

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: Lyxor Euro Government Green Bond (DR) UCITS ETF

Legal entity identifier: 549300JJ88530HIOFM17

Sustainable investment objective

Does this financial product have a sustainable investment objective?

Yes

It will make a minimum of **sustainable investments with an environmental objective:** 90 %

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:** ___%

No

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

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**

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.



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 is passively managed. Its investment objective is to replicate the Solactive Euro Government Green Bond Index (the "Index") which has the sustainable investment objective of being representative of the performance of investment grade rated Green Bonds issued by European Monetary Union countries. Green Bonds are issued in order to fund projects that have positive environmental outcomes.

More precisely, to be eligible for inclusion in the Index, a bond must be considered as a "Green Bond" by the Climate Bonds Initiative. Climate Bonds Initiative is an investor-focused not-for-profit organization promoting large-scale investments that will deliver a global low carbon and climate resilient economy (more information is available on the website: <http://www.climatebonds.net/>). Climate Bonds Initiative has developed and implemented the following set of criteria to define Green Bonds which are eligible for the Index:

i) Environmentally themed (self-labelled) bonds: to be eligible, green bonds must be publicly declared by their issuers as intended to be environmentally beneficial through labelling. Common eligible labels include, but are not limited to, 'green', 'climate-awareness', 'climate',

'environmental', 'carbon', 'sustainability' and 'ESG' (Environment, Social, and Governance). The issuer must use the label or description in a public document for the label to be valid (e.g., in a press release, in a statement, in the bond prospectus or supporting bond offering documents).

ii) Eligible bond structures, which include:

- Asset-linked structures or 'use of proceeds' bonds, whereby proceeds raised by bond sale are earmarked for eligible green projects; and

- Asset-backed structures consisting in:

a. Project bonds, which are eligible if they are backed by a green project and the proceeds from bond sale are used solely to finance that same green project; and

b. Securitized bonds, which are eligible if proceeds go towards green projects or assets.

iii) Use of proceeds: issuers must commit to use proceeds from the bond sale in full (net of any bond arrangement fees) to finance eligible green projects or assets. For instance, bonds where more than 5% of the proceeds are used for 'general corporate purposes' or projects that are not defined as green, or bonds where proceeds are to be split across different projects (e.g., an ESG Bond with social projects and separate green projects) are not eligible for inclusion in the Index.

iv) Adherence with the "Climate Bonds Taxonomy": proceeds of an eligible green bond must be used to finance eligible green assets or projects which are typically related to one of the following sectors (as described in the Climate Bonds Taxonomy):

- Renewable and Alternative Energy;

- Energy efficiency;

- Low-Carbon Transport;

- Sustainable Water;

- Waste, recycling and pollution;

- Sustainable agriculture and forestry;

- Climate resilient infrastructure and climate adaptation.

As further described in the Climate Bonds Taxonomy, areas of the above sectors can be excluded (e.g. energy savings in fossil fuel extraction activities - for the energy efficiency category -, or the landfill without gas capture - for the waste category -) and related bonds are ineligible for inclusion in the Index.

More information can be found on the website: <http://www.climatebonds.net/> and <https://www.climatebonds.net/standard/taxonomy>.

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

Sustainability indicator used to measure the attainment of the sustainable investment objective of this financial product is the percentage of bonds considered as "Green Bond" by the climate bond initiative in the Index composition.

● ***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 eligible green bonds as selected under the product taxonomy cannot finance projects or assets from the following activities:

Energy:

- Uranium mining for nuclear power;
- Any fossil fuel-based power generation including gas, 'clean' coal and other coal.

Energy efficiency:

- Efficiency upgrades to GHG intensive power sources – e.g. cleaner coal technology;
- Energy savings in fossil fuel extraction activities - emission reduction requirements require a rapid phase out of all fossil fuel usage. Anything that helps to extend the life of fossil fuel usage is excluded.

Waste:

- Landfill without gas capture;
- Waste incineration without energy capture.

Transport:

- Rail lines where fossil fuels account for more than >50% of freight.

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

The PAI 15 “GHG intensity” is taken into account through the exclusion in the Index of projects or assets from the following activities:

Energy:

- Uranium mining for nuclear power;
- Any fossil fuel-based power generation including gas, 'clean' coal and other coal.

Energy efficiency:

- Efficiency upgrades to GHG intensive power sources – e.g. cleaner coal technology;
- Energy savings in fossil fuel extraction activities - emission reduction requirements require a rapid phase out of all fossil fuel usage. Anything that helps to extend the life of fossil fuel usage is excluded.

Waste:

- Landfill without gas capture;
- Waste incineration without energy capture.

Transport:

- Rail lines where fossil fuels account for more than >50% of freight.

The PAI 16 “Investee countries subject to social violations” is taken into account through the exclusion from the sub-fund of countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions), after formal review and validation from Amundi’s Rating Committee.

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

The sustainable investments considered are restricted to sovereign issuers. The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are not applicable for sovereigns.



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

Yes, the PAI 15 “GHG intensity” is taken into account through the exclusion in the Index of projects or assets from the following activities:

Energy:

- Uranium mining for nuclear power;
- Any fossil fuel-based power generation including gas, ‘clean’ coal and other coal.

Energy efficiency:

- Efficiency upgrades to GHG intensive power sources – e.g. cleaner coal technology;
- Energy savings in fossil fuel extraction activities - emission reduction requirements require a rapid phase out of all fossil fuel usage. Anything that helps to extend the life of fossil fuel usage is excluded.

Waste:

- Landfill without gas capture;
- Waste incineration without energy capture.

Transport:

- Rail lines where fossil fuels account for more than >50% of freight.

The PAI 16 “Investee countries subject to social violations” is taken into account through the exclusion from the sub-fund of countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions), after formal review and validation from Amundi’s Rating Committee.

