

# PROSPECTUS

## I – GENERAL FEATURES

- ▶ **Name:** AMUNDI ULTRA SHORT TERM BOND SRI
- ▶ **Legal form and Member State in which the French Mutual Fund (FCP) UCITS has been set up:**
- ▶ **Launch date, approval date and scheduled term:** UCITS launched on 03. October 2011, approved on 12/08/2011, for a term of 99 years
- ▶ **Summary of the management offer:**

Name Unit	ISIN Code	Allocation of distributable sums	Accounting currency	Minimum initial subscription	Minimum subsequent subscription	Eligible subscribers
E-C unit	FR0011365212	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 Unit(s)	1 Unit(s)	All subscribers, and more specifically companies
I-C unit	FR0011088657	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	10 Unit(s)	one thousandth of a unit	All subscribers, and more specifically institutional investors
I3-EUR-C units	FR0050000878	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	100 Unit(s)	one thousandth of a unit	Reserved for institutional investors
M - C units	FR0014002L96	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for institutional investors and Italian insurers
O-C/D units	FR00140021W1	<u>Allocation of net profit:</u> Accumulation and/or distribution at the discretion of the Fund Manager  <u>Allocation of net capital gains realised:</u> Accumulation and/or distribution at the discretion of the Fund Manager	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for feeder UCIs managed by the Amundi group
P-C unit	FR0050000860	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	All subscribers, more specifically individuals

PERI-C units	FR0013436011	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for the entities of the Crédit Agricole Group as part of an Individual Retirement Savings Plan
PM-C units	FR0050000852	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for the management under mandate of Crédit Agricole Group
R-C units	FR0013297496	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 Unit(s)	1 Unit(s)	Strictly reserved for investors subscribing directly or via intermediaries providing a portfolio management service under mandate and/or financial investment consultancy services not authorising them to retain retrocessions, either contractually or pursuant to the MiFID II regulation or national legislation
R2-C units	FR0050000894	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2.500 unit(s)	one thousandth of a unit	Reserved for Amundi Iberia clients
R3-C units	FR0050000902	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	5 Unit	one thousandth of a unit	Reserved for the NN Invest Group. & Bank Degroof
S - C units	FR0013224359	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for direct and indirect investments related to employee savings UCIs classified by the AMF as "bonds and other debt securities denominated in euros" and to UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by IORP Directive 2003/41/EC, managed or promoted by Crédit Agricole group companies
U-C units	FR0050000910	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	5 Unit	one thousandth of a unit	Reserved for the Unicredit Group

- **Address from which the latest annual or periodic report and financial statements may be obtained:**

The latest annual report and financial statements along with the breakdown of assets will be sent to investors within eight working days upon written request from the holder to:

Amundi Asset Management  
Customer Services  
91-93, Boulevard Pasteur - 75015 Paris, France

Further information may also be obtained from your usual advisor.

The AMF website ([amf-france.org](http://amf-france.org)) contains further details on the list of regulatory documents and investor protection regulations.

## II – SERVICE PROVIDERS

### ► Management Company:

Amundi Asset Management, a French simplified joint-stock company (société par actions simplifiée)

Portfolio Management Company operating under AMF approval no. GP 04000036

Registered office: 91-93, Boulevard Pasteur - 75015 Paris, France

### ► Depositary and Registrar:

CACEIS BANK, a French public limited company (Société Anonyme)

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, Nanterre Trade and Companies Register (RCS)  
No. 692 024 722

Main business: Bank and investment services provider approved by CECEI on 01 April 2005.

With regard to regulatory duties and duties contractually entrusted by the management company, the depositary's main task is taking custody of the UCITS' assets, checking that the decisions of the management company are lawful and monitoring the UCITS' cash flows.

The depositary and the management company belong to the same group therefore, in accordance with the applicable regulations, they have implemented a policy to identify and prevent conflicts of interest. If a conflict of interest cannot be avoided, the management company and the depositary shall take all necessary measures to manage, monitor and report this conflict of interest.

The description of the delegated custodian duties, the list of the depositary's delegatees and sub-delegatees and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com) or free of charge on written request.

Updated information is available to unitholders on request.

### ► Institution responsible for clearing subscription and redemption orders by delegation of the Management Company:

CACEIS BANK, a French public limited company (Société Anonyme)

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge, Nanterre Trade and Companies Register (RCS)  
No. 692 024 722

Main business: Bank and investment services provider approved by CECEI on 01 April 2005.

