

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

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.

**Product name:**  
CPR CASH

**Legal entity identifier:**  
969500U2XBJ1YTGMIY96

## 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 20 % 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?**

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

The fund incorporates sustainability factors into its investment process, as outlined in more detail below and in the Responsible Investment Policy available at [www.cpr-am.com](http://www.cpr-am.com). The ESG analysis of issuers aims to assess their ability to manage the potential adverse impact of their activities on sustainability factors. This analysis therefore aims to assess their Environmental and Social behaviour in terms of Governance by assigning them an ESG rating ranging from A (best rating) to G (worst rating), so as to carry out a more general assessment of the risks.

The analysis is based on a set of generic criteria for all issuers as well as criteria specific to each sector, based on a best-in-class approach.

The upstream ESG analysis methodology and consideration of the overall ESG rating in the construction of the portfolio (excluding issuers with the worse ratings and favouring those with the best ratings) therefore make it possible to promote the three components (environmental, social and governance).

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

The sustainability indicator used is the ESG rating of the fund measured against the ESG rating of the Fund's Benchmark Universe represented by the ICE BoFA 1-3 YEAR GLOBAL CORPORATE INDEX.

CPR Asset Management relies on the Amundi Group's internal ESG rating process, based on the Best-in-Class approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate. The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven ratings, ranging from A (the best scores in the universe) to G (the worst). On the Amundi ESG rating scale, securities included on the exclusion list correspond to a G score. For corporate issuers, ESG performance is assessed overall based on relevant criteria, by means of comparison with the average performance of its sector of activity, through the combination of the three ESG components:

- the environmental dimension: this examines issuers' ability to control their direct and indirect impact on the environment, by limiting their energy consumption, reducing their greenhouse gas emissions, combating resource depletion and protecting biodiversity.
- the social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and respect for human rights in general;
- the governance dimension: this assesses the issuer's ability to provide the basis for an effective corporate governance framework and to generate value over the long term.

The ESG rating methodology applied by Amundi is based on 38 criteria, which are either generic (common to all companies regardless of their activity), or sector-based, weighted by sector and considered according to their impact on an issuer's reputation, operational efficiency and regulations. Amundi ESG ratings are likely to be expressed globally on the three E, S and G components, or individually on any environmental or social factor.

● ***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 sustainable investments are to invest in companies that meet two criteria:

- 1) following best environmental and social practices; and
- 2) not generating products and services that harm the environment and society.

The definition of "best performing" company is based on an Amundi proprietary ESG methodology that aims to measure a company's ESG performance. To be considered "best performing", a company must obtain the best score among the first three (A, B or C, on a rating scale of A to G) in its sector on at least one significant environmental or social factor. Significant environmental and social factors are identified at sector level. Identification of these factors is based on Amundi's ESG analysis framework, which combines non-financial data and a qualitative analysis of the associated sector and sustainability themes. Factors identified as significant contribute more than 10% to the overall ESG score. For the energy sector, the significant factors are: emissions and energy, biodiversity and pollution, health and safety, local communities and human rights.

In order to contribute to the above objectives, the investee company should not have significant exposure to activities not compatible with these criteria (e.g., tobacco, weapons,

gambling, coal, aviation, meat production, fertiliser and pesticides manufacturing, single-use plastic production).

The sustainable nature of an investment is assessed in terms of the investee company.

● ***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?***

**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.

To ensure that sustainable investments do not cause significant harm ("DNSH" or "Do No Significant Harm" principle), Amundi uses two filters:

- the first "DNSH" filter is based on the monitoring of mandatory indicators for Principal Adverse Impacts in Annex 1, Table 1 of the RTS when reliable data are available (e.g., corporate Greenhouse Gas intensity) via a combination of indicators (e.g., carbon intensity) and specific thresholds or rules (e.g., carbon intensity is not within the last decile in the sector). Amundi already takes specific Principal Adverse Impacts into account in its exclusion policy, in connection with its Responsible Investment Policy. These exclusions, which apply in addition to the tests detailed above, cover the following topics: exclusion in relation to controversial weapons, violations of UN Global Compact principles, coal and tobacco.

