate o potenzialmente partecipate a rango di emittente, scelte principalmente in base al livello di esposizione alla tematica oggetto dell'impegno, in quanto le questioni ambientali, sociali e di governance che le società devono

affrontare hanno un forte impatto sulla società, sia in termini di rischio che di opportunità. Il Gestore degli investimenti esercita i diritti di voto in un'ottica sostenibile.

### *No sustainable investment objective*

While the Sub-Fund does not have sustainable investment as its objective, it will commit to have a portion of 10% of sustainable investments. Such sustainable investments will contribute to at least one of the UN SDGs that relate to environmental and/or social objectives. Corresponding goals have a focus on best-in-class approach through operations with the best environmental or social practices.

The Investment Manager (Amundi SGR S.p.A) ensures that any sustainable investment does not significantly harm any environmental or social objective through the monitoring of all mandatory Principal Adverse Impact indicators where robust data is available. The quality of available data is expected to improve over time.

The Investment Manager considers that an investment should pass its own do not significant harm (DNSH) tests below:

**1. DNSH test:** relies on monitoring the mandatory Principal Adverse Impacts indicators 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). In addition to the criteria that have been developed specifically for this test, Amundi already considers specific Principal Adverse Impacts indicators within its exclusion policy as part Amundi's Responsible Investment Policy (e.g., exposure to controversial weapons).

**2. DNSH test:** the investee company is not an overall bad environmental or social performer. Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test 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. The approach relies on Amundi's ESG scoring methodology. The Investment Manager defines that a bad performing company has one of the worse 7% environmental or social performance within its sector. Using Amundi's ESG scoring methodology means that a company should have an environmental and a social score superior or equal to E (as per Amundi's scoring, which classifies companies from A to G).

This financial product considers principal adverse impacts of its investments through a combination of the internal process of the Investment Manager like, ESG rating, exclusion strategies, of issuers associated with controversial conduct or activities and engagement. The PAI as per table 1 (notably) are taken into account as shown in the processes below:

#	PAI	Approach
1	GHG emissions (Scope 1, 2, 3 and total)	Included in Amundi engagement and voting policy and in Amundi ESG scoring.
2	Carbon footprint	Included in Amundi engagement and voting policy and in Amundi ESG scoring.
3	GHG intensity of investee companies	Included in Amundi engagement and voting policy and in Amundi ESG scoring.
4	Exposure to companies active in the fossil fuel sector	Included in Amundi engagement and voting policy and in Amundi exclusion policy.
5	Share of non-renewable energy consumption and production	Included in Amundi engagement policy and in Amundi ESG scoring.

6	Energy consumption intensity per high impact climate sector	Included in Amundi engagement policy and in Amundi ESG scoring.
7	Activities negatively affecting biodiversity sensitive areas	Included in Amundi engagement policy, Amundi controversies monitoring and in Amundi ESG scoring.
8	Emissions to water	Included in Amundi engagement policy, Amundi controversies monitoring and in Amundi ESG scoring.
9	Hazardous waste ratio	Included in Amundi engagement policy, Amundi controversies monitoring and in Amundi ESG scoring.
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines	Included in Amundi exclusion policy: issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded. Also included Amundi engagement policy, Amundi controversies monitoring and in Amundi voting policy.
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines	Included in Amundi engagement policy, Amundi controversies monitoring and through Amundi voting policy.
12	Unadjusted gender pay gap	Included in Amundi engagement policy, Amundi controversies monitoring and escalation possible through our voting policy.
13	Board gender diversity	Included in Amundi engagement policy (30% engagement campaign) and in Amundi voting policy.
14	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons. This is also included in Amundi voting policy.
15	GHG intensity	Included in Amundi ESG scoring.
16	Investee countries subject to social violations	Included in Amundi exclusion policy.

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into Amundi ESG scoring methodology. Amundi proprietary ESG rating tool assesses issuers using available data from different data providers.