The depositary is also responsible, by delegation of the management company, for the UCITS' liability accounting, which covers the clearing of subscription and redemption orders for units and managing the unit issue account.

### ► Independent Auditor:

Deloitte & Associés

Represented by Stéphane Collas

6, place de la Pyramide

92908 Paris-la-Défense Cedex, France

► **Promoters:**

Crédit Agricole Group, the branch office network of the Regional Banks of Crédit Agricole and branches of LCL - Le Crédit Lyonnais in France

The list of promoters is not exhaustive due mainly to the fact that the UCITS is listed on Euroclear. Accordingly, some promoters may not be appointed by or known to the Management Company.

► **Delegated accounting manager:**

CACEIS Fund Administration, Société Anonyme

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge

CACEIS Fund Administration is a company of the Crédit Agricole Group specialising in the administrative and accounting management of UCIs on behalf of clients inside and outside the Group. CACEIS Fund Administration has accordingly been appointed by Amundi Asset Management as Delegated Accounting Manager for the valuation and accounting of the UCI.

## III - OPERATING AND MANAGEMENT ARRANGEMENTS

### 1. General features

► **Features of the units:**

- **Nature of the right attached to the category of units:**

Each unitholder is entitled to joint-ownership of the Fund's assets proportional to the number of units held.

- **Registration or other arrangements for maintaining unitholder records:**

In terms of the Fund's liability accounting, the depositary centralises the subscription and redemption orders and operates the unit issuer's account in collaboration with Euroclear France, the company with which the Fund is listed.

Administered registered shares are entered in the liabilities manager's register.

- **Voting rights:**

no voting rights are attached to the units: decisions are made by the Management Company. Note: investors will be notified of changes to the Fund's operating arrangements either individually, through the press or by any other means in accordance with current regulations.

- **Form of units:**

Registered or bearer

- **Decimalisation:**

E-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I3-EUR-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

M-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

O-C/D units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

P-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

PERI-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

PM-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R2-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R3-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

S-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

U-C units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

► **Financial year end:** last trading day of November

► **First financial year-end:** last trading day of November 2012

► **Accounting currency:** Euro

► **Tax treatment:**

The UCITS, by its nature, is not subject to taxation. However, unitholders may be taxed on any income distributed by the Fund or when they sell Fund units. The tax treatment applicable to amounts distributed by the Fund or unrealised or realised capital gains or losses will depend on the individual unitholder's tax situation, residence for tax purposes and/or the investment jurisdiction of the Fund.

Investors who have questions about their tax situation should consult a financial advisor or a professional investment consultant. Some income distributed by the UCITS to unitholders residing outside France may be subject to withholding tax in that State.

## **US tax considerations**

The Foreign Account Tax Compliance Act (FATCA), which is part of the US Hiring Incentives to Restore Employment Act (HIRE), requires that non-US financial institutions (foreign financial institutions, or FFIs) report to the IRS (the US tax authorities) any financial information relating to assets held by US taxpayers<sup>(1)</sup> residing

<sup>1</sup> According to the United States Revenue Code, the term "US Person" means an individual who is a US citizen or resident, a partnership or corporation established in the United States or under the laws of the United States or any State thereof, or a trust if (i) a court within the United States has authority under applicable law to hand down orders or judgments concerning substantially all issues regarding the administration of the trust; and if (ii) one or more US Persons have authority to control all substantive decisions of the trust, or of an estate of a deceased person who was a citizen or resident of the United States.

In accordance with FATCA regulations, US securities held by any financial institution that does not adhere to or is considered to be non-compliant with the FATCA law will be subject to a withholding tax of 30% on (i) certain income generated from US sources; and (ii) the gross proceeds from the sale or disposal of US assets.

The UCI falls within the scope of FATCA and, as such, unitholders may be asked to provide certain mandatory information.

The United States has entered into an intergovernmental agreement with several governments in order to implement the FATCA law. In this context, the French and US governments have signed an intergovernmental agreement (IGA).

The UCI complies with the IGA Model 1 agreement between France and the United States of America. It is not anticipated that the UCI will be subject to a FATCA withholding tax.

The FATCA law requires that the UCI collect certain information about the identity (including ownership, holding and distribution details) of account holders who are US tax residents, entities that control US tax residents, and non-US tax residents who do not comply with the FATCA provisions or who fail to provide any of the accurate, complete and precise information required under the intergovernmental agreement (IGA).

