

# Key Investor Information

This document provides key investor information about this Fund. It is not a marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## AMUNDI ACTIONS EURO ISR

I class – ISIN code: (C) FR0010773242

French UCITS managed by Amundi Asset Management, an Amundi company

### Objectives and Investment Policy

French Financial Markets Authority classification: Eurozone equities

By subscribing to AMUNDI ACTIONS EURO ISR - I, you are investing in shares of eurozone companies, taking sustainable development criteria into account.

The investment objective, over a five-year period, is to outperform or match the performance of its benchmark index, the MSCI EMU (dividends reinvested), representative of the main market capitalisations of eurozone countries, after deducting ongoing charges, whilst incorporating ESG criteria into the SICAV's security selection and analysis process.

To achieve this, the management team focuses its portfolio on the shares of companies listed in the eurozone. In this respect, the management team relies on a financial analysis combined with a non-financial analysis based on ESG (Environment, Social, Governance) criteria. For information purposes, ESG criteria include energy consumption and greenhouse gas emissions for the environmental aspect, human rights, health and safety for the social aspect, or the remuneration policy and global ethics for the governance aspect. The non-financial analysis process is used to assign an ESG rating for each issuer on a scale ranging from A (best rating) to G (lowest rating). At least 90% of the securities in the portfolio have an ESG rating. Furthermore, the Fund implements an SRI strategy based on a combination of approaches: normative (exclusion of issuers with the most questionable ESG practices, rated G) and best-in-class (selection of issuers with the best ESG practices rated A, B, C and D and exclusion of issuers rated E and F). Furthermore, besides legal exclusions, such as companies involved in the production or distribution of anti-personnel mines and cluster bombs prohibited by the Ottawa and Oslo conventions, Amundi excludes from the investment universe States which systematically and wilfully violate human rights and are guilty of the worst crimes (war crimes and crimes against humanity). Also excluded are issuers that derive over 50% of their revenue from coal extraction. Furthermore, an active engagement policy is conducted to promote dialogue with issuers and support them in the improvement of their ESG practices. A socially responsible management approach therefore aims to reconcile the search for returns with the development of socially responsible practices and to conduct a more comprehensive assessment of the sector-related opportunities and risks specific to each issuer. Money-market and bond products may also be selected.

Derivative financial instruments or temporary acquisitions and sales of securities may be used for hedging and/or exposure purposes.

AMUNDI ACTIONS EURO ISR - I is eligible for the PEA.

The SICAV's net profit as well as its net realised capital gains shall be automatically reinvested.

You can request redemption of your shares every day, with redemptions taking place daily.

Recommendation: this SICAV may not be appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile



1	2	3	4	5	6	7
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This SICAV's risk level primarily reflects the market risk of the European equity market in which it is invested.

The historic data used to calculate the numeric risk indicator could not be a reliable indicator of the future risk profile for the UCITS.

The risk category associated with this SICAV is not guaranteed and may shift over time.

The lowest category does not mean "risk free".

The initial capital invested is not guaranteed.

Particular risks for the Fund not included in these indicator are:

- Credit risk: this is the risk of sudden deterioration in the creditworthiness of an issuer or that of its default.
- Liquidity risk: in a given case where trading on the financial markets is depressed, any equity buying or selling transaction can lead to significant market fluctuations.
- Counterparty risk: this is the risk of default by a market operator, including a total return swap counterparty, that prevents it from honouring its obligations to the Fund.
- The use of complex products such as derivatives may lead to an increase in movements in your portfolio.

The occurrence of any of these risks may have a negative impact on the net asset value of your portfolio.

## Charges

The charges you pay are used to pay the costs of running the UCITS, including the costs of marketing and distributing it; these charges reduce the potential growth of your investments.

One-off charges taken before or after you invest	
Entry charge	2.50 %
Exit charge	None
The percentage indicated is the maximum that can be deducted from your capital before it is invested (entry) or redeemed (exit).	
Charges taken from the SICAV over a year	
Operating expenses	1.07% of average net assets
Charges taken from the SICAV under certain specific conditions	
Performance fee	20% annual outperformance of the reference asset
	This fee amounted to 0.01% of average net assets at the end of the previous financial year

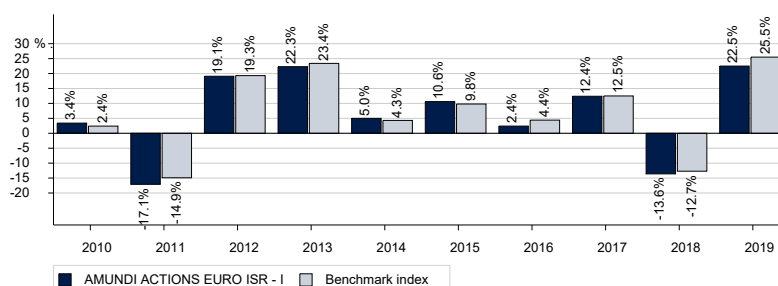
The stated **exit and entry fees** are maximum amounts. In certain cases, the fees paid may be lower - further information may be obtained from your financial advisor.

The **ongoing charges** are based on the figures for the previous year ended 31 December 2018. This percentage may vary from year to year. It excludes:

- performance fees,
- brokerage fees, except for the entry and exit charges paid by the UCITS when buying or selling units in another UCI.

For further information regarding costs, please refer to the "Costs and Fees" section of the Fund's Prospectus available upon request to the Management Company.

## Past performance



Performance is not constant over time and is no guarantee of future performance.

The year-on-year performance presented on this chart is calculated after deduction of all fees charged by the SICAV.

The SICAV was created on 16 April 1999 and its I class on 01 July 2009.

The reference currency is the euro (EUR).

## Practical information

Name of the Depository: CACEIS Bank.

### Additional information relating to the UCITS:

The latest prospectus and most recent interim statements, as well as all other practical information, are available free of charge from the management company.

Updated details on the management company's remuneration policy are available on its website or free of charge upon written request to it.

In particular, this policy describes the calculation methods applied to the remuneration and benefits of certain categories of employees, the entities responsible for their attribution and the composition of the Remuneration Committee.

The net asset value is available on request from the management company, on its website [www.amundi.com](http://www.amundi.com), on the websites of distributor establishments, and is published in various national and regional daily newspapers as well as in periodicals.

### Taxation:

Depending upon your personal tax position, capital gains and any income associated with holding securities in the Fund may be subject to taxation. We advise you to seek information about this from the UCITS distributor.

### Responsibility:

Amundi Asset Management may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the UCITS.

This UCITS is not available to residents of the United States of America/"U.S. Persons" (the definition of "U.S. Person" is provided on the Management Company's website, [www.amundi.com](http://www.amundi.com), and/or in the prospectus).

The Fund offers other units or shares for the categories of investors defined in its prospectus.

This Fund is approved in France and regulated by the French Market Regulator (AMF).

The Management Company, Amundi Asset Management, is authorised in France and regulated by the French market regulator, the Autorité des marchés financiers (AMF).

This key investor information is accurate as at January the 22nd, 2020.

**AMUNDI ACTIONS EURO ISR**  
**ADDITIONAL INFORMATION FOR INVESTORS IN LUXEMBOURG TO BE READ IN**  
**CONJUNCTION WITH THE PROSPECTUS DATED 28 JUNE 2019**

**Financial Provider in Luxembourg**

In accordance with the requirements of Luxembourg law (Article 59 of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment), CACEIS Bank, Luxembourg Branch, 5 Allée Scheffer, L-2520 Luxembourg, was appointed as paying agent (the "Paying Agent") of Amundi Actions Euro ISR ("the Fund") in Luxembourg.

Accordingly, unit-holders resident in Luxembourg may, if they so wish, lodge applications for redemption and conversion of units and obtain payment of redemption of their units and distribution payments through the Paying Agent.

**Information to the Unit-holders**

Copies of the management regulations establishing the Fund, the Prospectus, the Key Investor Information Documents and the latest annual and semi-annual reports as well as the issue and redemption prices per unit may be obtained from the Luxembourg Paying Agent at the above address during usual business hours on business days.

Copies of documents referred to in paragraph 2 of Article 93 of the 2009/65/EC Directive (UCITS IV) may also be obtained on the following website: [www.amundi.com](http://www.amundi.com)

The NAV is determined on each calendar evening before a subscription-redemption order settlement day.

If a letter is sent to unit-holders or a publication made in the country of domicile of the Fund, i.e. France, the same would apply in Luxembourg.

**Subscription and redemption procedures**

Subscription and redemption requests are received at any time by CACEIS Bank, Luxembourg Branch.

Subscription and redemption requests are centralised each NAV calculation day (D) at 12.25 . These requests are executed on the basis of the net asset value of D and calculated on the following business day (D+1).

**Taxation in Luxembourg**

Depending on your tax situation, capital gains and income from units of the Fund may be subject to taxation.

We advise you to inquire about this with your Tax Advisor.

# PROSPECTUS

## I – GENERAL FEATURES

- ▶ **Name:** AMUNDI ACTIONS EURO ISR
- ▶ **Legal form and Member State in which the UCITS has been set up:** Société d'Investissement à Capital Variable (SICAV) under French law
- ▶ **Launch date, approval date and scheduled term:** UCITS launched on 16 April 1999, approved on 16 April 1999, for a term of 99 years
- ▶ **Summary of the management offer:**

Name Unit	ISIN Code	Allocation of profit	Accounting currency	Minimum initial subscription	Minimum subsequent subscription	Eligible subscribers
I-C shares	FR0010773242	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 share(s)	1 share(s)	Specifically for institutional investors
I2-C shares	FR0010458760	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 share(s)	one thousandth of a share	More specifically intended for large institutional investors
P-C shares	FR0010458745	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a share	one thousandth of a share	All subscribers, more specifically individuals
Z-C shares	FR0013252798	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 share(s)	one thousandth of a share	Reserved for UCIs managed by Amundi Group companies
Z-D shares	FR0013257466	<u>Allocation of net profit:</u> Distribution  <u>Allocation of realised net capital gains:</u> Accumulation and/or distribution at the discretion of the SICAV	Euro	1 share(s)	one thousandth of a share	Reserved for UCIs managed by Amundi Group companies

- **Address from which the latest annual or periodic report and financial statements may be obtained:**

The latest annual report and financial statements along with the breakdown of assets will be sent to investors within eight working days upon written request from the holder to:

Amundi Asset Management  
90, Boulevard Pasteur – 75015 Paris, France

Further information may also be obtained from your usual advisor.