- Beyond the specific indicators for sustainability factors covered by the first filter, Amundi has defined a second filter, which does not take into account the mandatory indicators for the Principal Adverse Impacts above, in order to check that a company does not present an overall poor environmental or social performance compared to other companies in its sector, which corresponds to an environmental or social score of E or more on the Amundi rating scale.

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

As detailed above, the indicators for adverse impacts have been taken into account as detailed in the first DNSH (Do No Significant Harm) filter. This filter is based on monitoring the mandatory indicators for the Principal Adverse Impacts in Annex 1, Table 1 of the RTS, when reliable data are available, via a combination of the following indicators and specific thresholds or rules:

- having a CO2 intensity that is not within the last decile of companies in the sector (applies only to high intensity sectors), and
- having board diversity that is not within the last decile of companies in its sector, and
- being free from any controversy regarding labour conditions and human rights
- being free from any controversy regarding biodiversity and pollution.

Amundi already takes specific Principal Adverse Impacts into account in its exclusion policy, in connection with its Responsible Investment Policy. These exclusions, which apply in addition to the tests detailed above, cover the following topics: exclusion in relation to 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 incorporated into Amundi's ESG rating methodology. The proprietary ESG scoring tool assesses issuers using data available from data providers. For example, the model includes a dedicated criterion called "Community involvement and human rights" which is applied to all sectors in addition to other human rights criteria, including socially responsible supply chains, working conditions and labour relations. In addition, controversies are monitored on at least a quarterly basis, which includes companies identified for human rights violations. When controversies arise, analysts assess the situation and apply a score to the controversy (using the proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly, in order 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 Union 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 proportion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



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

- ☒ Yes, the fund considers the mandatory indicators for Principal Adverse Impacts in accordance with Annex 1, Table 1 of the RTS applying to the fund strategy, and relies on a combination of exclusion policies (regulatory and sector-based), the incorporation of ESG ratings into the investment process, engagement and voting approaches:
- Exclusion: Amundi has defined normative exclusion rules, by activity and by sector, covering some of the main sustainability indicators listed in the Disclosure Regulation.
  - Incorporation of ESG factors: Amundi has adopted minimum ESG incorporation standards applied by default to its actively managed open-ended funds (excluding issuers rated G and the best weighted average ESG score above the applicable reference benchmark). The 38 criteria used in Amundi's ESG rating approach have also been designed to take into account key impacts on sustainability factors, as well as the quality of the mitigation.
  - Engagement: engagement is a continuous and focused process aimed at influencing companies' activities or behaviour. The objective of engagement can be divided into two categories: engaging an issuer in improving the way it incorporates the environmental and social dimension, engaging an issuer in improving its impact on environmental, social and human rights issues or other sustainability issues that are important to society and the global economy.
  - Voting: Amundi's voting policy responds to a holistic analysis of all long-term issues that may influence value creation, including material ESG issues (Amundi's voting policy is available on its website).
  - Monitoring controversies: Amundi has developed a controversy monitoring system that

relies on three external data providers to systematically monitor controversies and their level of severity. This quantitative approach is then enriched by an in-depth assessment of each severe controversy, conducted by ESG analysts, and by a periodic review of its progress. This approach applies to all Amundi Group funds.

☐ No



### What investment strategy does this financial product follow?

**Objective:** the strategy seeks to outperform the €STR (net dividends reinvested) over the recommended investment period, while incorporating ESG criteria into the process of building the eligible investment universe.

Benchmark: capitalised €STR used, after the fact, as an indicator for assessing the fund's performance.

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

- 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 fund first applies Amundi's exclusion policy including the following rules:

- legal exclusions on controversial weapons (such as anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons);
- companies which seriously and repeatedly violate one or more of the Ten Principles of the Global Compact, without taking any credible corrective measures;
- the Amundi Group's sector-based exclusions on Coal and Tobacco (details of this policy are available in the CPR AM Responsible Investment Policy available at [www.cpr-am.com](http://www.cpr-am.com)).

