Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: AMUNDI FUNDS MONTPENSIER M CLIMATE SOLUTIONS

Legal entity identifier: 21380078ODTTDH9T8A31

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective**: 75 %	☐ 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 __% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective**: 0 %	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Sub-Fund invests as a feeder fund in M Climate Solutions (master fund) which integrates sustainability factors into its investment process, as set out in more detail below and in the "Investment Strategy" section of the Prospectus.

The investment objective of the master fund is to identify the involvement of companies in favor of the energy and ecological transition for the climate, in order to invest mainly in the stocks of companies whose initiatives or solutions contribute directly or indirectly to the reduction of the impacts of climate change, or in the stocks of companies which a part of the activity concerns changes and developments related to the theme of energy and climate transition.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The extra-financial approach implemented by the master fund is based on the integration of extra-financial criteria as from the definition of the investment universe.

For each line eligible to enter the portfolio, an estimate will be made of the portion of total turnover contributing directly or indirectly to the energy and ecological transition. The data used are mainly provided by MSCI ESG Research and may be completed or updated by the Management Company from other sources. This measurement will be determined from an estimate of each company's turnover in the eight categories of activity constituting "eco-activities" participating in the energy and ecological transition and the fight against climate change:

- Energy;
- building:
- circular economy;
- manufacturing;
- own transport;
- information and communication technologies;
- agriculture and forestry;
- adaptation to climate change.

The scope of the energy and ecological transition encompasses activities that contribute directly or indirectly to the development of energy from renewable sources (wind, solar, geothermal, hydro, marine, biomass, etc.) energy efficiency and reduced carbon footprint of buildings and manufacturing processes, the circular economy, own transport, agriculture and forestry, infrastructure for adapting to climate change, etc. These are "activities that produce goods and services to measure, prevent, limit, minimise or correct environmental damage to water, air, soil, as well as problems related to waste, noise and eco-systems for the wellbeing of mankind".

An indirect contribution may consist for example in financing, taking equity stakes in companies involved, the manufacture of components used in "eco-activities", or the consumption of products of "eco-activities". The stocks are classified by reference to the percentage of their turnover carried out in "eco-activities":

- Type 1 stocks, companies, more than 50% of whose turnover is in "eco-activities";
- Type II stocks, companies between 10% and 50% of whose turnover is in "eco-activities";
- Type III stocks, companies less than 10% of whose turnover is in "eco-activities".

The Fund's investment strategy will conform to the following constraints:

- Type I stocks will represent at least 20% of portfolio assets;
- Type I or Type II stocks will together represent at least 75% of portfolio assets;
- "Diversification" portfolio assets, including Type III stocks and/or other debt instruments and money market instruments must represent less than 25% of total portfolio assets.

Type III stocks included in "Diversification" assets comprise two categories of stocks:

- Shares of companies that do not meet any of the constraints in terms of percentage of turnover linked to "eco-activities", while being selected from the same universe of potentially investable stocks subject to internal rating. For example, a company may have a low carbon profile and yet not carry out any of the eight eligible "eco-activities", or score well on involvement in the energy and ecological transition but derive less than 10% of its turnover from any of the eight "eco-activities";
- Debt securities and money market instruments, to the issuers of which no turnover constraint will be applied.

The existence of controversies, particularly those relating to the environment, will be given particular attention. Companies involved in very serious controversy relating to the environment, or more generally a very serious ESG controversy, will be excluded from the investment universe. The monitoring of controversies will rely mainly on the research provided by MSCI ESG Research.

The manager's selection will be made mainly from among companies that contribute to reducing the effects of climate change, or participate directly or indirectly in the trends and developments linked to the energy and climate transition. For taking non-financial criteria into account, the master fund follows a thematic approach which is based on the proprietary M Climat analysis methodology developed by the management company of the master fund (Montpensier Finance) and which is part of a sustainability risks mitigation objective, without however being able to guarantee that the sustainability risks are fully neutralized. All of the securities in the portfolio will be analyzed using the M Climat method.
In choosing these stocks, the manager will complement the analysis of ESG criteria with an analysis of the intrinsic characteristics of the companies and their prospects, using an approach based on the companies' fundamentals with a long-term perspective. The manager will rely on understanding of the business model and on the company's development strategy, but also on business growth projections and the valuation of the business.

The stages for identifying potentially investable stocks of Types I (over 50% of turnover from "eco-activities") and II (10% to 50% of turnover from "eco-activities") can be summarised as follows:

1/ The initial universe is obtained at the end of a double quantitative process whose objective is firstly to identify the stocks on which sufficient data are available, based in particular on MSCI data relating to stocks of the MSCI ACWI Investable Market Index (IMI), which includes approximately 9200 small, medium and large capitalization companies, in 23 developed countries and 27 emerging countries. At the end of this process, approximately 8200 values are retained. On these stocks, a second quantitative process is applied based on extra-financial data, with the objective of excluding stocks:

- of companies involved in the production of nuclear energy (or the supply of products and/or services to the nuclear industry, where more than 15% of turnover is related to these activities);
- of producers of energy from fossil fuel sources;
- of companies involved in very serious environmental or ESG controversy.