The AMF website ([amf-france.org](http://amf-france.org)) contains further details on the list of regulatory documents and investor protection regulations.

## II – SERVICE PROVIDERS

### ► **Depositary and Registrar:**

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 1-3 Place Valhubert, 75013 Paris, France  
Main business: Bank and investment services provider approved by CECEI on 1 April 2005.

With regard to regulatory duties and duties contractually entrusted by the management company, the depositary's main task is taking custody of the UCITS' assets, checking that the decisions of the management company are lawful and monitoring the UCITS' cash flows.

The depositary and the management company belong to the same group therefore, in accordance with the applicable regulations, they have implemented a policy to identify and prevent conflicts of interest. If a conflict of interest cannot be avoided, the management company and the depositary shall take all necessary measures to manage, monitor and report this conflict of interest.

The description of the delegated custodian duties, the list of the depositary's delegates and sub-delegates and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com) or free of charge on written request.  
Updated information is available to unitholders on request.

### ► **Institution responsible for clearing subscription and redemption orders by delegation of the Management Company:**

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 1-3 Place Valhubert, 75013 Paris, France  
Main business: Bank and investment services provider approved by CECEI on 1 April 2005.

The custodian is also responsible, by delegation of the management company, for the UCITS' liability accounting, which covers clearing of share subscription and redemption orders and accounting for the share issue account.

### ► **Independent Auditor:**

PricewaterhouseCoopers Audit  
Represented by Philippe Chevalier  
63, rue de Villiers  
92200 Neuilly-sur-Seine, France

### ► **Promoters:**

Amundi Asset Management, Crédit Agricole Group, the branch office network of the Regional Banks of Crédit Agricole and branches of LCL - Le Crédit Lyonnais in France.

The list of promoters is not exhaustive due mainly to the fact that the UCITS is listed on Euroclear. Accordingly, some promoters may not be appointed by or known to the Management Company.

► **Financial, administrative and delegated accounting manager:**

Amundi Asset Management, a simplified joint-stock company (société par actions simplifiée)  
Portfolio Management Company operating under AMF approval no. GP 04000036  
Registered office: 90, Boulevard Pasteur -75015 Paris

► **Subdelegated accounting manager:**

CACEIS Fund Administration, Public Company (Société Anonyme)  
Registered office: 1-3, Place Valhubert - 75013 Paris

CACEIS Fund Administration is a company of the Crédit Agricole Group specialising in the administrative and accounting management of UCIs on behalf of clients inside and outside the Group. CACEIS Fund Administration has accordingly been appointed by Amundi Asset Management as Delegated Fund Accountant for the valuation and accounting of the UCI.

► **Administrative and management bodies of the SICAV:**

The list of members of the Supervisory Board and Board of Directors, as well as their functions within other companies, is given in the annual report of the SICAV as updated at the end of each financial year. The details of these roles are based on information provided by each of the individuals in question.

## III - OPERATING AND MANAGEMENT ARRANGEMENTS

### 1. General features

► **Characteristics of the shares:**

• **Nature of the right attached to the share class:**

Each shareholder has rights in the capital of the Fund in proportion to the number of shares held.

• **Registration or other arrangements for maintaining unitholder records:**

In terms of the Fund's liability accounting, the depositary centralises the subscription and redemption orders and operates the unit issuer's account in collaboration with Euroclear France, the company with which the fund is listed.

Administered registered shares are entered in the liability manager's register

• **Voting rights:**

Voting rights are attached to each share in order to participate in decisions within the jurisdiction of the general meeting of the SICAV.

• **Form of the shares:**

Registered or bearer

- **Decimalisation:**

I-C shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

I2-C shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

P-C shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

Z-C shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

Z-D shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

- ▶ **End date of financial year:** last trading day of December

- ▶ **First financial year-end:** last trading day of December 1999

- ▶ **Accounting currency:** Euro

- ▶ **Tax treatment:**

The UCITS is eligible for the French equity saving scheme (PEA).

The UCITS, by its nature, is not subject to taxation. However, unitholders may be taxed on any income distributed by the Fund or when they sell Fund units. The tax treatment applicable to amounts distributed by the Fund or unrealised or realised capital gains or losses will depend on the individual unitholder's tax situation, residence for tax purposes and/or the investment jurisdiction of the Fund. Investors who have questions about their tax situation should consult a financial advisor or a professional investment consultant. Some income distributed by the UCITS to unitholders residing outside France may be subject to withholding tax in France.

### **U.S. tax considerations**

The Foreign Account Tax Compliance Act (FATCA), which is part of the US Hiring Incentives to Restore Employment Act (HIRE), requires that non-US financial institutions (foreign financial institutions, or FFIs) report to the IRS (the US tax authorities) any financial information relating to assets held by US taxpayers<sup>(1)</sup> residing outside the United States.

In accordance with FATCA regulations, US securities held by any financial institution that does not adhere to or is considered to be non-compliant with the FATCA law will be subject to a withholding tax of 30% on (i) certain income generated from US sources; and (ii) the gross proceeds from the sale or disposal of US assets.

The UCI falls within the scope of FATCA and, as such, shareholders may be asked to provide certain mandatory information.

The United States has entered into an intergovernmental agreement with several governments in order to implement the FATCA law. In this context, the French and US governments have signed an intergovernmental agreement (IGA).

The UCI complies with the IGA Model 1 agreement between France and the United States of America. It is not anticipated that the UCI (or any sub-fund) will be subject to a FATCA withholding tax.

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<sup>1</sup> According to the US Internal Revenue Code, the term "US Person" means an individual who is a US citizen or resident, a partnership or corporation established in the United States or under the laws of the United States or any State thereof, or a trust if (i) a court within the United States has authority under applicable law to hand down orders or judgments concerning substantially all issues regarding the administration of the trust; and if (ii) one or more US Persons have authority to control all substantive decisions of the trust, or of an estate of a deceased person who was a citizen or resident of the United States.

The FATCA law requires that the UCI collect certain information about the identity (including ownership, holding and distribution details) of account holders who are US tax residents, entities that control US tax residents, and non-US tax residents who do not comply with the FATCA provisions or who fail to provide any of the accurate, complete and precise information required under the intergovernmental agreement (IGA).

For this purpose, all potential shareholders agree to provide the UCI, its delegated entity or the promoter with any information requested (including, but not limited to, their GIIN).

In the event of any change in circumstances impacting their FATCA status or their GIIN, potential shareholders shall immediately provide written notice to the UCI, its delegated entity or the promoter.

In accordance with the IGA, this information should be communicated to the French tax authorities, who may in turn share it with the IRS or with other tax authorities.

Investors who fail to document their FATCA status properly, or who refuse to report their FATCA status or to disclose the required information within the prescribed deadline, may be qualified as recalcitrant and be reported to the relevant tax or government authorities by the UCI or their Management Company.

In order to avoid the potential impacts of the foreign passthru payment mechanism and to prevent any withholding on such payments, the UCI or its delegated entity reserves the right to prohibit any subscription to the UCI or the sale of units or shares to any non-participating FFI (NPFPI),<sup>(1)</sup> particularly when such a prohibition is considered legitimate and justified for the protection of the general interests of investors in the UCI.

The UCI and its legal representative, the UCI's depository and the transfer agent reserve the right, on a discretionary basis, to prevent or remediate the acquisition and/or direct or indirect holding of units or shares in the UCI by any investor who is in breach of the applicable laws and regulations, or where the latter's involvement in the UCI may have detrimental consequences for the UCI or for other investors, including, but not limited to, FATCA sanctions.

To this end, the UCI may reject any subscription or require the mandatory redemption of units or shares in the UCI in accordance with the provisions set out in the regulations or Articles of Association of the UCI<sup>(2)</sup>.

The FATCA law is relatively new and its implementation is ongoing. Although the above information summarises the Management Company's current understanding, this understanding may be incorrect, or the way in which FATCA is implemented could change such that some or all investors are subject to the 30% withholding tax.

The provisions herein are not a complete analysis of all the tax rules and considerations or tax-related advice and shall not be considered as a complete list of all the potential tax-related risks inherent in subscribing to or holding shares in the SICAV. All investors should consult their usual advisors regarding the tax aspects and potential consequences of subscribing, holding or redeeming units or equities by virtue of the laws applicable to such investors and, in particular, by virtue of the rules of disclosure or withholding under FATCA concerning investors in the UCI.

#### **Automatic Exchange of Information (CRS regulations):**

France has signed multilateral agreements on the automatic exchange of information relating to financial accounts, based on the Common Reporting Standard (CRS) ("Norme Commune de Déclaration" or NCD in France) as adopted by the Organisation for Economic Co-operation and Development (OECD).

1 NPFPI or non-participating FFI = a financial institution that refuses to comply with FATCA either by refusing to sign a contract with the IRS or by refusing to identify its clients or report to the authorities.

2 This may also apply to any person (i) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority; or (ii) who may, in the opinion of the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.



Under the CRS law, the UCI or the Management Company must provide the local tax authorities with certain information about non-resident shareholders in France. This information is then communicated to the relevant tax authorities.

The information communicated to the tax authorities includes details such as name, address, tax identification number (NIF), date of birth, place of birth (if it appears in the records of the financial institution), account number, account balance or, if applicable, account value at the end of the year and the payments recorded on the account during the calendar year.

Each investor agrees to provide the UCI, the Management Company or their distributors with the information and documentation required by law (including, but not limited to, their self-certification) as well as any additional documentation that may reasonably be required in order to comply with their reporting obligations under the CRS.