The fund includes the requirement of achieving an ESG score higher than the ESG score for the BoFA 1-3 YEAR GLOBAL CORPORATE INDEX.

The fund's ESG criteria apply, as a minimum, to:

- 90% of the shares issued by large cap companies in developed countries; debt securities, money market instruments with a high quality credit rating; and sovereign debt securities issued by developed countries;
- 75% of the shares issued by large cap companies in emerging market countries; shares issued by small and mid cap companies in all countries; debt securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging markets.

However, investors should note that an ESG analysis of cash, cash equivalents, certain derivatives and certain collective investment undertakings may not be possible according to the same standards as for other investments. The ESG calculation methodology will not include securities that do not have an ESG rating, or cash, cash equivalents, certain derivatives and certain collective investment undertakings.

### **Additional ESG approach**

The Fund applies the following ESG integration rules:

- exclusion of issuers rated F and G on purchase;
- exclusion of the lowest scores in terms of the five most weighted criteria by sector of activity (weighting determined by sector and regularly reviewed by Amundi for calculation of the overall score);
- what is known as the "rating improvement" approach: the weighted average ESG rating of the portfolio must be higher than the weighted average ESG rating after excluding at least 20% of the poorest rated securities and excluding bonds and other debt securities issued by public or quasi-public issuers, ancillary liquid assets and joint and several assets; coverage rate of securities in the portfolio: i.e., at least 90% of the securities in the portfolio with an ESG rating, excluding bonds and other debt securities issued by public or quasi-public issuers, ancillary liquid assets and joint and several assets.
- adopting a "Best-in-Class" approach: the Fund seeks to favour issuers who are leaders in their sector of activity according to ESG criteria identified by the Management Company's team of non-financial analysts.

Details of the Responsible Investment policy for the fund (objectives, criteria, ratings) are available at [www.cpr-am.com](http://www.cpr-am.com) ("Transparency Code").

### **Limitations of the best-in-class approach**

The best-in-class approach does not exclude any sector of activity in principle. All economic sectors are therefore represented in this approach and the Fund may therefore be exposed to some controversial sectors. In order to limit the potential non-financial risks for these sectors, the Fund applies the exclusions set out above.

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

There is no committed minimum rate to reduce the scope of these investments.

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

The management team relies on the Amundi ESG rating methodology. This rating is based on a proprietary ESG analysis framework, which takes into account 38 general and sector-based criteria, including governance criteria. In the Governance dimension, Amundi assesses an issuer's ability to provide the basis for an effective corporate governance framework ensuring the achievement of its long-term objectives (e.g., guaranteeing the value of the issuer over the long term). The governance sub-criteria considered are: board structure, audit and control, remuneration, shareholder rights, ethics, tax practices and ESG strategy. The Amundi ESG rating scale has seven ratings, ranging from A to G, where A is the highest rating and G the lowest. Companies rated G are excluded from the investment universe.

Each corporate security (equities, bonds, single issuer derivatives, ESG equities and bond ETFs) included in the investment portfolios has formed the subject of an assessment of good governance practices by applying a normative filter, against the United Nations Global Compact

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

(UNGC) principles, to the relevant issuer. This assessment is carried out on an ongoing basis. Every month, the Amundi ESG Ratings Committee reviews the lists of companies in breach of the United Nations Global Compact, which results in a downgrading of the rating to G. The divestment of securities downgraded to G is carried out by default within 90 days. This approach is complemented by Amundi's Stewardship policy (engagement and voting) relating to governance.