This process makes it possible to determine the investment universe of the fund, which is thus reduced to around 6100 stocks.

2/ The stocks thus filtered are then subjected to three internal ratings:

- A rating for involvement in the ecological and energy transition, assessed in accordance with the various themes, such as energy from renewable sources, water, the circular economy, green buildings, clean tech, toxic emissions, etc.
- A carbon profile rating which takes account of the intensity of companies' carbon emissions and their objectives for reducing them.

These two ratings are calculated from non-financial quantitative and qualitative data, mainly provided by MSCI ESG Research. They may be completed or amended by the Management Company from other sources.
In order to determine the potentially investable universe, a final filter is applied. It consists in excluding from the universe the 20% of stocks which have the worst Involvement in the Energy and Ecological Transition ITE ratings and the 20% of stocks which have the worst Carbon Profile scores, with the aim of improving the pair "Green Share" / Carbon Profile of the portfolio. This process results in the exclusion of around 1700 stocks, i.e. a potentially investable universe of around 4400 stocks.

- These ratings, associated with a qualitative analysis of companies' activity, allow the companies to be ranked in terms of their involvement with the energy and ecological transition, and their activity to be classified among the "eco-activities". A

Fundamental rating :

- A fundamental analysis rating (financial solidity, market capitalisation, float, liquidity, etc.) is determined from financial ratios and market data.

The objective of this step is to identify stocks with a qualifying profile with regard to the environmental criteria and fundamental criteria, in order to identify potentially investable stocks.

3/ The estimate of the proportion of turnover relating to the eight categories of eligible activities is then taken into account in order to classify the potentially investable securities as Type I or Type II as regards the eight categories of activity participating in the energy and ecological transition and the fight against climate change.
The Social and Governance criteria are then taken into account during the qualitative ESG analysis conducted on the values. First of all, for governance, we examine whether the alignment of interests between the stakeholders is sufficient. For social characteristics, we focus on the sufficient quality of social dialogue within the company. For this, we can rely on quantitative and qualitative extra-financial data, mainly provided by MSCI ESG Research. These may be supplemented or amended by the Montpensier Finance from other sources.
4/ Next, the manager determines the composition of the portfolio by selecting securities from those identified above, respecting the constraints of distribution by "green share" of the portfolio. Thus, all the values in the portfolio are subject to the extra-financial analysis described above.

- ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

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 assessment at level of the master fund of the "do no significant harm" (DNSH) criterion is based on exclusions, Main Negative Impacts (PAI) and the assessment of controversies. In addition, securities whose impact on MIA on ecology or solidarity impact or on the E and S pillars is negative are also assessed as not respecting the DNSH criterion.

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

The management company of the master fund takes into account the main indicators of negative impacts in the proprietary analysis of the contribution of companies to environmental and solidarity transitions (Montpensier Impact Assessment – MIA, Montpensier Industry Contributor – MIC), and/or in the analysis of eco- activities that determines the contribution to one or more UN Sustainable Development Goals (SDGs). These indicators vary depending on the sector, industry and region in which each company operates. Below is a non-exhaustive list of the main negative impacts that can be taken into account in our extra-financial analysis:

CLIMATE INDICATORS AND OTHER ENVIRONMENTAL INDICATORS

Greenhouse gas emissions	1. GHG emissions 2. Carbon footprint 3. GHG intensity of investee companies 4. Exposure to companies active in the fossil fuel sector 5. Share of consumption and production of non-renewable energy 6. Intensity of energy consumption by sector with high climate impact
Biodiversity	7. Activities negatively impacting biodiversity-sensitive areas

Water	8. releases to water
Waste	9. Ratio of hazardous waste and radioactive waste
INDICATORS RELATED TO SOCIAL ISSUES, STAFF, RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND ACTS OF CORRUPTION	
Social and personnel issues	10. Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises 11. Lack of compliance processes and mechanisms to monitor compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises 12. Uncorrected gender pay gap 13. Mixity within governance bodies 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)

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

The UN Guiding Principles on Business and Human Rights are integrated into the master fund management company’s ESG methodology. Montpensier Finance excludes from the investment universe companies that are not aligned with certain international standards and conventions, in particular the principles of the United Nations Global Compact (UNGC), the conventions of the International Labor Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights (UNGPBHR). Controversies are tracked weekly via the MSCI ESG Controversies search. Securities subject to a “Red” controversy are excluded from the investment universe. Among these “Red” controversies, Montpensier Finance finds in particular companies that are not in line with the United Nations Global Compact (Human Rights, Labor Rights, Environment and Corruption).