*As a general matter, the “do no significant harm” principle, as referred to in article 6 of the regulation (EU) 2020/852 of the European Parliament and of the council of 18 June 2020 on the establishment of a framework to facilitate sustainable does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

The minimum proportion of 10% of sustainable investments is monitored by the Management Company. Indeed, on a quarterly basis, the Management Company runs a first quantitative screening

and a detailed review process on the assets held by the Sub-Fund to ensure that minimum proportion of 5% of sustainable investments is met. In order to be classified as sustainable investment, an investment should imperatively:

- Contribute positively to any of the SDG principles which is meant to contribute to a social objective or;
- Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond

And

- Issuer minimum Governance ESG rating should not be below 25 according to Refinitiv. In case the rating is not available or if the Investment Manager disagrees with the Refinitiv score he should submit to the Management Company a detailed analysis, that will be reviewed and potentially accepted by the Management committee;
- Issuer minimum ESG rating should not be below 41.67 according to Refinitiv;
- The DNSH principle is respected.

In case of breaches of this minimum percentage the Investment Manager will be enquired to provide evidence on the sustainability nature of the investments. Based on evidence sent by the Investment Manager and data coming from the Management Company service providers and/or public information the Management Company risk team will give his opinion about the sustainability of the security which should be validated by the Management Committee.

### *Environmental or social characteristics of the financial product*

This Sub-Fund promotes some environmental, social and governance (“**ESG**”) characteristics, it seeks to invest mainly in stocks and bonds issued by companies with high quality Environmental, Social and Governance (ESG) profiles by also using MSCI World ESG Index as investible universe. It will notably use an ESG rating as further explained in the other sections of the document.

The following ESG characteristics are taken into account:

- the company ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion, and protecting biodiversity;
- the social aspect linked to an issuer’s human capital, those linked to human rights in general and the responsibilities towards the stakeholders;
- the effective corporate governance framework that guarantees it will meet its long-term objectives.

The Sub-Fund will not invest in sovereign issues in countries or federal state where the death penalty applies and will also refrain to investment in companies involved in controversial sectors such as alcohol, armaments, cluster bombs, gambling, nuclear weapons, nuclear energy or depleted uranium, pornographic material, and tobacco.

The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

### *Investment strategy*

The Sub-Fund is an ethical and balanced sub-fund, whose objective is to achieve capital appreciation, by respecting ESG principles on medium/long term, through an active allocation of the risk mainly in bonds and equities.

#### *Non-financial part of the investment strategy of the Sub-Fund:*

ESG analysis is embedded into the Investment Manager's portfolio management systems. Indeed, the Investment Manager has taken the commitment to integrate ESG criteria into the investment process of the Sub-Fund, with an objective to invest mainly in stocks and bonds issued by companies with a high quality ESG profile, in addition to the financial objectives.

The investment strategy is then applied following a three steps based approach:

- a. The "investible universe restriction" (ESG integration): to be investable by the Sub-Fund, a company included in the MSCI World Index has to be included in the MSCI ESG World Index (which is an index constructed by applying a "Best-in-Class" selection process to companies that are part of the MSCI World Index).
- b. The "ESG Filter" (positive filter): The Sub-Fund will invest in issuers with a high ESG rating as further describe in "Methodologies".
- c. The "Exclusion List" (negative screening) made of companies that are to be excluded if their main business activity is involved in some of the following business areas (negative screening):
  - Alcohol
  - Armaments
  - Cluster bombs
  - Gambling
  - Nuclear weapons, nuclear energy or depleted uranium
  - Pornographic material
  - Tobacco

*If an issuer becomes involved in one of the above business areas after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.*

The Investment Manager relies 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. The Investment Manager assesses 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 criteria considered are: board structure, audit and control, remuneration, shareholders' rights, ethics, tax practices and ESG strategy.