Further information on the CRS is available on the OECD website and the websites of the tax authorities in the agreement signatory states.

Any shareholder who does not respond to requests for information or documents by the UCI: (i) may be held liable for penalties imposed on the UCI that are attributable to the failure of the shareholder to provide the requested documentation, or attributable to the shareholder providing incomplete or incorrect documentation; and (ii) will be reported to the relevant tax authorities for having failed to provide the necessary information for the identification of their tax residence and their tax identification number.

## 2. Special terms and conditions

► **ISIN code:**

I-C shares	I2-C shares	P-C shares	Z-C shares	Z-D shares
FR0010773242	FR0010458760	FR0010458745	FR0013252798	FR0013257466

► **Classification:** Eurozone equities

► **Investment objective:**

The investment objective, over a five-year period, is to outperform or match the performance of its benchmark index, the MSCI EMU (dividends reinvested), representative of the main market capitalisations of eurozone countries, after deducting ongoing charges, whilst incorporating ESG criteria into the SICAV's security selection and analysis process.

► **Benchmark index:**

The benchmark index is the MSCI EMU (closing price – dividends reinvested). This is a broad index representative of the main market capitalisations of eurozone countries, calculated by Morgan Stanley Capital Index (MSCI). The index used is valued at the closing price and expressed in euros.

**Benchmark index applicable to the management objective of the SICAV:**

The administrator of the benchmark index, MSCI Limited, is recorded on the register of administrators and benchmark indices held by the ESMA.

Further information on the benchmark index can be found on the administrator's website at: <https://www.msci.com>.

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 08 June 2016, the Management Company has a procedure for monitoring the benchmark indices used, which sets out the action to be taken in the event that a benchmark materially changes or ceases to be provided.

## ► Investment strategy:

### **1. Strategies used**

Portfolio management is focused on the shares of listed eurozone companies. To select securities eligible for the SICAV, the management team relies on a financial analysis combined with a non-financial analysis based on ESG (Environment, Social, Governance) criteria. The non-financial analysis process is used to assign an ESG rating ranging from A (best rating) to G (lowest rating).

#### Types of ESG criteria:

The analysis of private issuers uses a framework of criteria based on regulations that have universal scope (Global Compact, International Labour Organization, Human Rights, ISO Standards, etc.). This framework includes a set of generic criteria applicable to all issuers as well as criteria specific to each sector.

Among the generic criteria, we analyse in particular:

- Energy consumption and greenhouse gas emissions, the protection of biodiversity and water, for the environmental aspect.
- Human capital development, management of work and restructuring, health and safety, social dialogue, relations with clients and suppliers, local communities and respect for human rights, for the social aspect
- Independence of the Board, quality of audits and controls, remuneration policy, shareholders' rights, global ethics and ESG strategy, for the governance aspect.

This analysis seeks to assess rules that help to assure shareholders that the companies in which they hold shares are managed in accordance with their interests.

Depending on the sector, additional assessments of specific criteria may be carried out for the environmental and social aspects, such as, for example, the production of renewable energy for energy suppliers, ecological vehicles and passenger safety for the automotive industry, or green finance and efforts made to promote access to financial services in the banking sector.

In the context of socially responsible management (SRI management), the ESG analysis of the investment universe seeks to conduct a more comprehensive assessment of the sector-related opportunities and risks specific to each issuer.

#### SRI approaches used:

In order to reconcile the search for returns with the development of socially responsible practices, ESG criteria are considered according to a combination of normative, best-in-class and commitment approaches.

The Fund adheres to the following Amundi SRI rules:

- Exclusion of issuers rated E, F and G at the time of purchase; if issuers' ratings are downgraded to below E or equivalent, the management company shall decide to sell the securities as promptly as possible and in the interest of the unitholders;
- the portfolio's average ESG rating must be C or higher, to ensure a minimum threshold for consideration of ESG criteria;
- the average ESG rating of an SRI portfolio must be greater than or equal to the ESG rating of the investment universe or the benchmark index;
- at least 90% of securities in the portfolio shall have an ESG rating

Issuers with a negative ESG rating (i.e. rated E, F or G on the Amundi rating scale) are excluded from the SICAV's investment universe. In accordance with the law, companies that are involved in the production or distribution of anti-personnel mines and cluster bombs prohibited by the Ottawa and Oslo conventions are also excluded.

Furthermore, in 2016, Amundi took the decision, through its funds, to disengage from issuers that derive over 50% of their revenue from coal extraction. This decision reflects Crédit Agricole S.A.'s commitments to combat climate change and manage the energy transition; Amundi also excludes states that systematically and wilfully violate human rights and are guilty of the worst crimes (war crimes and crimes against humanity). The best-in-class approach is used to select and retain the leading issuers in each business sector according to the ESG criteria established by our team of non-financial analysts. Furthermore, an active engagement policy is conducted to promote dialogue with issuers and support them in the improvement of their socially responsible practices. When the collected information presents some insufficiencies or even contradictions between the various contributors (non-financial rating agencies), the non-financial analysts broaden their information sources by relying among other things on the companies' reports which remain a key factor in the companies' assessment. The company is also contacted directly for a more in-depth analysis. The various data obtained are supplemented by other stakeholders: the media, NGOs, labour and management, community organisations, etc.

#### Sequencing of the stages of the investment process:

This investment process includes three successive steps:

- The first step is to monitor the investment universe in advance through a detailed analysis of the securities. This involves a financial and non-financial assessment of each of the securities in the investment universe.
- During the second stage, these valuations are combined through a rating that allows the weight of the security within the portfolio to be determined: the security may be overweighted (good financial and non-financial ratings), excluded (poor non-financial ratings) or used for the purposes of risk control or ensuring compliance with restrictions (average ratings).
- The third stage consists of the portfolio construction, based on the selection of securities combining the best financial and non-financial ratings.

Once this assessment has been made for all securities in the SICAV's investment universe, the portfolio is constructed by determining a maximum level of active risk for the portfolio (risk of a shortfall in the performance of the portfolio compared with its benchmark index) and by focusing the portfolio on the selection of securities, with the clear aim of under- or over-weighting the securities on the basis of their assessment. As no tactical choices are made with regard to geography, sector or market timing, the portfolio is constructed solely on the basis of this selection of securities. A risk measurement model is used to determine the maximum levels of over and underweighting applicable to each security on the basis of its assessment. The model measures the securities' sensitivity to various factors that influence changes in price and thus helps in constructing the portfolio in compliance with the maximum active risk limit set previously.

## **2. Description of the assets used (excluding derivatives)**

### Equities:

The SICAV's investment universe focuses on eurozone equities.

The SICAV intends to be fully exposed to the net assets of the equity market, with a minimum of 75% and a maximum of 110% of net assets, and the cash balance exposed by way of derivatives.

Because of its eligibility for the French Equity Savings Plan (PEA), over 75% of the SICAV's assets will consist of shares of companies registered in a Member State of the European Union, or in another State party to the agreement on the European Economic Area (EEA) and which has a tax treaty with France that provides for administrative assistance to prevent fraud and tax evasion.

### Bond and money-market instruments:

Portfolio securities will be selected according to the best judgement of the management and in compliance with the internal credit risk monitoring policy of the Management Company.

For the purpose of selecting securities and issuers, management does not - either exclusively or automatically - rely on the ratings issued by rating agencies, but bases its buy and sell opinion in respect of a security on its own credit

and market analyses. For information purposes, the management may specifically use securities with the ratings described below.

Cash may be managed by holding money-market and bond instruments.

Debt securities and multi-currency deposits may account for 25% of the Fund's net assets. However, the exposure related to these instruments and deposits will most often be between 0 and 10% of the net assets.

The money-market instrument categories used are the following: Negotiable debt securities, fixed-rate treasury notes (BTFs), French Government treasury notes (BTANs), Euro Commercial Paper and money-market UCIs.

Furthermore, the SICAV reserves the right to deal in the bond categories below for all maturities:

- o Fixed-rate bonds,
- o Floating-rate bonds,
- o Indexed bonds [inflation, CMR (constant maturity rate)].

Investments will be made in euro-denominated public and private bonds issued by institutions that may be rated "Investment grade", which means there is a low risk of borrower insolvency. These securities may be rated AAA to BBB- on Standard & Poor's scale or Aaa to Baa3 on Moody's scale.

#### **Holding of shares or units of other UCIs or investment funds:**

The Fund may hold up to 10% of its assets in shares or units of the following UCIs or investment funds:

- UCITS that may invest up to 10% of their assets in UCITS or investment funds
  - French or foreign UCITS<sup>(1)</sup>
  - French or European AIFs or investment funds that comply with the criteria defined by the French Monetary and Financial Code<sup>(2)</sup>

These UCI and investment funds may invest up to 10% of their assets in UCITS, AIF or investment funds. They may be managed by the Management Company or an affiliated company. The risk profile of these UCIs is compatible with that of the UCITS.

(1) up to 100% of net assets in total (regulatory maximum)

(2) up to 30% of net assets in total (regulatory maximum)

### **3. Derivatives used**

The use of both hedges and options is an integral part of the investment process due to the advantages they offer in terms of liquidity and/or cost/efficiency ratios. They can be brought in quickly to replace real securities, specifically at times of inflows or outflows arising from subscriptions/redemptions or in the case of special circumstances such as significant market fluctuations.

Nevertheless, this is not an essential component of the management process.

#### **Information about the counterparties of the OTC derivative contracts:**

Amundi AM relies on the expertise of Amundi Intermédiation in the context of providing services regarding the selection of counterparties.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi (Group) Credit Risk Committee, concerning the aspects of counterparty risk.

This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;

- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and to draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

- Type of markets:
  - regulated,
  - organised,
  - over-the-counter.
- Categories of risks in which the manager intends to trade:
  - Equity,
  - Interest rate,
  - Currency,
  - credit,
  - other risks.
- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:
  - Hedging
  - Exposure
  - Arbitrage
  - other.
- Types of instruments used:
  - futures: on equities/stock market indices,
  - options: on equities/stock market indices and currency,
  - swaps: on currency, equities and stock market indices,
  - forward foreign exchange contracts: Forward currency purchase, forward currency sale,
  - other.
- Strategy for using derivatives to achieve the investment objective:
  - currency risk hedging or exposure,
  - hedging or equity exposure,
  - recreating a synthetic exposure to baskets of equities or indices.