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

☒ Yes, the management company of the master fund considers all the mandatory Principal Adverse Impacts applicable to the master fund' strategy and relies on a combination of exclusion policies (normative and sectoral), integration of ESG analysis in the process investment, engagement and voting approaches.

☐ No

What investment strategy does this financial product follow?

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

Objective: To achieve capital growth over the recommended holding period through investment in Sustainable Investments pursuant to Article 9 of the Disclosure Regulation. Specifically, the sub-fund invests as a feeder fund in the Montpensier M Climate Solutiuons (master fund) that seeks to share in the development of global equity markets by investing primarily in shares of companies whose initiatives or solutions contribute directly or indirectly to reducing the impacts of climate change, or in shares of companies part of whose activity concerns trends and developments linked to the theme of the energy and climate transition.

Investments: The sub-fund invests at least 85% of net assets in units of the master fund (Y class). The sub-fund may invest up to 15% in deposits. The master fund invests at least 75% of its net assets in equities and similar instruments (like certificates of investment and convertible bonds) of companies around the world, in all business sectors and all geographical regions including up to 40% of the assets in emerging markets. Instruments that are equivalent to equity may represent up to 25% of the net assets. There are no market capitalisation constraints for these investments. The master fund makes use of derivatives to reduce various risks, to gain exposure (long or short) to various assets, markets or other investment opportunities (including derivatives that focus on credit and equities).

Benchmark : The master fund is actively managed. The reference to an index is only for subsequent comparison purposes. The Stoxx Global 1800 (SXW1R) serves a posteriori as an indicator for assessing the sub-fund's performance.

Management Process : The Master Fund's management strategy uses a dual approach to identify stocks: (i) stock picking on the basis of non-financial criteria with the aim of identifying companies' involvement in the energy and ecological transition for climate. Certain activities, such as nuclear and fossil fuel energy will be excluded; (ii) completed by a fundamental analysis supported by a quantitative study based on financial ratios. The investment universe consists of listed companies selected on the basis of ESG (Environmental, Social & Governance) criteria with a view to identifying companies' involvement with the energy and ecological transition for climate. For each line eligible to enter the portfolio, an estimate will be made of the portion of total turnover contributing directly or indirectly to the energy and ecological transition. More information on the management process, including data providers, measurement parameters and stock selection available in the Prospectus. The extra-financial approach implemented is in line with a risk mitigation objective in terms of sustainability.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The master fund implements a socially responsible investment approach which aims to exclude from the investment universe companies that are not compatible with the extra-financial criteria defined by the management company.
The extra-financial analysis carried out will make it possible to define a list of excluded stocks representing 20% of the investment universe of the potentially investable UCITS. determined from proprietary ratings linked to the environment:

- A rating on the involvement in the energy and ecological transition, apprehended according to different themes, for example: renewable energy, water, circular economy, green real estate, clean tech, toxic emissions, ...
- A rating on the carbon profile score that takes into account the intensity of carbon emissions and the companies' carbon emission reduction targets.

These two ratings are calculated using quantitative and qualitative extra-financial data, mainly provided by MSCI ESG Research. These may be supplemented or amended by Montpensier Finance from other sources.

In order to determine the potentially investable universe, a final filter is applied. It consists in excluding from the universe the 20% of stocks which have the worst Involvement in the Energy and Ecological Transition ITE ratings and the 20% of stocks which have the worst Carbon Profile scores, with the aim of improving the "Green Share" / Carbon Profile of the portfolio.

The non-financial approach implemented is presented in the master fund’s Transparency Code available on www.montpensier.com.
The data used is mainly provided by MSCI ESG Research and may be supplemented, modified or updated by Montpensier Finance from other sources.

Investors should note that ESG analysis is not performed to the same standards than for other investments on cash, cash equivalents, and derivatives used for hedging purpose. Thus, the ESG analysis methodology will not include cash, cash equivalents, and derivatives for hedging purpose. All the securities in portfolio, with the exception of the instruments mentioned above, are analyzed using a dual ESG and fundamental approach.