### What is the asset allocation planned for this financial product?

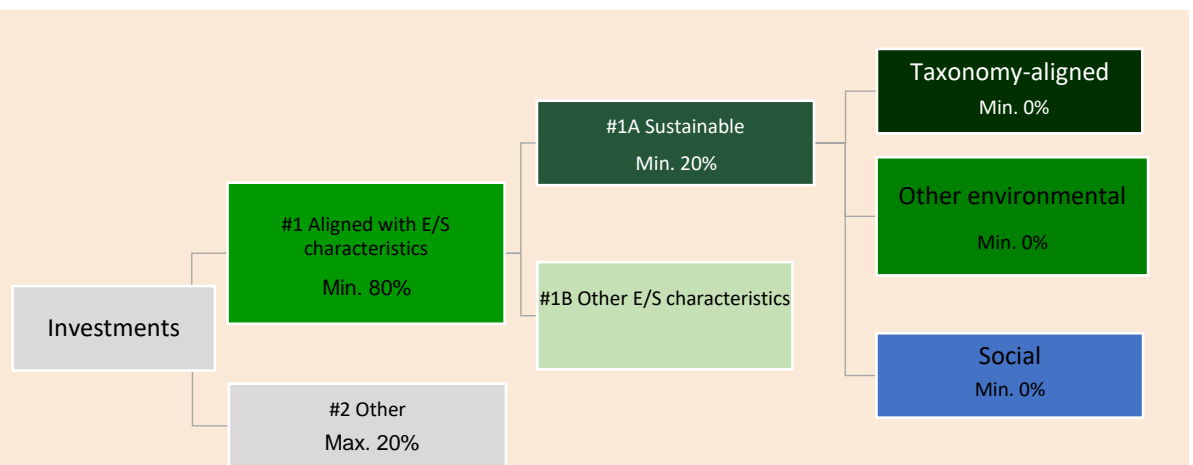
#### Asset allocation

describes the share of investments in specific assets.

At least 80% of the UCI's securities and instruments form the subject of an ESG analysis and are therefore aligned with the environmental or social characteristics promoted, in accordance with the restrictive elements of the investment strategy. In addition, the UCI undertakes to hold a minimum of 20% in sustainable investments, as shown in the table below.

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;
- **operating expenses** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are not used to attain the UCI's ESG objective.



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

The fund currently has no minimum commitment to sustainable investments with an environmental objective aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**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.

### Does the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?<sup>1</sup>

☐ Yes:

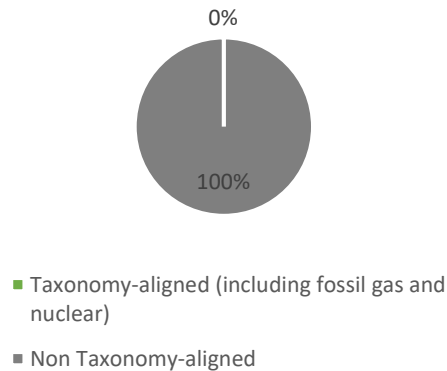
☐ In fossil gas

In nuclear energy ☐

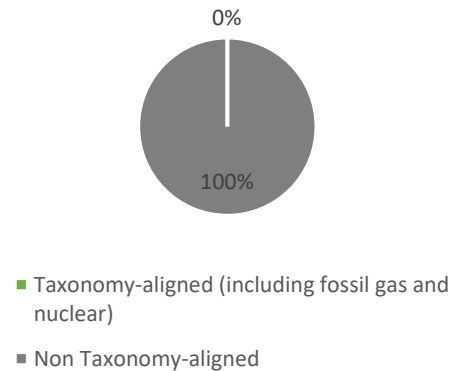
☒ No

*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.*

1. Taxonomy-aligned investments including sovereign bonds\*



2. Taxonomy-aligned investments excluding sovereign bonds\*



\* For the purposes of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>1</sup> 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.



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

The fund has no commitment to a minimum share of investments in transitional and 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 minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 20%.



**What is the minimum share of socially sustainable investments?**

The fund does not have a minimum share of sustainable investments with a social objective.



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

“#2 Other” includes cash and instruments not covered by an ESG analysis (which may include securities for which data necessary to attain environmental or social characteristics are not available).



**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?**

The benchmark index does not evaluate or incorporate its individual parts based on environmental and/or social characteristics and is therefore not aligned with the ESG characteristics promoted by the portfolio.

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

N/A

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

- ***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.cpr-am.com](http://www.cpr-am.com)