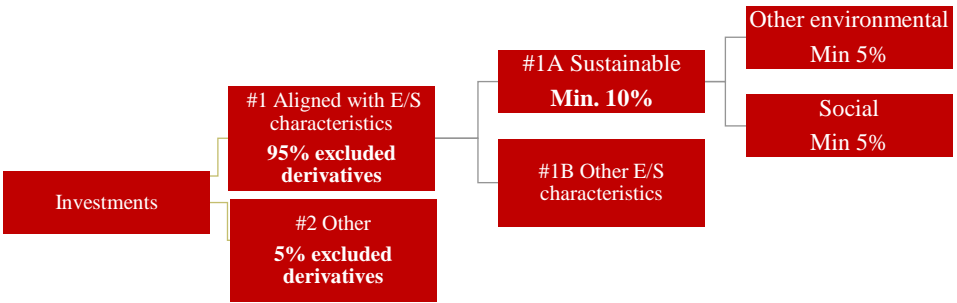


**LUX IM – AMUNDI ALPHA ALLOCATION (“Sub-fund”)**

**Sustainability-related disclosures required for Article 8 financial products under the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector**

Section	Disclosure
<b>No sustainable investment objective</b>	<p>The Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.</p> <p>The Sub-fund will allocate a minimum of 10% of its assets in sustainable investments in accordance with Article 2 (17) SFDR.</p> <p>Amundi considers that a company contributes to an environmental or social objective if it follows best environmental and social practices and if its products and services do not by essence harm the environment and society. Amundi follows the two criteria below to identify if a company can be a sustainable investment:</p> <ol style="list-style-type: none"> <li>1- The company operates in an activity which is compatible with long-term sustainability</li> <li>2- The company contributes to long term sustainability objectives.</li> </ol>
<b>Environmental or social characteristics of the financial product</b>	<p>The Sub-fund invests in securities of issuers that contribute to the Sub-fund’s promoted environmental and social characteristics, in line with the Sub-fund’s defined environmental, social and governance (hereinafter “ESG”) investment strategy and in accordance with the ESG analysis framework and scoring methodology of the Investment Manager (“Amundi”). Amundi’s ESG analysis framework has been designed to assess corporate behaviour in three fields: Environment, Social, and Governance (ESG).</p>
<b>Investment strategy</b>	<p>The investment objective of the Sub-fund is to provide capital growth over the medium to long term through a flexible exposure to multiple asset classes. The selection process of the target investments will combine extra-financial assessments based on the issuers’ adherence to ESG criteria, in accordance with the ESG policy of the Amundi Group, with the traditional financial analysis with the aim of assessing the long term potential for growth.</p> <p>Amundi’s ESG analysis framework has been designed to assess corporate behaviour in three fields: Environment, Social, and Governance (ESG). Amundi assesses companies’ exposure to ESG risks and opportunities, including sustainability factors and sustainability risks, and how corporates manage these challenges in each of their sectors. Each issuer is assessed based on a “best-in-class” approach” with a quantitative score scaled around the average of their sector, which distinguishes best practices from worst practices at sector level. The quantitative score is translated into a letter rating which ranges from a scale of A (for best practices) to G (for the worst ones). G-rated companies are excluded from investment.</p> <p>Target investments are subject to the following sustainability indicators, in order to assess their eligibility for investment by the Sub-fund and thus to measure the attainment of the pursued environmental and social characteristics:</p> <ul style="list-style-type: none"> <li>▪ Negative screening: exclusion of target issuers involved in controversial conduct and/or activities;</li> <li>▪ ESG Rating of the Sub-fund</li> <li>▪ Consideration of principal adverse impacts (PAI)</li> </ul> <p>The assessment of good governance practices rely on Amundi ESG scoring methodology. Amundi’s ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria.</p>
<b>Proportion of investments</b>	<p>The Sub-Fund will invest at least 95% of its net assets in investments that are aligned to the promoted environmental and/or social characteristics, excluded derivatives (# 1). The minimum proportion of sustainable investments is 10% (#1A) of which a minimum of 5% have an environmental objective (which is not aligned with the EU Taxonomy) and a minimum of 5% have a social objective.</p> <p>To classify as sustainable investments, target issuers meet two criteria:</p> <ol style="list-style-type: none"> <li>1- <u>The company operates in an activity which is compatible with long-term sustainability</u> Amundi considers that a company is compatible with long-term sustainability if it does not have a significant exposure to the activities below: <ul style="list-style-type: none"> <li>* Activities listed as unsustainable in the Preliminary EU Social Taxonomy Report (July 2021): tobacco, weapons, gambling</li> <li>* Activities that must be significantly reduced or discontinued to achieve the overall carbon neutrality objectives: coal, hydrocarbons (all "upstream" activities and the most polluting downstream activities), most polluting activities (meat production, aviation, etc.)</li> <li>* Activities that must be reduced in line with the EU strategy (“from farm to fork”) or have a significant negative impact on natural capital: fertilizer and pesticide manufacturing, single-use plastic production</li> </ul> </li> <li>2- <u>The company contributes to long term sustainability objectives</u></li> </ol> <p>Amundi defines that to contribute to long-term sustainability a company must be “best performer” within its sector of activity on at least one of its material environmental or social factors. The definition of best performing companies relies on Amundi’s ESG methodology which aims to measure the ESG performance of an issuer. In order to be considered “best performer”, Amundi considers that a company must perform within the top third of the companies within its sector on at least one material environmental or social factors. This corresponds to a C score on Amundi’s ESG scoring methodology which goes from G to A (A being the best score). Following a double materiality rational, this approach only applies to environmental and social factors that are material for the sector in which the company operates. A target issuer that meet such criteria is considered as sustainable in its entirety.</p> <p>The remaining investments of the Sub-fund (“#2 Other”) may be invested in cash and cash equivalents for liquidity purposes.</p>