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

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

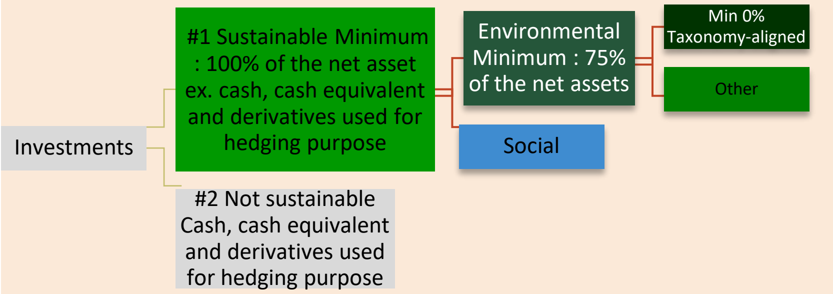
The management company of the master fund implements an analysis of corporate governance practices according to the proprietary Montpensier Governance Flag (MGF) method, the objective of which is to assess the alignment of interests between executives, shareholders and more generally all stakeholders. It is based on a list of sub-criteria divided around 4 axes of analysis: board (rate of independence of the board of directors, presence of women on the board of directors, etc.), remuneration (transparency of remuneration criteria, etc.), shareholder structure (presence of majority shareholder, etc.), and accounting practices (opinion of financial auditors on company accounts, etc.), Montpensier Finance applies a quantitative identification filter which makes it possible to identify the stocks which present weaknesses with regard to the four pillars analyzed. This identification of values gives rise to an additional qualitative analysis that can lead to their maintenance in the final universe. This analysis also allows us to determine 3 FGM statuses: "Pass", "Watchlist" or "Fail". All companies identified as "Fail" are excluded

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

The master fund undertakes to have a minimum of 100% Sustainable Investments as indicated in the table below. The investments of the master fund will be used to meet the environmental or social characteristics pursued, in accordance with the binding elements of the investment strategy, when they integrate sustainability factors by excluding any issuer specified in the exclusion list described in the master fund's Transparency Code available on www.montpensier.com. Investors should note that it may not be possible to perform ESG analysis to the same standards as for other investments on cash, cash equivalents and derivatives for hedging purpose.

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.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

Derivative products are not used to achieve the environmental and social characteristics promoted by the UCITS.
In practice, the fund does not use derivatives.

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

The sub-fund currently has no minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy. The sub-fund does not commit to make taxonomy-compliant investments in fossil gas and/or nuclear energy as illustrated below. Nevertheless, as part of the investment strategy, it may invest in companies that are also active in these industries. Such investments may or may not be taxonomy aligned.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

☐ Yes:

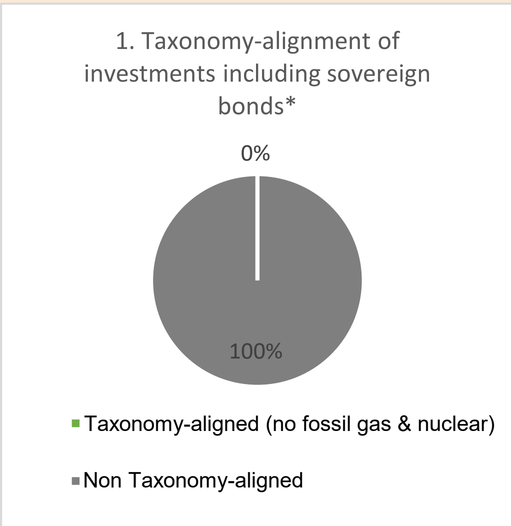
☐ In fossil gas ☐ In nuclear energy

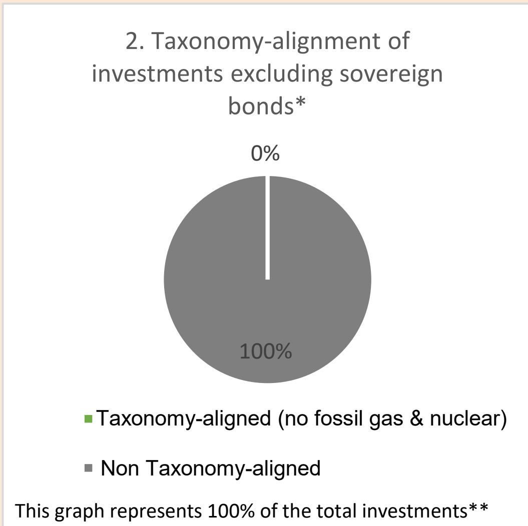
☒ No

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*
*** This percentage is purely indicative and may vary*

- ***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

[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. 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.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

The master fund has not defined a minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy.

What is the minimum share of sustainable investments with a social objective?

The master fund has not defined a minimum share of socially sustainable investments.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Cash, cash equivalents for treasury purpose as well as derivatives used for hedging purpose are included in "#2 Other"

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

The master fund does not use a specific index designated as a reference to determine whether this financial product is aligned with the environmental or social characteristics that it promotes.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

N/A

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

N/A

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

N/A

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

N/A

Where can I find more product specific information online?

More product-specific information can be found on the website: www.montpensier.com