Equity derivatives are used to temporarily manage the overall exposure of the portfolio.

#### **4. Embedded derivatives**

The UCITS does not use this type of instruments.

#### **5. Deposits**

The UCITS can lodge deposits for a maximum 12-month period. The deposits are used for cash management

purposes and help the UCITS reach its management objectives.

## **6. Cash borrowings**

The UCITS does not intend to borrow cash, but may have a debit position up to a maximum 10% of its net assets to accommodate cash inflows and outflows (investments/divestments in progress, subscriptions/redemptions).

## **7. Transactions involving temporary acquisition/disposal of securities**

### **Types of transactions used:**

- repo and reverse repo agreements with reference to the French Monetary and Financial Code;
- lending and borrowing of securities with reference to the French Monetary and Financial Code;
- sell and buy back; buy and sell back.

These transactions will cover eligible assets as defined by the regulations. These assets are held with the Depositary.

### **Types of transactions and description of all operations that must be limited to the achievement of the investment objective:**

- cash management;
- optimisation of the UCITS' income and performance;
- possible contribution to the leverage effect of the UCITS;
- hedging of short positions through securities borrowing.

Repos and reverse repos, sell and buy back and buy and sell back transactions are primarily used to manage cash and optimise the UCITS' income (reverse repos and buy and sell back in the case of surplus cash, repos and sell and buy back when cash is needed).

The returns generated by securities lending help to optimise the UCITS' performance.

### **Fees: Information is provided in the "Charges and fees" section.**

The SICAV's commitments arising from temporary purchases or sales of securities must not exceed 100% of the assets.

The SICAV's commitments arising from derivatives and temporary purchases or sales of securities must not exceed 100% of the assets.

Summary of proportions used:

<b><u>Types of transactions</u></b>	<b><u>Reverse repurchase agreements</u></b>	<b><u>Repurchase agreements</u></b>	<b><u>Securities lending</u></b>	<b><u>Securities borrowing</u></b>
<b><u>Maximum proportion of net assets</u></b>	20%	20%	90%	20%
<b><u>Expected proportion of net assets</u></b>	5%	5%	22.5%	5%

## **8- Information relating to collateral (temporary purchases and sales of securities and/or over-the-counter (OTC) derivatives including total return swaps (TRS)):**

### **Type of collateral:**

In the context of temporary acquisitions and sales of securities and OTC derivative transactions, the Fund may receive securities or cash as collateral.

Securities received as collateral must adhere to the criteria defined by the Management Company. They must be:

- liquid,
- transferable at any time,
- diversified in compliance with the eligibility, exposure and diversification rules of the UCITS,
- issued by an issuer that is not an entity of the counterparty or its group.

For bonds, the securities will also be issued by high-quality issuers located in the OECD whose minimum rating may be AAA to BBB- on the Standard & Poor's scale or a rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 50 years.

The criteria described above are detailed in a Risk Policy available on the Management Company's website at [www.amundi.com](http://www.amundi.com) and may be subject to change, particularly in the event of exceptional market circumstances.

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Reuse of cash received as collateral:

Cash received as collateral may be reinvested in deposits, government bonds, repurchase agreements or short-term money market UCITS in accordance with the Management Company's Risk Policy.

Reuse of securities received as collateral:

Not authorised: Securities received as collateral may not be sold, reinvested or provided as collateral.

► **Risk profile:**

*Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to market fluctuations.*

The main risks related to this type of investment are:

- Equity risk: if the equities or indices to which the portfolio is exposed fall in value, the SICAV's net asset value may fall.
- Capital risk: investors are warned that their capital invested is not guaranteed and may not be recovered.

The principal specific management-related risks are:

- Discretionary risk: the discretionary management style used for the UCITS is based on the expected performance of various markets and/or the selection of securities. There is a risk that the UCITS will not be invested in the best-performing markets or securities at all times. The UCITS may therefore underperform the investment objective. Furthermore, the UCITS' net asset value may decline.

Other risks are:

- Currency risk: this is the risk that investment currencies lose value against the base currency of the portfolio, the euro. In the event of a drop in the value of a currency against the euro, the net asset value may also fall.
- Interest rate risk: the risk of a decline in the value of fixed-income instruments arising from fluctuations in interest rates. It is measured in terms of sensitivity. In periods when interest rates are rising (positive volatility) or falling (negative volatility), the net asset value may fall significantly.
- Credit risk: the risk of a decline in a private issuer's credit rating or that the issuer might default. Depending on the

direction of the UCITS' transactions, a fall (in the case of a purchase) or a rise (in the case of a sale) in the value of the debt securities to which the Fund is exposed can lead to a fall in the UCITS' net asset value.

- Operational risk (incidental): the risk of default or error by the various service providers involved in managing and valuing your portfolio.

- Liquidity risk (incidental): in a given case where trading on the financial markets is depressed, any equity purchase or sale transaction may lead to significant market fluctuations.

- Counterparty risk: The UCITS uses temporary purchases and sales of securities and/or OTC derivative contracts, including total return swaps. These transactions, entered into with a counterparty, expose the UCITS to a risk of default and/or non-execution of the counterparty's unit return swap, which may have a significant impact on the UCITS' net asset value. This risk may not necessarily be offset by the collateral received.

- Liquidity risk linked to temporary purchases and sales of securities and/or total return swaps (TRS): The UCITS may be exposed to trading difficulties or a temporary inability to trade certain securities in which the UCITS invests or in those received as collateral, in the event of a counterparty defaulting on temporary purchases and sales of securities and/or total return swaps.

- Legal risk: the use of temporary purchases and sales of securities and/or total return swaps may create a legal risk, particularly relating to the swaps.

► **Eligible subscribers and standard investor profile:**

Any subscriber who seeks long-term capital growth and who can accept capital risk. The SICAV is more specifically intended for investors who are responsive to sustainable development initiatives:

- I2 shares: more specifically intended for large institutional investors
- P shares: more specifically intended for individual investors
- I shares: more specifically intended for institutional investors
- Z shares: reserved for UCIs managed by Amundi Group companies

The recommended minimum investment period is 5 years. The amount that is reasonable to invest in this UCITS depends on the personal situation of the investor. To determine this amount, investors should consider their personal assets, their current financial needs and the recommended investment period as well as their willingness to accept risks or their wish to invest cautiously. It is also strongly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this UCITS.

This Fund's equities cannot be offered or sold directly or indirectly in the United States of America (including its territories and possessions) to a U.S. Person as defined in U.S. "Regulation S" adopted by the Securities and Exchange Commission ("SEC").<sup>(1)</sup>

1 The term "U.S. Person" means: (a) any individual residing in the United States of America; (b) any entity or company organised or incorporated under the laws of the United States; (c) any estate of which the executor or the administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any branch or subsidiary of a non-US entity located in the United States of America; (f) any non-discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; (g) any discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (h) any entity or company, if it is (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organised or incorporated, and owned, by Accredited Investors (as defined in Rule 501(a) of the Act of 1933, as amended) who are not individuals, estates or trusts.



► **Date and frequency of NAV calculation:**

The net asset value is established on each Euronext Paris trading day, with the exception of official French public holidays.

► **Subscription and redemption conditions:**

Subscription and redemption requests are centralised each NAV calculation day (D) at 12.25 or at 15.00 for requests for feeder UCIs only. These requests are executed on the basis of the net asset value of D and calculated on the following business day (D+1).

Orders will be executed in accordance with the table below:

D	D	D: the net asset value calculation day	D+1 business day	D+1 business day	D+1 business day
Clearing before 12.25 pm. of subscription orders <sup>1</sup>	Clearing before 12.25 pm. of redemption orders <sup>1</sup>	Execution of the order on D at the latest	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless any specific timescale has been agreed with your financial institution.

Any persons wishing to acquire or subscribe to units will certify, at the time of acquisition or subscription of units of this SICAV, that they are not "U.S. Persons". Shareholders must inform the SICAV immediately if they become a "U.S. Person".

► **Establishments authorised to receive subscriptions and redemptions by delegation of the Management Company:** Amundi Asset Management, CACEIS Bank.

*Investors should note that orders sent to distributors other than the aforementioned institutions should take into account the fact that the cut-off time for clearing orders applies to those distributors with CACEIS Bank.*

*As a result, these distributors may apply their own deadline, earlier than the time mentioned above, to allow them to meet their order transmission deadline to CACEIS Bank.*

► **Place and methods of publication or communication of the net asset value:**

The net asset value of the UCITS is available on request from the management company and on the Amundi Asset Management website: [www.amundi.com](http://www.amundi.com).

► **Features of the units:**

• **Minimum amount of the initial subscription:**

I-C shares: 1 share(s)

I2-C shares: 1 share(s)

P-C shares: 1 thousandth of a share

Z-C shares: 1 share(s)

Z-D shares: 1 share(s)

- **Minimum subsequent subscription:**

I-C shares: 1 share(s)  
I2-C shares: 1 thousandth of a share  
P-C shares: 1 thousandth of a share  
Z-C shares: 1 thousandth of a share  
Z-D shares: 1 thousandth of a share

- **Decimalisation:**

I-C shares: Shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.  
I2-C shares: Shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.  
P-C shares: Shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.  
Z-C shares: Shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.  
Z-D shares: Shares may be subscribed in thousandths of shares, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of shares.