For this purpose, all potential unitholders agree to provide the UCI, its delegated entity or the promoter with any information requested (including, but not limited to, their Global Intermediary Identification Number, or GIIN).

In the event of any change in circumstances impacting their FATCA status or their GIIN, potential unitholders shall immediately provide written notice to the UCI, its delegated entity or the promoter.

In accordance with the IGA, this information should be communicated to the French tax authorities, who may in turn share it with the IRS or with other tax authorities.

Investors who fail to document their FATCA status properly, or who refuse to report their FATCA status or to disclose the required information within the prescribed deadline, may be qualified as recalcitrant and be reported to the relevant tax or government authorities by the UCI or their Management Company.

In order to avoid the potential impacts of the foreign passthru payment mechanism and to prevent any withholding on such payments, the UCI or its delegated entity reserves the right to prohibit any subscription to the UCI or the sale of units or shares to any non-participating FFI (NPFFI),<sup>(1)</sup> particularly when such a prohibition is considered legitimate and justified for the protection of the general interests of investors in the UCI.

The UCI and its legal representative, the UCI's Depositary and the transfer agent reserve the right, on a discretionary basis, to prevent or remediate the acquisition and/or direct or indirect holding of units or shares in the UCI by any investor who is in breach of the applicable laws and regulations, or where the latter's involvement in the UCI may have detrimental consequences for the UCI or for other investors, including, but not limited to, FATCA sanctions.

To this end, the UCI may reject any subscription or require the mandatory redemption of units or shares in the UCI in accordance with the provisions set out in the regulations or Articles of Association of the UCI<sup>(2)</sup>.

The FATCA law is relatively new and its implementation is ongoing. Although the above information

1 NPFFI or non-participating FFI = a financial institution that refuses to comply with FATCA either by refusing to sign a contract with the IRS or by refusing to identify its clients or report to the authorities.

2 This may also apply to any person (i) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority; or (ii) who may, in the opinion of the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.

summarises the Management Company's current understanding, this understanding may be incorrect, or the way in which FATCA is implemented could change such that some or all investors are subject to the 30% withholding tax.

The provisions herein are not a complete analysis of all the tax rules and considerations and are not tax-related advice, and they shall not be considered as a complete list of all the potential tax-related risks inherent in subscribing to or holding Fund units. All investors should consult their usual advisors regarding the tax aspects and potential consequences of subscribing, holding or redeeming units or equities by virtue of the laws applicable to such investors and, in particular, by virtue of the rules of disclosure or withholding under FATCA concerning investors in the UCI.

#### **Automatic Exchange of Information (CRS regulations):**

France has signed multilateral agreements on the automatic exchange of information relating to financial accounts, based on the Common Reporting Standard (CRS) ("Norme Commune de Déclaration" or NCD in France) as adopted by the Organisation for Economic Co-operation and Development (OECD).

Under the CRS law, the UCI or the Management Company must provide the local tax authorities with certain information about non-resident shareholders in France. This information is then communicated to the relevant tax authorities.

The information communicated to the tax authorities includes details such as name, address, tax identification number (NIF), date of birth, place of birth (if it appears in the records of the financial institution), account number, account balance or, if applicable, account value at the end of the year and the payments recorded on the account during the calendar year.

Each investor agrees to provide the UCI, the Management Company or their distributors with the information and documentation required by law (including, but not limited to, their self-certification) as well as any additional documentation that may reasonably be required in order to comply with their reporting obligations under the CRS.

Further information on the CRS is available on the OECD website and the websites of the tax authorities in the agreement signatory states.

Any unitholder who does not respond to requests for information or documents by the UCI: (i) may be held liable for penalties imposed on the UCI that are attributable to the failure of the shareholder to provide the requested documentation, or attributable to the shareholder providing incomplete or incorrect documentation; and (ii) will be reported to the relevant tax authorities for having failed to provide the necessary information for the identification of their tax residence and their tax identification number.

## **2. Special terms and conditions**

### ► ISIN code:

E-C unit:	I-C unit	I3-EUR-C units	M - C units	O-C/Duni ts	P-C unit	PERI-C units	PM-C units	R-C units	R2-C units	R3-C units	S - C units	U-C units
FR001136 5212	FR001108 8657	FR005000 0878	FR001400 2L96	FR001400 21W1	FR005000 0860	FR001343 6011	FR005000 0852	FR001329 7496	FR005000 0894	FR005000 0902	FR001322 4359	FR005000 0910

### ► Classification: Bonds and other international debt securities

### ► Investment objective:

The Fund's investment objective, over a minimum investment period of six months, is, through bond premiums, to outperform its benchmark index (80% capitalisedESTER + 20% ICE BofA 1-3 Year Euro Corporate Index), after deducting ongoing charges,whilst incorporating ESG criteria into the fund's security selection process.