Section	Disclosure
	 <pre> graph LR     Investments --&gt; N1["#1 Aligned with E/S characteristics 95% excluded derivatives"]     Investments --&gt; N2["#2 Other 5% excluded derivatives"]     N1 --&gt; N1A["#1A Sustainable Min. 10%"]     N1 --&gt; N1B["#1B Other E/S characteristics"]     N1A --&gt; N1A1["Other environmental Min 5%"]     N1A --&gt; N1A2["Social Min 5%"] </pre>
<b>Monitoring of environmental or social characteristics</b>	<p>The Investment Manager integrates the ESG analysis within the following investments selection processes:</p> <ul style="list-style-type: none"> <li>Negative screening (severe controversies and specific activities, e.g. controversial and nuclear weapons; conventional weapons; adult entertainment; coal; tobacco; gambling; Anti-personnel mines and cluster bombs (Ottawa and Oslo treaties); Chemical, biological and depleted uranium weapons);</li> <li>ESG Rating of the Sub-fund (the Sub-fund is managed in order to pursue an average Amundi ESG Rating above the one of its investment universe, that is D in Amundi internal rating)</li> <li>PAI consideration</li> </ul>
<b>Methodologies for environmental or social characteristics</b>	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target issuers is assessed based on a Negative screening; ESG rating of the Sub-fund and consideration of principal adverse impacts.</p> <p>Internal controls are in place in respect of investment decision making for the Sub-fund. These include, but are not limited to, pre-trade and post-trade controls to ensure all applicable binding elements are observed at all times and independent oversight by risk management functions as required.</p>
<b>Data sources and processing</b>	<p>Amundi's ESG scores are built using Amundi's ESG analysis framework and scoring methodology and they source data from various sources.</p> <p>Data quality controls of external data providers are managed by the Global Data Management unit.</p>
<b>Limitations to methodologies and data</b>	<p>The limitations to the attainment of the promoted environmental and social characteristics are deemed non-material for the attainment of the environmental or social characteristics promoted by the Sub-fund. The Investment Manager is aware of such limitations which they mitigate by a combination of approaches.</p>
<b>Due Diligence</b>	<p>In order to qualify for initial investment, the investments must comply with the binding elements applied by the Sub-fund. This compliance has to be ensured by the Investment Manager through pre-trade compliance mechanism in place.</p>
<b>Engagement Policies</b>	<p>The Investment Manager engages investee or potential investee companies at the issuer level regardless of the type of holdings held (equity and bonds). Issuers engaged are primarily chosen by the level of exposure to the subject of engagement.</p>
<b>Designated reference benchmark</b>	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>