- **Initial Net Asset Value:**

I-C shares: EUR 40,000.00  
I2-C shares: EUR 5,000,000.00  
P-C shares: EUR 100.00  
Z-C shares: EUR 100,000.00  
Z-D shares: EUR 100,000.00

- **Currency of the shares:**

I-C shares: Euro  
I2-C shares: Euro  
P-C shares: Euro  
Z-C shares: Euro  
Z-D shares: Euro

- **Allocation of net profit:**

I-C shares: Accumulation  
I2-C shares: Accumulation  
P-C Shares: Accumulation  
Z-C shares: Accumulation  
Z-D shares: Distribution

- **Allocation of net capital gains realised:**

I-C shares: Accumulation  
I2-C shares: Accumulation  
P-C Shares: Accumulation  
Z-C shares: Accumulation  
Z-D shares: Accumulation and/or distribution at the discretion of the SICAV

- **Distribution frequency**

I-C shares: not applicable  
 I2-C shares: not applicable  
 P-C shares: not applicable  
 Z-C shares: not applicable  
 Z-D shares: annual

► **Costs and fees:**

**- Subscription and redemption fees:**

*Subscription and redemption fees increase the subscription price paid by the investor, or reduce the redemption price. Fees are retained by the Fund to offset the costs incurred by the Fund in investing or liquidating the amounts involved. Fees not accruing to the Fund are due to the Management Company, the Promoter, etc.*

<b>Fees paid by the investor, charged at subscription and redemption</b>	<b>Basis</b>	<b>Interest rate</b>
Subscription fees not accruing to the Fund	Net asset value x number of shares	I-C shares: maximum 2.50%
		I2-C shares: maximum 2.50%
		P-C shares: maximum 2.50%
		Z-C shares: maximum 5.00%
		Z-D shares: maximum 5.00%
Subscription fees accruing to the Fund	Net asset value x number of shares	None
Redemption fees not accruing to the Fund	Net asset value x number of shares	I-C shares: None
		I2-C shares: None
		P-C shares: None
		Z-C shares: None
		Z-D shares: None
Redemption fees accruing to the Fund	Net asset value x number of shares	None

**- Administrative and management fees:**

*These fees cover all expenses billed directly to the UCITS, except for transaction costs. Transaction costs include intermediary costs (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged particularly by the Depositary and the Management Company.*

*The following fees may be charged on top of management and administration fees:*

- *performance fees. These reward the Management Company when the UCITS exceeds its objectives. They are therefore charged to the UCITS;*
- *transaction fees invoiced to the UCITS;*
- *fees related to the temporary purchases and sales of securities.*

	<b>Fees charged to the Fund</b>	<b>Basis</b>	<b>Rate structure</b>
P1 — P2	Financial management fees <hr/> Administrative fees external to the management company	Net assets	I-C shares: 0.80 % maximum incl. taxes I2-C shares: 0.70 % maximum incl. taxes P-C shares: 1.10 % maximum incl. taxes Z-C shares: 0.45 % maximum incl. taxes Z-D shares: 0.45 % maximum incl. taxes
P3	Maximum indirect fees (fees and management fees)	Net assets	None
P4	Turnover commissions  Received by the Depository  *****  Charged by the Management Company on foreign exchange transactions and by Amundi Intermediation on any other instrument and transactions.	Levied on each transaction or operation	Flat fee of between 0 and 113 euros inclusive of tax, depending on the stock market.  *****  Proportional fee of between 0% and 0.10%, depending on the instrument (securities, currency, etc.)
P5	Performance fees	Net assets	I-C shares: 20.00% p.a. of any gain above that of the reference asset I2-C shares: None P-C shares: None Z-C shares: 20.00% p.a. of any gain above that of the reference asset Z-D shares: 20.00% p.a. of any gain above that of the reference asset

The following costs may be added to the fees invoiced to the UCITS as listed above:

- Exceptional legal costs associated with the recovery of the UCITS' debts;
- Costs related to fees due to the AMF from the Management Company in connection with its management of the UCITS.

Administrative and management fees are charged directly to the Fund's Income Statement.

**- Performance fee:**

For I2-C and P-C shares: None

For I-C and Z shares:

The calculation of the performance fee applies to each share concerned and on each calculation date of the Net Asset Value. This is based on the comparison between:

The net assets of the share (before the performance fee is deducted); and

The "reference assets" which represent the net assets of the share (before deduction of the performance fee) on the first day of the observation period, adjusted for subscriptions/redemptions at each valuation, to which the

performance of the benchmark index (MSCI EMU) is applied.

This comparison is performed over an observation period of one year, for which the anniversary date corresponds to the calculation date of the last net asset value in June.

By way of exception, the first observation period will start:

- for Z-C shares: on 27 April 2017 and end on 30 June 2018
- for Z-D shares: on 22 May 2017 and end on 30 June 2018

If, during the observation period, the net assets of the share (before deduction of the performance fee) are higher than the reference assets defined above, the performance fee will represent 20% of the difference between these two assets. This fee will be subject to a provision when the net asset value is calculated. In the event of a redemption, the portion of the provision corresponding to the number of units redeemed accrues to the Management Company.

If, during the observation period, the net assets of the share (before deduction of the performance fee) are lower than the reference assets, the performance fee will be nil and will be subject to a provision reversal when the net asset value is calculated. Provision reversals are capped at the level of previous allocations.

This performance fee will only be definitively charged if, on the day of the last net asset value of the observation period, the net assets of the share (before deduction of the performance fee) are higher than the reference assets.

### **Securities lending and repurchase transactions**

As part of securities lending and repurchase transactions, Amundi AM, a subsidiary of Amundi, has entrusted Amundi Intermédiation, in the context of service provision, on behalf of the UCI, with executing transactions, undertaking in particular:

- consultancy services related to selecting counterparties;
- market contracts set up requests;
- qualitative and quantitative monitoring of the collateralisation (management of diversification, ratings, liquid assets), of repurchase agreements and securities lending.

Income from such transactions is returned to the UCI. These transactions generate costs that are paid by the UCI. Amundi Intermédiation's billing may not exceed 50% of the revenues generated by these transactions.

Such transactions carried out by Amundi Intermédiation, a company that is part of the same group as the Management Company, creates a potential conflict of interest.

### **Selection of intermediaries**

#### **Policy for selecting counterparties of OTC derivative contracts or of temporary sales of securities**

The Management Company implements a counterparty selection policy, in particular when entering into temporary purchases and sales of securities and certain derivatives.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi Group Credit Risk Committee, concerning the aspects of counterparty risk. This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and to draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the

Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

In order to justify inclusion in the Amundi Intermédiation shortlist, counterparties are assessed by several teams, which give opinions on various criteria:

- counterparty risk: the Amundi Credit Risk team, under the governance of the Amundi Group Credit Risk Committee, is in charge of assessing each counterparty on the basis of precise criteria (shareholding, financial profile, governance, etc.);
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement);
- quality of post-execution processing.

The selection is based on the principle of selectivity of the best counterparties in the market and aims to select a limited number of financial institutions. Financial institutions of an OECD country with a minimum rating ranging from AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are primarily selected when setting up the transaction.

#### Broker selection policy

At meetings of the Broker Committees, the Management Company also draws up a list of approved brokers, based on recommendations by Amundi Intermédiation. The Management Company may extend or adjust this list, as necessary, in accordance with pre-determined selection criteria.

The selected brokers will be monitored regularly in accordance with the Management Company's Performance Policy.

In order to justify inclusion in the Amundi Intermédiation shortlist, brokers are assessed by several teams, which give opinions on the basis of various criteria:

- a universe that is restricted to brokers which enable transactions to be paid for/delivered on a delivery versus payment basis or cleared listed derivatives;
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement);
- quality of post-execution processing.

## IV – COMMERCIAL INFORMATION

### **Circulation of Fund information:**

The prospectus, the latest annual report and interim statements are available from the management company:

Amundi Asset Management

Réseaux et Banques de Proximité [Networks and Community Banks]

90, Boulevard Pasteur – 75015 Paris, France

The UCITS' net asset value is available on request from the management company and on the Amundi Asset Management website: [www.amundi.com](http://www.amundi.com).

Unitholders are informed of any changes affecting the Fund in accordance with the procedures defined by the French Market Regulator (AMF): individual information or by any other method (financial notice, interim report, etc.).

Financial notices may be published in the press and/or on the Management Company's website: [www.amundi.com](http://www.amundi.com) in the News-and-documentation/Financial-Notices section.

### **Disclosure of the UCITS' portfolio composition:**

The management company may disclose, directly or indirectly, the composition of the UCITS' portfolio to unitholders of the UCITS who qualify as professional investors governed by the ACPR, the AMF or the equivalent European

authorities, solely for the purpose of calculating the regulatory requirements related to the Solvency II Directive. If applicable, this information must be disclosed once more than 48 hours has passed since the publication of the net asset value.

**Respect by the Fund of criteria relating to social, environmental and governance quality objectives (SEG):**

The Management Company provides investors with information on how the UCITS's investment policy takes account of the criteria for compliance with ESG objectives. This information can be found on the Management Company's website ([www.amundi.com](http://www.amundi.com)) and in the UCITS's annual report (for periods beginning on or after 1 January 2012).

## V – INVESTMENT RULES

The Fund adheres to the investment rules laid down by the French Monetary and Financial Code that are applicable to its category.

In particular, the Fund may invest up to 35% of its assets in eligible financial securities and money-market instruments issued or guaranteed by any government or authorised public or semi-public institution.

## VI – GLOBAL RISK

**Global risk ratio calculation method:**

Commitment

## VII - ASSET VALUATION AND ACCOUNTING RULES

**Principle**

General accounting conventions are applied in compliance with the following principles:

- continuity of trading,
- consistency of accounting methods from one year to the next,
- independent financial years.

The standard method for recognising assets in the accounts is the historic cost method, except for portfolio valuation.

**Asset valuation rules**

The net asset value of the units is calculated in accordance with the following valuation rules:

- Securities traded in a regulated market (French or foreign), are valued at market price. In line with the terms and conditions agreed, the benchmark market price is valued at the latest stock market price.

Differences between the market prices used to calculate the net asset value and the historic cost of the securities in the portfolio are recognised in an account entitled "Estimation differences".