► **Benchmark index:**

The benchmark composite index is: 80% capitalised €ster + 20% ICE BofA 1-3 Year Euro Corporate Index.

The ESTER (Euro Short Term Rate) represents the overnight euro money-market rate. It is calculated by the European Central Bank and represents the risk-free rate for the euro zone.

The ICE BofA 1-3 Year Euro Corporate Index is a subset of the ICE BofA Euro Corporate Index and includes all securities with a residual term to final maturity of less than 3 years. Furthermore, dividends and reimbursements that occur during the month are kept in the index. At the end of the month, they are removed as part of the monthly rebalancing of the index. The reference currency of the index is the euro.

**Benchmark index applicable to the Fund's investment objective:**

The administrator of the benchmark index, the European Central Bank, is registered in the ESMA register of administrators and benchmark indices.

Further information on the benchmark index is available on the website of the benchmark administrator: [www.emmi-benchmarks.eu](http://www.emmi-benchmarks.eu)

The administrator of the benchmark index, ICE Data Indices LLC, is registered with the register of administrators and benchmark indices held by ESMA.

Further information on the benchmark is available on the website of the benchmark administrator: [www.theice.com/market-data/indices](http://www.theice.com/market-data/indices)

The benchmark index neither evaluates nor includes its components according to these environmental and/or social characteristics and is therefore not in line with the ESG characteristics promoted in the portfolio.

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 08 June 2016, the Management Company has a procedure for monitoring the benchmark indices used, which sets out the action to be taken in the event that a benchmark materially changes or ceases to be provided.

► **Investment strategy:**

**Main management characteristics of the UCITS:**

Spread of sensitivity to interest rates	[0; 2]
Geographic area of the securities issuers	All geographic areas: 0 to 100%
Currency of the securities	Euro = 50% minimum OECD currencies (non-euro) = 50% maximum
Level of exposure to currency exchange risk	maximum 2%

The Fund's spread of sensitivity to credit spreads may diverge significantly from the interest rate sensitivity range stated above, in particular due to interest rate risk hedges set up through interest rate swaps and also due to the high percentage of floating securities in the portfolio.

**1. Strategies used:**

The UCI qualifies as an Article 8 financial product under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation"). Information on environmental and social characteristics can be found in the appendix to this prospectus.

The principal adverse impacts of investment decisions (within the meaning of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation")) are the negative, material or likely-to-be-material effects on sustainability factors that are caused or aggravated by or directly linked to investment decisions. Annex I of the Delegated Regulation supplementing the Disclosure Regulation lists the indicators of the principal adverse impacts.

The mandatory principal adverse impacts of Annex I of the Delegated Regulation are taken into account in the investment strategy through a combination of exclusions (normative and sector-based), integration of the ESG rating into the investment process, engagement and voting.

More detailed information on the principal adverse impacts can be found in the Management Company's Sustainable Finance Disclosure Statement available on its website: [www.amundi.com](http://www.amundi.com).

The fund offers active management based on an investment process that combines a top-down and bottom-up approach, meaning that it begins with a study of economic variables and culminates in the selection of securities.

The fund consists of debt securities (bonds, treasury bills, etc.) and money market instruments.

To select stocks eligible for the Fund, the management team relies on a credit analysis combined with a non-financial analysis based on ESG (Environment, Social, and Governance) criteria. The non-financial analysis process is used to assign an ESG rating ranging from A (best rating) to G (lowest rating).

### **Sequencing of the stages of the investment process**

This investment process includes three successive steps:

- the first stage, known as the management strategy stage, consists of first monitoring the investment universe through a detailed analysis of the issuers present on the bond market. The internal process leads to a preliminary outline of the investment universe focusing on two main areas:

- A system, notably defining the list of authorised instruments and limits by issuer or instrument type;
- an eligible investment universe, notably comprising the issuers selected by the Management Company on the bond market. This assessment is based on a specific appraisal performed by a credit analysis team working independently from the management, following an internal credit quality assessment procedure.

- the second stage involves integrating both financial constraints (regulatory ratios, internal credit assessment process) and non-financial constraints (ESG rating and exclusion) within these analyses.

