

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
Amundi DAX 50 ESG II UCITS ETF

Legal entity identifier:
529900GFNNJ8CI4K9B60

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** ___%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** ___%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

The sub-fund promotes environmental and/or social characteristics by tracking the DAX® 50 ESG+ Net Return EUR (net performance index) (the "Index"). The sub-fund promotes environmental and/or social characteristics, including through the integration of the environmental, social and governance ("ESG") rating of the ESG section of the data provider International Shareholder Services Inc. ("ISS-ESG"). The DAX® 50 ESG+ Net Return EUR tracks the performance of the 50 highest ESG ranking companies selected from the 75 largest companies in terms of free float Market Cap of the HDAX® index, using ESG exclusion filters and valuation methodology from the ESG section of data provider ISS-ESG and taking into account the exclusions set out in the current version of Article 12 (1) (a) to g) of the Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks ("Delegated Regulation (EU) 2020/1818").

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

A standard set of indicators for overarching ESG issues is applied to all companies (e.g. energy management, climate strategy, equal opportunities, employee affairs, corporate ethics, corporate governance, etc.). In addition, a predominant number of sector specific indicators are used to assess the key sector specific ESG issues (e.g. for the automotive sector: strategy regarding new mobility concepts, CO2 emissions, alternative drives and fuels, etc.) in order to distinguish best practices from worst practices at sector level.

Differentiated weighting scenarios, in which four to five key issues are identified for each industry that account for more than 50 percent of the total weight in the company assessment, are designed to ensure that the sustainability issues that are most important for a particular industry are taken into account.

The result of this company analysis culminates in an overall rating, the ESG rating, which consists of a multi-level rating system from A+ to D-. Companies with the worst ESG rating of D- are excluded.

The data for the ESG company ratings are obtained, for example, from publicly available information such as the company's own disclosure and reporting documents, public publications, governmental and international institutions, recognised international or local non-governmental organisations.

- Norms Based Screening: Companies are assessed against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines. Companies identified as 'Red' are excluded. ISS-ESG identifies companies as 'Red', if they are failing to respect established norms and where the issue remains unaddressed.

- Controversial Weapons: Companies must not be involved in Controversial Weapons activities, as identified by ISS-ESG. The following weapons are considered controversial: anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium programme, white phosphorus weapons and nuclear weapons (including weapons subject to the Non-Proliferation Treaty). ISS-ESG's Controversial Weapons Research is designed to identify all companies in a corporate structure that have control over the relevant business activities, i.e., all immediate parent companies up to the ultimate parent. Companies identified as 'Red' are excluded.

Additional exclusionary criteria are applied to screen companies active in tobacco products, thermal coal mining, thermal coal mining expansion, thermal coal power generation, thermal coal power generation expansion, fossil fuels, oil sands, arctic oil and gas exploration, hydraulic fracturing, nuclear power service, nuclear power production, nuclear power uranium, civilian firearms and military equipment.

For detailed information on the exclusionary criteria, please refer to "Description of the underlying index of the sub-fund" in the special section of the sub-fund in the prospectus.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

- 1) follow best environmental and social practices; and
- 2) avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a “best performer” within its sector of activity on at least one of its material environmental or social factors.

The definition of “best performer” relies on Amundi’s proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a “best performer”, an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu.

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

By applying the Amundi’s above described Sustainable Investment definition to the Index constituents of this passively managed ETF Product, Amundi has determined that this Product has the minimum proportion of sustainable investments stated in page 1 above. However, please note that Amundi Sustainable Investment definition is not implemented at the Index methodology level.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm (‘DNSH’), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the COMMISSION DELEGATED REGULATION (EU) 2022/1288 of 6 April 2022 (“RTS”) where robust data is available (e.g. GHG intensity of investee companies) via a combination of indicators (e.g. carbon intensity) and specific thresholds or rules (e.g. that the investee company’s carbon intensity does not belong to the last decile of the sector). Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi’s Responsible Investment Policy. These exclusions, which apply on the top of the filters detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

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

–How have the indicators for adverse impacts on sustainability factors been taken into account?

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

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

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

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

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

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, the sub-fund considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the RTS applying to the sub-fund's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration: Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating

approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.

- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behavior of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.

- Vote: Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy.

- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any indication on how mandatory Principal Adverse Impact indicators are used, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu.

No



What investment strategy does this financial product follow?

The objective of the investment policy is to track the DAX® 50 ESG+ Net Return EUR (net performance index) and to provide investors with a return that is linked to the performance of the DAX® 50 ESG+ Net Return EUR (net performance index). The sub-fund follows a passive investment strategy.

● What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The sub-fund is a passively managed ETF. Its investment strategy is to replicate the DAX® 50 ESG+ Net Return EUR (net performance index) while minimising the related tracking error. In doing so, only companies are considered that are compliant with (i) the ESG exclusion filters and the valuation methodology from the ESG section of the data provider ISS-ESG and (ii) the exclusions set out in the current version of Article 12 (1) (a) to g) of the Commission Delegated Regulation (EU) 2020/1818. The following assessment methods and exclusion criteria apply to the companies:

- ESG Ratings: Companies with the worst ESG rating of D- are excluded.
- Norms Based Screening: Companies are assessed against their adherence to international norms on human rights, labour standards, environmental protection and anti-corruption established in the UN Global Compact and the OECD Guidelines. Companies identified as 'Red' are excluded. ISS-ESG identifies companies as 'Red', if they are failing to respect established norms and where the issue remains unaddressed.
- Controversial Weapons: Companies must not be involved in Controversial Weapons activities, as identified by ISS-ESG. The following weapons are considered controversial: anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium programme, white phosphorus weapons and nuclear weapons (including weapons subject to the Nuclear Non Proliferation Treaty). ISS-ESG's controversial weapons research is designed to identify all companies in a corporate structure that have control over the relevant business activities, i.e., all immediate parent companies up to the ultimate parent. Companies identified as 'Red' are excluded.
- Business Activities: Companies that do not meet certain criteria related to tobacco products, thermal coal mining, thermal coal mining expansion, thermal coal power generation and expansion, fossil fuels, oil sands, arctic oil and gas exploration, hydraulic fracking, nuclear power service, nuclear power

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

production, nuclear power uranium, civilian firearms and military equipment will be excluded. Companies are excluded that have, according to ISS-ESG:

Tobacco:

- more than 0% of revenues from involvement in the production of tobacco products.
- more than 5% of revenues from the wholesale or retail distribution of tobacco products.
- more than 5% of revenues from services related to tobacco products.

Thermal Coal Mining:

- more than 1% of their revenues from coal exploration and mining, processing of coke, coal-to-liquids operations, coal gasification (syngas for thermal use), and the marketing of coal.

Thermal Coal Mining Expansion:

- any involvement in thermal coal mine development, operation or planning.

Thermal Coal Power Generation:

- more than 5% of revenues from coal-fired electric power generation. The values used for the maximum percentage of revenues are based on the best available data. This may include reported revenues, reported revenue percentages or revenue estimates based on available information.

Thermal Coal Power Generation Expansion:

- any involvement in coal power expansion or plans to expand.

Fossil Fuel:

- more than 10% of their revenues from the extraction of oil (including crude oil, condensate, shale oil, bitumen, synthetic crude oil from oil/tar sands, and heavy oils), refining of oil (including liquefied petroleum gas, naphtha, gasoline, kerosene, diesel, fuel oil, and other combustive oil products), and the distribution of fossil fuels.
- more than 50% of their revenues from the extraction of natural gas (including coalbed/coal seam methane), natural gas processing and gas-to-liquids operations, and the distribution of fossil fuels.
- more than 50% of their revenues from electricity generation with a GHG intensity of more than 100 g CO₂ e/kWh (coal, oil, natural gas, and biomass).

Oil Sands:

- more than 5% of revenues from the extraction and processing of oil sands in the most recent fiscal year.

Arctic Oil & Gas Exploration:

- more than 5% of revenues from Arctic oil and gas extraction ("Arctic drilling") in the most recent fiscal year.

Hydraulic Fracturing:

- more than 5% of revenues from hydraulic fracturing in the most recent fiscal year.

Nuclear Power Service:

- more than 1% of revenues from the provision of services to the nuclear power industry, including the supply of key components, technical support, maintenance, and the management of nuclear waste management.