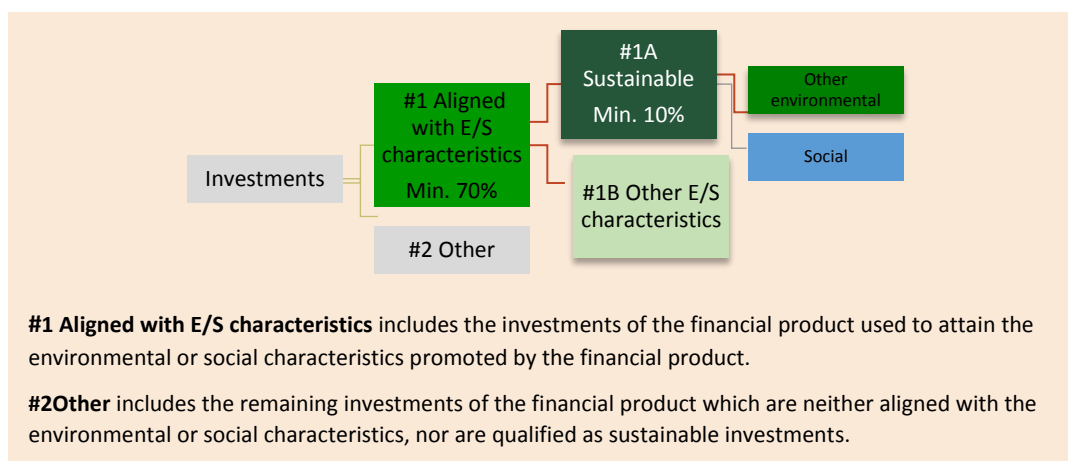
### *Proportion of investments*

The Sub-Fund invests at least 70% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics (**#1 Aligned with E/S characteristics**), including:

- a minimum of 10% in sustainable investments (**#1A sustainable**);
- (**#1B Other E/S characteristics**) includes securities of issuers which are deemed to maintain favourable ESG characteristics but are not sustainable investments.

The Sub-Fund’s ESG eligible assets mainly consists of equities and bonds (direct exposure). However, the Sub-Fund may invest in underlying funds which promote environmental and social characteristics (in compliance with art. 8 of the SFDR) and which have a minimum portion of sustainable investments equal or higher to 10% (indirect exposure).

Up to 30% of the investments might be not aligned with these characteristics (**#2 Other**). A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this financial product.



### *Monitoring of environmental or social characteristics*

The promotion of E/S characteristics is carried out by the Sub-Fund on a continuous basis as part of the investment process (i.e. adherence to the exclusion policy is monitored with strict pre-trade restrictions) as well as the restriction to consider as investible universe the MSCI ESG World Index which is an index constructed by applying a Best-in-Class selection process to companies that make up a global equity index).

All ESG data used by the Investment Manager, 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.

Amundi conducts a 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 Amundi proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

In addition, risk management of the Management Company monitors on a daily basis adherence to the mandatory elements. In this manner, the Sub-Fund uses the environmental and social indicators to assess whether the promoted objective is achieved.

### *Methodologies*

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology. The methodology applies a variety of ESG Criteria to assess the attainment of the promoted environmental and social characteristics, which are as follows:

- a. Stocks and Corporate bond issuers: to be investable by the Sub-Fund, a company included in the MSCI World Index has to be included in the MSCI ESG World Index. A company not included in the MSCI World Index has to be assessed by a specific ESG analysis, for which the Investment Manager relies on analysis performed centrally by its head office based in Paris. If a company exits from MSCI ESG World Index, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company;
- b. Sovereign issuers: countries that apply the death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that apply the death penalty.
- c. Targeted open-ended UCIs/UCITS: those funds are included solely when all the following conditions are met:
  - they are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR");
  - they consider principal adverse impacts of its investment decisions on sustainability factors; and
  - their minimum percentage of sustainable investments is equal or higher than NEF Ethical Balanced Dynamic.