- the third stage is the construction of the portfolio:

In order to achieve the management objective and outperform the benchmark index, the management process is based on the following sources of value added:

a) portfolio sensitivity management (top-down approach): Active management of the portfolio's comprehensive bond risk within a sensitivity range of 0 to 2 according to the bullish or bearish anticipations of the management team on short-term rate developments within the euro zone. Euro fixed income and credit Managers establish together forecasts for yields by maturity for euro zone sovereign bonds. The team's projections regarding future decisions by the European Central Bank are of particular importance due to the high percentage of investments made by the Fund on the short-term bond market.

The determination of the Fund's sensitivity is adjusted according to the portfolio's comprehensive exposure to credit risk, to take into account the negative correlation which is often noted between rate and spread movements. The sensitivity may therefore be increased to hedge - at least in part - the risk of bond deterioration if their weighting within the Fund is significant.

b) selection of credit securities (bottom-up approach): selection of securities (bonds and, on an ancillary basis, negotiable debt securities) from public and private issuers. In its risk and credit category assessment, the Management Company relies on its teams and on its own methodology which incorporates, among other factors, the ratings issued by the major rating agencies.

This investment process is based on two convictions:

- on average, credit spreads yield more than credit risk alone, provided that the credit research is efficient which allows the Management Company to be selective.

- there is a long-term risk premium between short-term bonds and the overnight rate. Credit risk diversification rules are systematically applied to investments in order to limit the impact in the case of a credit event arising on an issuer in the portfolio. These rules include limiting the Fund's exposure, in terms of both duration and weight of the net asset, to an issuer depending on its rating. Moreover, the two sources of value added, credit and sensitivity, offer low correlation, especially during a financial crisis, which ensures a

more resistant performance.

- c) Search for opportunities: management regularly searches for investment opportunities among bonds (and, secondarily, money-market instruments) that offer an attractive risk/return ratio. The managers rely on a proactive trading team to invest in an issuer or a security with selected counterparties.
- d) Management of the portfolio's average ESG rating by optimising the issuers' ESG rating/return profile.

## **Non-financial analysis**

### **1) Non-financial analysis of issuers**

- Private debt

The analysis of private issuers uses a framework of criteria based on regulations that have universal scope (Global Compact, International Labour Organization, Human Rights, ISO standards, etc.). This framework includes a set of generic criteria applicable to all issuers as well as criteria specific to each sector.

Among the generic criteria, the following are analysed in particular:

- energy consumption and greenhouse gas emissions, the protection of biodiversity and water, for the environmental aspect;
- human capital development, management of work and restructuring, health and safety, social dialogue, relations with clients and suppliers, local communities and respect for human rights, for the social aspect;
- independence of the Board, quality of audits and controls, remuneration policy, shareholders' rights, global ethics and ESG strategy, for the governance aspect.

Depending on the sector, additional assessments of specific criteria may be carried out for the environmental and social aspects, such as, for example, the production of renewable energy for energy suppliers, ecological vehicles and passenger safety for the automobile industry, or green finance and efforts made to promote access to financial services in the banking sector.

- Government debt

The non-financial analysis of States aims to assess and compare the levels of integration of the three ESG criteria in institutional systems and public policies. It is based on around one hundred indicators, divided into 3 aspects: Compliance (e.g. ratification of international treaties), Action (public expenditure related to ESG policies) and Results (quantifiable and measurable).

### **2) ESG approach**

In order to reconcile the search for returns with the development of socially responsible practices, ESG criteria are considered according to a combination of normative, best-in-class and commitment approaches.

1. The fund applies the Amundi exclusion policy, which includes the following rules:

- legal exclusions on controversial weapons, such as anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons;
- companies that seriously and repeatedly contravene one or more of the ten principles of the Global Compact\*, without credible corrective action;
- the Amundi Group sector exclusions on Coal and Tobacco; (details of this policy can be found in the Amundi Responsible Investment Policy available on the website at [www.amundi.fr](http://www.amundi.fr)).

\* United Nations Global Compact (UN Global Compact): "The Global Compact calls on businesses to adopt, support and implement within their sphere of influence a set of core values in the areas of human rights, labour

and environmental standards, and anti-corruption.

2. The fund also applies the following ESG integration rules:

- exclusion of issuers rated F and G at the time of purchase; if an issuer's rating is downgraded to F while it is already in the portfolio, the manager will seek to sell the security in question. However, in the interest of holders, holding the securities until maturity is authorised if they cannot be sold under good conditions;
- a so-called "rating upgrade" approach: the weighted average ESG rating of the portfolio must be higher than the weighted average ESG rating of the investment universe of the fund after elimination of the worst 20% of issuers;
- at least 90% of the securities in the portfolio have been assigned an ESG rating.