However:

- Securities for which a price has not been recorded on the valuation date or for which the price has been corrected, are valued at their probable trading value as estimated by the Management Company. The Independent Auditor is informed of these valuations and their justification when conducting audits.

- Negotiable debt securities and similar securities are valued on an actuarial basis, using a benchmark described below, plus a difference representing the intrinsic value of the issuer, where applicable:
  - Negotiable debt securities with a maturity of less than or equal to 1 year: Interbank rate in euros (Euribor)
  - Swapped negotiable debt securities: valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with a term exceeding three months (money market UCIs): valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with maturity of over 1 year: Rates for French treasury bills (BTAN and OAT) with similar maturity dates for the longest durations.

Negotiable debt instruments with three months or less to run will be valued according to the linear method.

Treasury notes are valued at the market rate, provided daily by the Treasury Securities Specialists.

- UCI shares or units are measured at the last known net asset value.
- Securities not traded in a regulated market are valued by the Management Company at their likely trading value. Their valuation is based on their assets and yield, taking into account the prices used in recent major transactions. Investment fund units or shares are valued at the last known net asset value or, if necessary, based on available estimates under the control and the responsibility of the Management Company.
- Monetary investments, deposits and financial instruments held in the portfolio and denominated in foreign currencies are translated into the accounting currency of the UCITS at the exchange rate on the valuation date.
- Securities, which are covered by a temporary disposal or acquisition contract, are valued in accordance with the legislation in force, and the methods for application are determined by the Management Company.

Securities received under repurchase agreements are recorded in the buy portfolio under the heading “Debt representing securities received as part of repurchase agreements” at the amount stated in the contracts, plus any interest receivable. Securities lent under repurchase agreement are posted in long portfolios at their stock market price. Interest receivable and payable for repurchase transactions is calculated pro rata. Liabilities representing securities lent under repurchase agreements are posted in short portfolios at the value set forth in the agreement, plus any accrued interest due. On settlement, the interest received and paid is shown as debt revenues.

Loaned securities are valued at market price. The indemnity collected in relation to these securities is recorded under revenues on debt securities. Accrued interest is included in the market value of the loaned securities.

- Transactions on firm forward financial agreements or options traded in organised markets (French or foreign) are valued at market value according to procedures specified by the Management Company. Contracts on forward markets are valued at the settlement price.

#### Valuation of collateral:

Collateral is valued daily at market price (mark-to-market method).

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Margin calls are made daily, unless otherwise stipulated in the framework contract covering these transactions or if the Management Company and the counterparty have agreed to apply a trigger threshold.

- - Futures or options or swap transactions on OTC markets as authorised under the laws and regulations governing UCIs are valued at market value or at an estimated value under arrangements specified by the Management Company. Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future cash flows (principal and interest), at the market interest rates and/or currency rates. This price is adjusted for issuer risk.



### **Recognition method**

Securities entering and leaving the portfolio are recognised excluding costs.

Revenues are recognised when received.

Revenues consist of:

- income from securities,
- dividends and interest received on foreign securities, at the foreign currency rate,
- cash proceeds in foreign currency, loan income, and revenue from lending of securities and other investments.

The following deductions are made from these revenues:

- management fees,
- financial expenses and charges on the lending and borrowing of securities and other investments.

### **Off-balance sheet commitments**

Futures contracts are entered at their market value as off-balance sheet commitments at the settlement price. Options are converted into their underlying equivalent. OTC interest rate swaps are valued on the basis of the nominal value, plus or minus the corresponding estimation difference.

### **Income accruals account**

Income accrual accounts ensure fair allocation of income among unitholders, regardless of the subscription or redemption date.

## **VIII – REMUNERATION**

The management company has adopted the remuneration policy of the Amundi group, to which it belongs.

The Amundi group has implemented a remuneration policy adapted to its organisation and its activities. This policy is designed to regulate practices regarding the different remunerations of employees authorised to make decisions, exercise control functions or take risks within the group.

This remuneration policy was defined taking account of the economic strategy, objectives, values and interests of the group, management companies belonging to the group, UCITS managed by group companies and their unitholders. The objective of this policy is to not encourage excessive risk-taking, in particular through the non-observance of the risk profile of the managed UCITS.

Furthermore, the management company has implemented suitable measures to prevent conflicts of interest.

The remuneration policy is adopted and supervised by the Board of Directors of Amundi, the parent company of the Amundi group.

The remuneration policy is available on the website [www.amundi.com](http://www.amundi.com) or free of charge upon written request from the management company.

Prospectus updated on: 22 January 2020

AMUNDI ACTIONS EURO ISR

**SOCIETE D'INVESTISSEMENT A CAPITAL VARIABLE  
"SICAV"**

90 boulevard Pasteur - 75015 PARIS  
Paris Trade & Companies Register no. 423 007 467

## ARTICLES OF ASSOCIATION

Extraordinary Meeting of Shareholders of 15 April 2019

Harmonisation of the Articles of Association with the provisions relating to the reform of liquidity management, in accordance with the standard Articles of Association of AMF Instruction No. 2011-19 published on 26 April 2018

### SECTION 1 FORM, OBJECT, CORPORATE NAME, REGISTERED OFFICE, TERM OF THE COMPANY

#### Article 1 – Form

An open-ended investment company with variable capital, Société d'Investissement à Capital Variable (SICAV) has been formed between the holders of the shares issued hereafter and those issued in the future, governed in particular by the provisions of the French Commercial Code as applicable to public companies, Sociétés anonymes (Book II – Title II – Chapter V), the French Monetary and Financial Code (Book II – Title I – Chapter IV - Section I - Sub-section I), their regulations and subsequent legislation and by these Articles of Incorporation.

The Board of Directors may launch sub-funds in accordance with applicable regulations.

#### Article 2 – Object

This Company has been created for the purpose of developing and managing a portfolio of financial instruments and deposits.

#### Article 3 – Corporate name

The Company's corporate name is AMUNDI ACTIONS EURO ISR, followed by the words "Société d'Investissement à Capital Variable" (open-ended investment company with variable capital) with or without the term "SICAV".

#### Article 4 - Registered office

The registered office is located at 90 boulevard Pasteur, Paris (75015).

#### Article 5 – Term

The Company shall have a term of ninety-nine years as from its registration in the French Trade and Companies Register, unless it is dissolved at an earlier date or extended as stated in these Articles.

## **SECTION 2**

# **CAPITAL, CHANGES IN CAPITAL, CHARACTERISTICS OF SHARES**

### **Article 6 – Share capital**

The SICAV's initial capital amounts to the sum of 8,000,000 euros divided into 80,000 fully paid-up shares in the same class of 100 euros each.

The capital was fully constituted with cash contributions.

In the event of the transformation of the SICAV into a UCI with sub-funds, share classes shall be issued to represent the assets allocated to each sub-fund. In such case, the provisions of these Articles of Incorporation applicable to the shares shall apply to these share classes.

The Board of Directors of the SICAV may institute share classes. The characteristics of the different share classes and their access conditions are specified in the SICAV's Prospectus.

The different share classes may:

- have different procedures for allocating income (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- be subject to different subscription and redemption fees;
- have different nominal values.
- be systematically hedged against risk, either partially or in full, as set out in the Prospectus. Such hedging is done using financial instruments that reduce the impact of the hedging transactions for the UCI's other unit categories to a minimum;
- be reserved for one or more distribution networks.

The shares may be reverse split or split on the decision of an Extraordinary Meeting of Shareholders.

At the discretion of the Board of Directors, shares may be subdivided into tenths, hundredths, thousandths, ten-thousandths or hundred-thousandths called fractions of shares.

The provisions of the Articles of Incorporation regulating the issue and redemption of shares apply to fractional shares whose value will always be proportional to that of the share they represent. All other provisions in the Articles of Incorporation regarding the shares shall automatically apply to fractions of shares unless provisions state otherwise.

### **Article 7 – Changes in capital**

The amount of the capital may change, as a result of the issue of new shares by the Company and reductions following share buybacks by the Company from shareholders who so request.

### **Article 8 – Issue and redemption of shares**

Shares can be issued at any time at the request of the shareholders on the basis of their NAV plus subscription fees, if any.

Redemptions and subscriptions are performed under the terms and conditions defined in the prospectus.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a portion representing the assets of the portfolio, then only the written consent signed by the outgoing shareholder must be obtained by the SICAV or the management company. If the redemption in kind does not correspond to a portion representing the assets of the portfolio, then all shareholders must give their written consent authorising the outgoing shareholder to redeem their shares against certain specific assets, as defined explicitly in the agreement.

Notwithstanding the foregoing, when the SICAV is an ETF, redemptions on the primary market may, with the management company's consent and in compliance with the interests of shareholders, be made in kind under the conditions set out in the SICAV's prospectus or Articles of Association. The assets are then delivered by the issuing account holder under the conditions set out in the SICAV's prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 9, and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

All subscriptions of new shares must, under penalty of nullity, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue.

Pursuant to Article L. 214-7-4 of the French Monetary and Financial Code, the redemption of shares by the Company and the issuance of new shares may be temporarily suspended by the Board of Directors when exceptional circumstances and the interests of the shareholders so require.

If the net assets of the SICAV (or, as applicable, of a sub-fund) fall below the amount set by the Regulations, no redemptions may be carried out (on the sub-fund in question, as applicable).

The Board of Directors may decide on minimal subscription conditions, in accordance with the terms stipulated in the Prospectus.

The SICAV may cease to issue shares pursuant to the third paragraph of Article L. 214-7-4 of the French Monetary and Financial Code, whether temporarily or permanently, in whole or in part, in situations that objectively require the closure of subscriptions, such as when the maximum number of shares has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The triggering of this tool will be subject to notification by any means of the existing shareholders relating to its activation, as well as the threshold and the objective situation that led to the decision of partial or total closure. In the event of a partial closure, this notification by any means shall explicitly set out the arrangements by which existing shareholders may continue to subscribe for the duration of this partial closure. Shareholders are also notified by any means of the decision of the SICAV or the management company either to terminate the total or partial closure of subscriptions (when falling beneath the trigger threshold), or not to do so (in the event of a change in the threshold or a change in the objective situation leading to the implementation of this tool).