Additionally all issuer must have an ESG rating. The Sub-Fund will invest in issuers with a high ESG rating (i.e. considered by the Management Company if their rating is greater than or equal to 41.67 according to Refinitiv or equivalent third-party ESG rating providers or E as defined per Amundi\* in-house research).



Average ESG Portfolio Rating should not be below 66 (according to Refinitiv which is the service provider used by the Management Company) or C Rating (according to Amundi ESG Score which is Amundi internal ESG rating) or equivalent third-party ESG rating providers.

Should a sovereign related issuer, (e.g. agencies, local authorities, sovereign owned/sponsored/guaranteed, etc.) not be covered by Amundi in-house research or a third-party ESG rating providers, the relative country sovereign ESG rating will be used and the same methodology for sovereign issuers described below will apply. If an issuer is downgraded below such a rating, the Investment Manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

In addition, the Investment Manager can invest up to 5% of the Sub-Fund portfolio AUM in securities where no ESG rating is readily available, but where the Investment Manager has good reason to believe that the securities will receive a high ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research.

Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the inadvertent breach policy.

Green Bonds, Social Bonds, Sustainable Bonds, and all bonds linked to Sustainable / ESG / SDGs projects are accepted irrespective of issuer.

*\*ESG analysis framework of Amundi is comprised of 38 criteria. These criteria were designed to either assess how sustainability issues might affect the issuer as well as the quality of the management of this dimension. The output of each the scores for the 38 criteria are translated into an ESG rating from A to G. At the end of this process, companies are attributed an ESG rating from A to G. The ESG rating of an issuer is a weighted average of the scoring for E, S and G dimensions, each dimension being itself the weighted average of the internal reference values.*

### **Data sources and processing**

#### **Investment Manager level**

Amundi's ESG scores are built using Amundi's ESG analysis framework and scoring methodology. Amundi sources 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 criteria).

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. The investable third-party UCIs are screened by assessing their pre-contractual annex.

### **Management Company level**

The Management Company, in his role of oversight, uses the following data sources:

- Authorized investible universe: MSCI ESG World Index;
- ESG score: Refinitiv, ISS;
- the exclusion process uses: Refinitiv;
- the valuation of sustainability risk is mainly based on Refinitiv data and ISS Datadesk data. Whenever the issuer's sustainability risk cannot be measured by neither Refinitiv nor ISS Datadesk, the Investment Manager is requested to submit his internal ESG score and analysis which is further analysed by the Management Company and compare with other ESG ratings providers and others public information.

The quality of the data is ensured by the comparison of different data service providers available at Manco level (Refinitiv and ISS) as well as through the comparison with delegated Investment manager evidence and public information.

In the case of Refinitiv and ISS the data processing is automatic. In the case data are processed manually the Management Committee is reviewing the analysis performed by the risk team to ensure a final cross-review.

### ***Limitation to methodologies and data***

The methodology limitations are by construction linked to use of ESG data. The ESG data landscape is currently being standardized 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. The Investment Manager is aware of these limitations which it mitigates 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***

The Investment Manager assess the issuer it considers eligible as per the investment universe by conducting an appropriate due diligence. This due diligence is carried out as outlined below.

Each month, the ESG scores are recalculated according to Amundi quantitative methodology. The result of this calculation is then reviewed by Amundi ESG analysts which perform a qualitative "sampling control" on its industry 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 two providers. After this review, the analyst can override the calculated score which is then validated by the management of the team and documented by a note stored in Amundi database iPortal. This can also be subject to a validation of the ESG Rating Committee.

Amundi 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. Amundi 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.

The Investment Manager exercises voting rights in a sustainable manner, taking into account the Regulation (EU) 2019/2088 and the related regulatory technical standards framework. In this respect, the Investment Manager takes part in the active and responsible role as shareholder in the companies the sub-fund invests in with emphasis on sustainability, activity and responsibility.