Nuclear Power Production:

- more than 1% of revenues from the generation of electric power from nuclear fission.

Nuclear Power Uranium:

- more than 1% of revenues from involvement in uranium exploration, extraction, and processing.

Civilian Firearms:

- more than 0% of revenues from involvement in the production of civilian firearms and/or the provision of related services.
- more than 5% of revenues from involvement in the distribution of civilian firearms.

Military Equipment:

- more than 5% of revenues from involvement in the production of military equipment and/or the provision of related services.
- more than 10% of revenues from involvement in military equipment and services.

From the remaining companies, the top 50 companies in terms of ESG score, sourced from ISS-ESG ESG Performance Score, are then selected into the index. In case less than 50 companies are eligible for inclusion, no additional company will be added and the index will be constituted by less than 50 companies. In case the ESG Score is identical for two companies, the larger company in terms of free float market capitalization is selected.

The Product strategy is also relying on systematic exclusions policies (normative and sectorials) as further described in Amundi Responsible Investment policy. The Index applies exclusions to companies involved in activities considered non-aligned with the Paris Climate Agreement (coal extraction, oil, etc). Those exclusions are provided for in Art. 12 (1) (a)-(g) of the Delegated Regulation (EU) 2020/1818. Details of the index rules and selection criteria are described in the prospectus. The prospectus also provides the website of the index provider where the description of the method used to calculate the underlying index can be found.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no minimum committed rate for the sub-fund.

● ***What is the policy to assess good governance practices of the investee companies?***

We rely on Amundi ESG scoring methodology. Amundi's ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria. In the Governance dimension, we assess an issuer's ability to ensure an effective corporate governance framework that guarantees it will meet its long-term objectives (e.g. guaranteeing the issuer's value over the long term). The governance sub-criteria considered are: board structure, audit and control, remuneration, shareholders' rights, ethics, tax practices and ESG strategy.

Amundi ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. G-rated companies are excluded from our investment universe.

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

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

Good governance
practices include
sound management
structures, employee
relations,
remuneration of staff
and tax compliance.



What is the asset allocation planned for this financial product?

90 % of the sub-fund's securities and instruments will meet the promoted environmental or social characteristics in accordance with the binding elements of the Index methodology. Furthermore, the sub-fund commits to have a minimum of 15 % of Sustainable Investments as per the below chart.

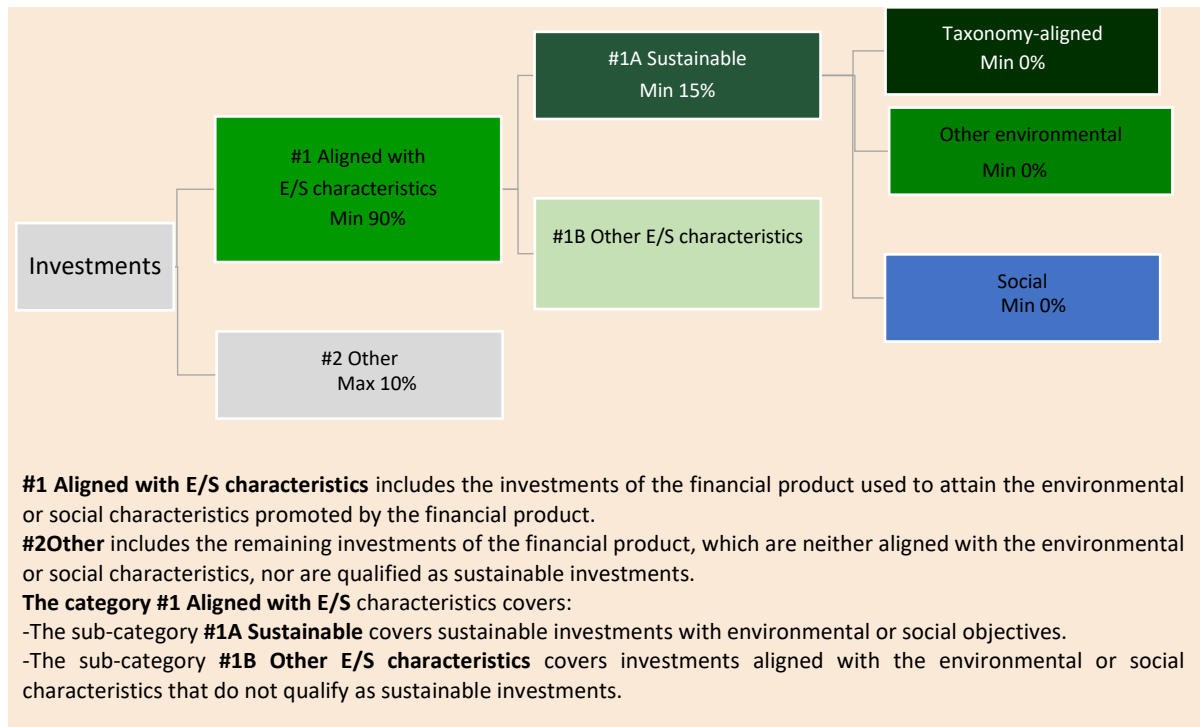
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