A change in the objective situation in question or the trigger threshold of the tool must always be made in the interests of the shareholders. The notification by any means gives the exact grounds for these changes.

The SICAV's Board of Directors may limit or prevent the direct or indirect holding of shares in the SICAV by any person who is a "Non-Eligible Person" as defined hereinbelow.

A Non-Eligible Person is:

- a U.S. Person as defined in U.S. Regulation S of the Securities and Exchange Commission ("SEC"); or
- any other person (a) deemed to be directly or indirectly in violation of the laws and regulations of any country or any government authority, or (b) who may, according to the SICAV's Board of Directors, cause damage to the SICAV that it would not have otherwise suffered or incurred.

To this end, the SICAV's Board of Directors may:

- (i) refuse to issue any share where it deems that by so doing said shares would or could be held directly or indirectly by or on behalf of a Non-Eligible Person;
- (ii) at any time request that a person or entity whose name is listed in the shareholders' register provide it with information, and a statement to that effect, should it deem these necessary to determine whether the actual beneficiary of the shares is a Non-Eligible Person or not; and
- (iii) carry out, after a reasonable time frame has elapsed, a mandatory redemption of all the shares held by a shareholder if it deems the latter to be (a) a Non-Eligible Person and, (b) such person is the sole or joint beneficiary of the shares. During such time frame, the actual beneficiary of the shares may present comments to the competent body.

The mandatory redemption will be carried out at the latest known net asset value less, if applicable, any applicable costs, fees and dues, that will remain payable by the Non-Eligible Person.

## **Article 9 - NAV calculation**

The NAV of the share is calculated in accordance with the valuation rules set out in the Prospectus. In addition, an indicative instant net asset value will be calculated by market operators if the share is admitted for trading.

Contributions in kind may only consist of the securities, instruments or contracts that are eligible to form the UCI's assets; contributions and redemptions in kind are valued using the same valuation rules as for the calculation of the net asset value.

## **Article 10 – Form of shares**

The shares may be in bearer or registered form, at the choice of subscribers. Pursuant to Article L. 211-4 of the French Monetary and Financial Code, the stocks must be registered on accounts kept, as applicable, by the issuer or a qualified intermediary.

Shareholder rights are represented by registration on an account in their name:

- with the intermediary of their choice for bearer securities;
- with the issuer and, if they so wish, with the intermediary of their choice for registered securities.

The Company may request, at its expense, the name, nationality and address of the SICAV's shareholders, as well as the number of shares held by each of them in accordance with Article L. 211-5 of the French Financial and Monetary Code.

## **Article 11 – Listing for trading on a regulated market and/or multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in accordance with current regulations. If the SICAV, whose units are listed for trading on a regulated market has a management objective based on an index, the SICAV shall have set up a mechanism to ensure that the price of its shares does not significantly differ from its net asset value.

## **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to an ownership right in the share capital and a share of the profits, in proportion to the fraction of capital that the share represents.

The rights and obligations attached to the share follow the share, regardless of who owns it.

Whenever the ownership of several shares is required in order to exercise any right and, in particular for swaps and reverse splits, the owners of isolated shares and shareholders with fewer shares than the number of shares required may only exercise those rights if they manage to gather or possibly buy or sell the number of shares needed.

The SICAV may be a feeder UCI.

## **Article 13 – Indivisibility of shares**

All joint holders of a share or the beneficiary owners are required to mutually agree on the appointment of one person to represent them in their dealings with the Company, or they shall be represented by default by the Chair of the commercial court in the jurisdiction of the registered office.

Owners of fractional shares may act in concert. In this case, they must appoint a single representative under conditions defined in the foregoing paragraph, who shall exercise, for each group, the rights attached to the ownership of a full share.

The rights to vote in meetings of the shareholders are divided between the usufructuary and the bare owner at the discretion of the interested parties whose responsibility is to notify the Company.

## **SECTION 3**

# **ADMINISTRATION AND GOVERNANCE OF THE COMPANY**

### **Article 14 – Administration**

The Company is managed by a Board of Directors comprising at least three (3) and at most eighteen (18) members appointed by the Shareholders' Meeting.

During the Company's term, the members of the Board of Directors are appointed or reappointed to office by the Ordinary Meeting of Shareholders.

Board Members may be individuals or legal entities. Legal entities are required to appoint a permanent representative after their nomination to the Board. Such representative shall be subject to the same conditions and obligations and shall be liable to the same civil and penal liabilities as any individual member of the Board of Directors in his or her own name, notwithstanding the liability of the legal person that he or she represents.

The permanent representative shall be appointed to this position for the term of the legal entity that he or she represents. If the legal entity terminates the appointment of its representative, it shall immediately notify the SICAV, through registered letter of such termination and shall supply the name of its new permanent representative. This same rule applies in case of death, resignation or prolonged incapacity of the permanent representative.

### **Article 15 – Term of Office of Board Members – Renewal of the Board**

Subject to the provisions of this Article, the term of office of Board Members shall not exceed three years. A year refers to the period between two consecutive Shareholders' Meetings.

If one or more Board Member seats should become vacant between two Shareholders' Meetings, following the death or resignation of a Board Member, and should the number of Board Members remaining be above or equal to the statutory minimum, the Board of Directors may appoint a new Board Member on an interim basis.

The interim Board Member appointed to the Board to replace another Board Member shall only be in office for the remaining term of his or her predecessor. His or her appointment shall be subject to ratification by the next Shareholders' Meeting.

Any outgoing Board Member is eligible for reappointment. They may be dismissed at any time in an Ordinary Meeting of Shareholders.

The office of each member of the Board of Directors shall be terminated at the end of the Ordinary Meeting of Shareholders called to approve the financial statements for the fiscal year ended and held in the year during which the Board Member's term in office expires. It is understood that if a Meeting of Shareholders is not held in that year, the office of such Board Member shall expire on 31 December of that same year, subject to the exceptions outlined below.

Any Board Member may be appointed for a period shorter than three years if necessary to ensure that the Board is completely and properly renewed after each three-year period. This shall apply in particular, if the number of Board Members is raised or reduced and the proper renewal of the Board is affected thereby.

Where the number of members of the Board of Directors falls below the legal minimum, the remaining member or members must immediately convene an Ordinary Meeting of Shareholders in order to appoint new Board Members to the Board.

As an exception to the foregoing provisions, Board Members' term in office shall end, as of right, at the annual Shareholders' Meeting called to approve the financial statements for the fiscal year during which such Members have

reached 75 years of age.

## **Article 16 – Executive Committee**

The Board shall elect for a term decided thereby and from amongst its members a Chairman. The term of office of the Chairman, who must be an individual, cannot exceed his or her term of office as a Board Member.

The Chairman of the Board of Directors organises and directs the works of the Board and reports to the Shareholders' Meeting.

The Chairman oversees the proper operation of the Company's bodies and ensures in particular that the Board Members are able to fulfil their duties.

The Chairman may appoint a Vice-Chairman at his or her discretion and may also select a Secretary, who may not necessarily be a member of the Board.

The Chairman's term of office shall automatically end at the end of the Ordinary General Meeting called to approve the accounts for the fiscal year in which the Chairman reaches the age of 75.

In the absence or incapacity of the Chairman, the duties of the Chairman shall be performed by the Managing Director, if any, or, alternatively, by the Vice-Chairman, if one has been appointed. In the absence of the Chairman, of the Managing Director acting as Chairman and of the Vice-Chairman, for each meeting the Board shall appoint one of the Board Members present to chair the meeting.

## **Article 17 – Board meetings and decisions**

The Board of Directors meets when called by the Chairman, or by the person authorised by the SICAV's Management Company, as often as the interests of the Company so require, either at the Registered Office or at any other location indicated in the notice of meeting.

Where the Board has not met in more than two months, one third of its members at least can ask the Chairman to call a meeting on a specific agenda. The Chief Executive Officer may also ask the Chairman to call a Board of Directors' meeting on a specific agenda. The Chairman is bound by these requests.

The Board's internal bylaws may determine in accordance with legal and regulatory provisions, the conditions for organising the Board of Directors' meetings that may be held via video-conference.

The internal bylaws may stipulate that, pursuant to the applicable regulation, Board Members attending the Board meeting via video-conference shall be considered as present for purposes of calculating the quorum and the majority, except for adopting decisions expressly banned by the French Commercial Code.

Board Members are called to Board meetings by any means, including verbally.

The Board may only transact business if at least half of its members are present.

Decisions shall be taken by a majority of the votes of the members present or represented.

Each Board Member has one vote. In the event of a tie, the Chairman of the meeting shall have the casting vote.

## **Article 18 – Minutes of the meeting**

Minutes shall be written and copies or excerpts of the proceedings shall be issued and certified in accordance with the Law.

## **Article 19 – Powers of the Board of Directors**

The Board of Directors determines the strategies of the Company's business and ensures their implementation.

Within the limit of the corporate purpose and subject to the powers expressly granted by Law to Shareholders' Meetings, the Board of Directors handles all issues concerning the proper operation of the Company and settles relevant corporate matters by its proceedings.

The Board of Directors carries out the checks and verifications that it considers necessary.

The Chairman or the Chief Executive Officer of the Company is required to provide each Board Member with the documents and disclosures necessary for the performance of their duties.

Any Board Member may request to be represented by another Board Member at a meeting of the Board of Directors. The proxy may be given by letter, fax or email. However, a Board Member may have only one proxy for the same meeting.

The proxy may only be valid for one Board meeting.

The Board may establish any committees in accordance with the terms set forth by Law and grant to one or more of its members or to third parties, with or without the authority to further delegate, any special mandates for one or more specific purposes.

## **Article 20 – General Management – Non-voting members**

### **I. General Management**

The Company's general management shall be represented by either the Chairman of the Board of Directors or another natural person appointed by the Board of Directors and having the title of Chief Executive Officer.