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.

The investment objective of Lyxor Euro Government Green Bond (DR) UCITS ETF (the “Sub-Fund”) is to reflect the performance of the “Solactive Euro Government Green Bond Index” (the “Index”), while minimising the volatility of the difference between the return of the Sub-Fund and the return of the Benchmark Index (the “Tracking Error”).

The Index is representative of the performance of investment grade rated Green Bonds issued by European countries and denominated in EUR. Green Bonds are issued in order to fund projects that have positive environmental outcomes.

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

This is a passively managed ETF. Its investment strategy is to replicate the Index while minimizing the related tracking error.

To be eligible for inclusion in the Index, a bond must be considered as a “Green Bond” by the Climate Bonds Initiative. Climate Bonds Initiative is an investor-focused not-for-profit organization promoting large-scale investments that will deliver a global low carbon and climate resilient economy (more information is available on the website: <http://www.climatebonds.net/>). Climate Bonds Initiative has developed and implemented the following set of criteria to define Green Bonds which are eligible for the Index:

i) Environmentally themed (self-labelled) bonds: to be eligible, green bonds must be publicly declared by their issuers as intended to be environmentally beneficial through labelling. Common eligible labels include, but are not limited to, ‘green’, ‘climate-awareness’, ‘climate’, ‘environmental’, ‘carbon’, ‘sustainability’ and ‘ESG’ (Environment, Social, and Governance). The issuer must use the label or description in a public document for the label to be valid (e.g., in a press release, in a statement, in the bond prospectus or supporting bond offering documents).

ii) Eligible bond structures, which include:

- Asset-linked structures or ‘use of proceeds’ bonds, whereby proceeds raised by bond sale are earmarked for eligible green projects; and
- Asset-backed structures consisting in:

- a. Project bonds, which are eligible if they are backed by a green project and the proceeds from bond sale are used solely to finance that same green project; and
- b. Securitized bonds, which are eligible if proceeds go towards green projects or assets.

iii) Use of proceeds: issuers must commit to use proceeds from the bond sale in full (net of any bond arrangement fees) to finance eligible green projects or assets. For instance, bonds where more than 5% of the proceeds are used for 'general corporate purposes' or projects that are not defined as green, or bonds where proceeds are to be split across different projects (e.g., an ESG Bond with social projects and separate green projects) are not eligible for inclusion in the Index.

iv) Adherence with the "Climate Bonds Taxonomy": proceeds of an eligible green bond must be used to finance eligible green assets or projects which are typically related to one of the following sectors (as described in the Climate Bonds Taxonomy):

- Renewable and Alternative Energy;
- Energy efficiency;
- Low-Carbon Transport;
- Sustainable Water;
- Waste, recycling and pollution;
- Sustainable agriculture and forestry;
- Climate resilient infrastructure and climate adaptation.

As further described in the Climate Bonds Taxonomy, areas of the above sectors can be excluded (e.g. energy savings in fossil fuel extraction activities - for the energy efficiency category -, or the landfill without gas capture - for the waste category -) and related bonds are ineligible for inclusion in the Index.

More information can be found on the website: <http://www.climatebonds.net/> and <https://www.climatebonds.net/standard/taxonomy>.

The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy.

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 Index is composed of sovereign issuers. The question is applicable for corporates.



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

Asset allocation describes the share of investments in specific assets.

The sub-fund commits to invest permanently at least 90% the net asset value of the Sub-Fund in Green Bonds comprising the Index (ie an EMU Government Green Bond)
The Sub-Fund commits to have a minimum of 90% of sustainable investments as per the below chart. The Sustainable investment of the Sub Fund are supporting Environmental objective.

The planned proportion of other Environmental investment may change as the actual proportions of Taxonomy-aligned investments increase.



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

Derivatives are not used to attain the sustainable investment objective.

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.



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

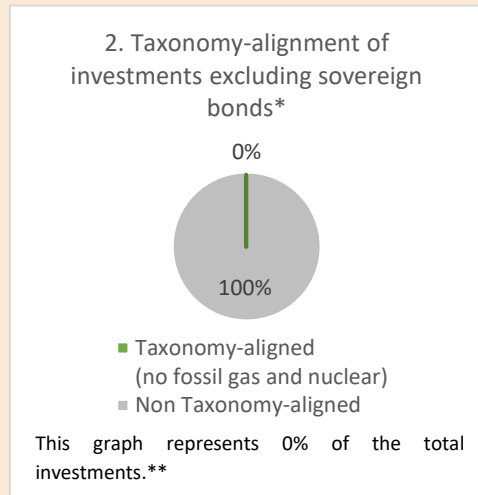
The Sub-Fund has no minimum share of investments with an environmental objective that are aligned with the EU Taxonomy.

The Sub-Fund currently has no minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy, including investments in fossil gas and/or nuclear energy related activities.

● **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 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.

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.

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.

- **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



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 Sub-Fund will have a minimum commitment of 90% of Sustainable Investments with an environmental objective as indicated in this Annex with no commitment on their alignment with the EU Taxonomy.



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

The Sub-Fund has no 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?

The investments are cash and instruments for the purpose of liquidity and portfolio risk management. There are no minimum environmental or social safeguards for these assets.



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

Yes, the Index has been designated as a reference benchmark to determine whether the Sub-Fund is aligned with its sustainable investment objective.

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

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

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 Index is representative of the performance of investment grade rated Green Bonds issued by European countries and denominated in EUR. Green Bonds are issued in order to fund projects that have positive environmental outcomes.

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

www.solactive.com



Where can I find more product specific information online?

More product-specific information can be found on the website: Additional information on the Sub-Fund can be found at www.amundiETF.com.