-turnover reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- operational expenditure (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Derivatives are not used to attain the environmental and social characteristics promoted by the sub-fund.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund has no minimum share of investments with an environmental objective that are aligned with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

- Yes:
- In fossil gas In nuclear energy
- No

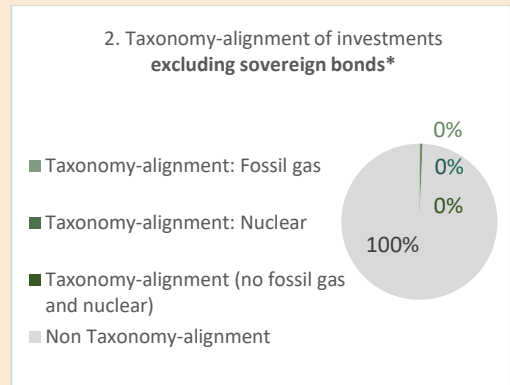
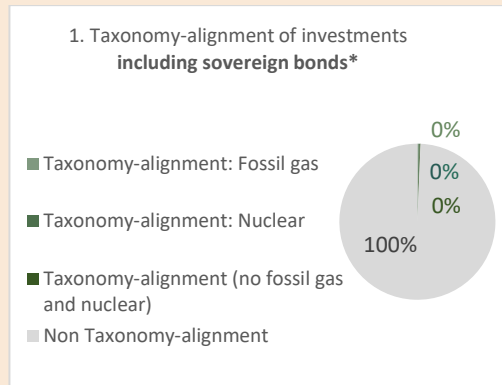
The sub-fund does not seek to make Taxonomy compliant investments in the fossil gas and/or nuclear energy sectors. However, as part of its investment strategy, it may also invest in companies that are active in these sectors. Further information on such investments will be disclosed in the annual report, where relevant.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

The sub-fund has no minimum proportion of investment in transitional or enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The sub-fund has no minimum defined minimum share.



What is the minimum share of socially sustainable investments?

The sub-fund has no minimum defined minimum share.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

This category can be composed of cash, derivatives and companies on which there is no extra financial coverage.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Yes, the DAX® 50 ESG+ Net Return EUR has been designated as a reference benchmark to determine whether the sub-fund is aligned with the environmental and/or social characteristics that it promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

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

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The investment objective of the sub-fund is to track both the upward and downward evolution of the Index, while minimising the difference between the return of the sub-fund and the return of the Index.

- ***How does the designated index differ from a relevant broad market index?***

The DAX® 50 ESG+ Net Return EUR is an equity index based on the HDAX®, which comprises all companies included in the DAX®, MDAX® and TecDAX®. The DAX® 50 ESG+ Net Return EUR selects from the investment universe of the HDAX® 50 companies that are assessed as particularly sustainable on the basis of ESG criteria (environmental, social and corporate governance) and excludes companies that have a negative impact on certain sustainability factors and meet certain exclusion criteria and taking into account the exclusions set out in the current version of Article 12 (1) (a) to g) of the Delegated Regulation (EU) 2020/1818.

- ***Where can the methodology used for the calculation of the designated index be found?***

<https://stox.com/index/daxesgpn/>



Where can I find more product specific information online?

More product-specific information can be found on the website:

www.amundi-etf.com

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.