The choice between the two forms of representation of general management is made under the terms fixed by these Articles of Incorporation by the Board of Directors until decided otherwise thereby.

Shareholders and third parties are informed of this choice in the conditions defined by the applicable legal and regulatory provisions.

Depending on the choice made by the Board of Directors in accordance with the foregoing provisions, general management shall be exercised by either the Chairman or by a Chief Executive Officer.

Where the Board of Directors decides to separate the duties of Chairman and Chief Executive Officer, it shall appoint the Chief Executive Officer and define the term of his or her appointment.

Where the general management of the Company is carried out by the Chairman of the Board of Directors, the provisions below regarding the Chief Executive Officer shall be applicable thereto.

Subject to the powers that the Law expressly grants to Shareholders' Meetings as well as the powers that it especially reserves for the Board of Directors, and within the limit of the corporate purpose, the Chief Executive Officer is vested with the most extensive powers to act under all circumstances in the Company's name. He/she exercises these powers within the limit of the corporate purpose and subject to those powers expressly recognised by law for General Meetings of Shareholders and the Board of Directors. The Chief Executive Officer represents the Company in its dealings with third parties.

The Chief Executive Officer may partially assign his or her powers to any person of his or her choice.

The appointment of the Chief Executive Officer may be terminated at any time by the Board of Directors.

On the recommendation of the Chief Executive Officer, the Board of Directors may appoint up to five individuals with the title of Executive Vice-President to assist the Chief Executive Officer.

The appointments of Executive Vice-Presidents may be terminated at any time by the Board of Directors on the recommendation of the Chief Executive Officer.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and term of the powers granted to the Executive Vice-Presidents. These powers may include the right to assign part of their authority. In case the Chief Executive Officer is unable or incapable of performing his or her duties, the Executive Vice-Presidents shall retain (unless the Board decides otherwise) their offices and their powers until the appointment of the new Chief Executive Officer.

The Executive Vice-Presidents have the same powers as the Chief Executive Officer in their dealings with third



parties.

The terms of office of the Chief Executive Officer and the Executive Vice-Presidents shall end at the end of the year during which they reach 65 years of age.

## **II. Non-voting members**

The annual Shareholders' Meeting may appoint one or more Non-voting members, individuals or legal entities.

Their term of office is three years except as provided below: where an individual who will reach age 70 before the three-year period fixed above is appointed Non-voting member, the term of such individual's office is limited to the time remaining from his or her appointment and until the annual Shareholders' Meeting called to approve the financial statements for the fiscal year during which such Non-voting member will have reached 70 years of age.

The provisions above are applicable to the permanent representatives of the Non-voting members who are legal entities.

Non-voting members may be reappointed indefinitely subject to the above provisions relative to the Non-voting members' age.

In the event of death, resignation or termination of the term in office for any other reason of one or more Non-voting members, the Board of Directors may co-opt their successor whose appointment shall be subject to ratification by the next Shareholders' Meeting.

Non-voting members are charged with ensuring the strict performance of the Articles of Incorporation. They attend the meetings of the Board of Director in an advisory capacity. They review the period-end and annual accounts and may present their comments in relation thereto to the Shareholders' Meeting when they deem it is advisable to do so.

## **Article 21 - Allocations and remuneration for Board members and non-voting members**

The members of the Board of Directors and the Non-voting members may be awarded fixed annual remuneration, in the form of directors' fees, an amount set by the annual Shareholders' Meeting and applied until decided otherwise by said Shareholders' Meeting.

The Board of Directors shall allocate such remuneration among the Board Members and the Non-voting members in the proportions it deems appropriate.

## **Article 22 – Depositary**

The Depositary is appointed by the Board of Directors.

The Depositary performs the duties for which it is responsible pursuant to the legal and regulatory provisions in force and those contractually entrusted to it by the SICAV or Management Company. It must ensure that decisions taken by the Management Company are lawful.

As applicable, it shall take any prudential measures that it deems useful. It shall notify the French Market Regulator (AMF) of any disputes with the Management Company.

If the SICAV is a feeder UCI, the Depositary has entered into an information exchange agreement with the Depositary of the master UCI (or has drawn up appropriate specifications, where applicable, when it is also the Depositary of the master UCI).

## **Article 23 - Prospectus**

The Board of Directors, or the Management Company if the SICAV has delegated its management, has full powers to, if necessary, effect any changes required to ensure the correct management of the Company, in accordance with the legal and regulatory provisions specific to the SICAV.

## **SECTION 4 INDEPENDENT AUDITOR**

### **Article 24 – Appointment - Powers - Remuneration**

The Independent Auditor is appointed for six fiscal years, after approval from the French Market Regulator (AMF), by the Board of Directors, from amongst the people qualified to perform these duties in commercial companies.

It certifies that the accounts are true and fair.

The Independent Auditor's appointment may be renewed.

The Independent Auditor must promptly notify the AMF of any fact or decision regarding the SICAV of which they become aware in the course of their work that is liable to:

1. Constitute a violation of the legal or regulatory provisions applicable to such an undertaking, and that might have material effects on the financial position, income or assets;
2. Adversely affect the conditions or the continuity of its operations;
3. Triggers the expression of reservations or refusal to certify the accounts.

The Independent Auditor supervises the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

They assess any contribution or redemption in kind under their responsibility, except in the case of redemptions in kind for an ETF on the primary market.

They verify the composition of the assets and other items prior to publication.

The Independent Auditor's fees shall be established by mutual agreement between the Independent Auditor and the Board of Directors of the SICAV, or the management company if the SICAV has delegated its management, on the basis of a work programme specifying the measures deemed necessary.

The Independent Auditor certifies the positions used as a basis for the distribution of interim dividends.

If the SICAV becomes a feeder UCI:

- the Independent Auditor must enter into an information exchange agreement with the Independent Auditor of the master UCI.
- or where it is the Independent Auditor of the feeder UCI and of the master UCI, prepare a suitable work programme.

## **SECTION 5 SHAREHOLDERS' MEETINGS**

### **Article 25 – Shareholders' Meetings**

Shareholders' Meetings are called and held under conditions defined by Law.

The Annual Shareholders' Meeting called to approve the Company's financial statements shall meet within four months of the fiscal year-end.

The meetings shall be held, either at the registered office, or at another location indicated in the notice of meeting.

All shareholders may attend the Shareholders' Meetings, either personally or by proxy, provided they show proof of identity and ownership of shares, in the form of either a nominal registration or deposits of their bearer shares or certificate of deposit at the location listed in the notice of meeting.

The deadline for completing these formalities expires two business days before the Shareholders' Meeting.

Shareholders may appoint someone to represent them in accordance with the provisions of Article L.225-106 of the French Commercial Code.

All shareholders may also vote by correspondence under the conditions stipulated in the applicable regulations.

Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors, or in his or her absence, by a Vice-Chairman or by one of the Board Members appointed by the Board for this purpose. Failing which, the Shareholders' Meeting shall elect a Chairman itself.

Minutes of Shareholders' Meetings shall be kept and copies or excerpts shall be issued and certified in accordance with the Law.

## **SECTION 6 ANNUAL FINANCIAL STATEMENTS**

### **Article 26 – Statutory fiscal year**

The statutory fiscal year begins on the day after the last Paris stock exchange day of December and ends on the last Paris stock exchange day of the same month of the following year.

### **Article 27 – Procedures for allocating income and amounts for distribution**

The Board of Directors approves the net income for the fiscal year which, in accordance with legal provisions, is equal to the amount of interests, arrears, dividends, premiums and bonuses, directors' fees and all income related to the securities in each portfolio of the SICAV or, as applicable, of each sub-fund, plus the total sums temporarily available and minus management costs, borrowing expenses and impairment allowances, if any.

The distributable sums consist of:

1. The net profit plus any amounts carried forward and plus/minus the balance of income accruals;
2. Realised capital gains, net of fees, less any realised capital losses, net of fees recorded during the financial year, plus any net capital gains of the same nature recorded during prior financial years which have not been distributed or accumulated and plus/minus the balance of capital gains accruals.

The sums mentioned under 1° and 2° may be distributed, in whole or in part, independently from one another.

Distributable sums are paid out within a maximum of 5 months following the fiscal year-end.

For each class of shares, as applicable, the SICAV may select for each of the sums mentioned under 1° and 2° one of the following options:

- full accumulation: distributable sums will be fully accumulated, with the exception of those amounts which are subject to compulsory distribution by law;
- full distribution: the sums are entirely distributed, after rounding; interim dividends may be distributed;
- accumulation and/or distribution: The Shareholders' Meeting decides on the allocation of each of the distributable sums mentioned under 1 and 2 each year. If applicable, the Board of Directors may decide, during the fiscal year, to pay one or more interim dividends within the limits of the net income of each of the sums mentioned under 1 and 2 recognised as at the date of the decision.

The specific terms of allocation of income are described in the Prospectus.

## **SECTION 7 EXTENSION – DISSOLUTION – LIQUIDATION**

### **Article 28 – Extension or early dissolution**

The Board of Directors may at any time and for any reason whatsoever, recommend to the Extraordinary Meeting of Shareholders, the extension or early dissolution or liquidation of the SICAV.

The SICAV shall stop issuing new shares and redeeming shares from requesting shareholders on the day on which the notice of a Shareholders' Meeting to discuss the Company's early dissolution and liquidation or the expiry of the Company's term is published.

### **Article 29 - Liquidation**

The terms of the liquidation shall be defined in accordance with the provisions of Article L. 214-12 of the French Monetary and Financial Code.

For SICAVs with sub-funds, the net proceeds of the liquidation of each sub-fund will be distributed by the liquidators to the shareholders of the corresponding sub-fund in proportion to their share of the total net assets of the sub-fund in which they are invested.

## **SECTION 8 DISPUTES**

### **Article 30 – Jurisdiction – Address for service**

Any dispute that may arise during the Company's term or its liquidation, either between shareholders and the Company or between the shareholders themselves regarding corporate matters, shall be dealt with in accordance with the Law or submitted to the courts in the jurisdiction of the registered office.