3. Using a best-in-class approach, the fund seeks to give priority to issuers that are sector-leading in terms of ESG criteria, as identified by the Management Company's team of non-financial analysts.

Limit of the approach adopted

The best-in-class approach does not in principle exclude any business sector. All economic sectors are therefore represented with this approach and the UCI may thus be exposed to certain controversial sectors. To limit the potential non-financial risks of these sectors, the UCI also applies the Amundi exclusion policy for coal and tobacco (details of this policy can be found in the Amundi Responsible Investment Policy available on the website at [www.amundi.fr](http://www.amundi.fr)) as well as the Group's commitment policy.

4. Lastly, an active engagement policy promotes dialogue with issuers and supports them in the improvement of their socially responsible practices. When there are deficiencies in the information collected, or even contradictions between the various contributors (non-financial rating agencies), the non-financial analysts broaden their information sources by drawing on the companies' reports, which remain a key factor in company assessments. The company is also contacted directly for a more in-depth analysis. The various data obtained are supplemented by other stakeholders: the media, NGOs, corporate and voluntary sector partners, etc.

### **Credit Analysis of issuers**

Amundi's buy-side credit analysis teams assess and rate issuers with complete independence from the rating agencies. The purpose of this approach is to anticipate potential credit events before the agencies formalise their analyses and modify their ratings. They publish fundamental views on issuers and relative value recommendations to advise the managers in the construction and day-to-day monitoring of the portfolio.

### **2. Description of the assets used (excluding derivatives)**

Securities in the portfolio are selected according to the best judgement of the management and in compliance with the internal credit risk monitoring policy of the Management Company. For the purpose of stock-picking, management does not – neither exclusively nor automatically – rely on the ratings issued by rating agencies, but bases its buy and sell opinion about a security on its own credit and market analyses. By way of information, the management may specifically use securities with the ratings described below.

#### **Bond and money market instruments:**

Up to 100% of the net assets of the Fund may be invested in private or public debt securities of all geographic areas (including emerging market countries, up to a maximum of 10%) issued in euros.

Nonetheless, the Fund may invest a maximum of 50% of its net assets in debt securities denominated in non-OECD country currencies. These positions are hedged against exchange rate risk, however the Fund may nonetheless present a residual currency risk (maximum of 2% of net assets).

At any time, at least 20% of the portfolio shall consist of securities with maturities of more than 2 years.

The Fund may invest in the following instruments:

- Bonds:
  - fixed-rate bonds
  - floating-rate bonds
  - indexed bonds (inflation, etc.)
  - subordinated financial securities
  - senior non-preferred bonds.
- Money-market instruments:
  - Short-term negotiable securities
  - Medium-term negotiable securities
  - Fixed-rate treasury notes (BTF)
  - French government treasury notes (BTAN)
  - Euro Commercial Paper

The Fund invests in securities of issuers of "Investment Grade" quality at the time of acquisition, i.e. securities rated AAA to BBB- by Standard & Poor's or Fitch, or rated Aaa to Baa3 by Moody's, or with a rating deemed equivalent by the Management Company.

If a rating is provided by each of the three agencies (S&P, Moody's, Fitch), then the rating considered is the median rating.

If a rating is provided by two of the three agencies, then the rating considered is the lower rating.

The downgrading of a security/issuer by one or more rating agencies does not automatically lead to the disposal of the securities concerned; the Management Company relies on its in-house assessment when deciding whether or not to keep the securities in the portfolio. Also, in the event that the fund does not sell a security whose rating has been downgraded, it may be required to hold (up to a maximum of 5%) securities rated below BBB- on the Standard & Poor's or Fitch rating scale or Baa3 on the Moody's rating scale (so-called high yield securities).

#### **Holding of shares or units of other UCIs or investment funds:**

The Fund may hold up to 10% of its assets in shares or units of the following UCIs or investment funds:

- French or foreign UCITS
- French or European AIFs or investment funds that comply with the criteria defined by the French Monetary and Financial Code

These UCI and investment funds may invest up to 10% of their assets in UCITS, AIF or investment funds. They may be managed by the Management Company or an affiliated company. The risk profile of these UCIs is compatible with that of the UCITS.

#### **3. Derivatives used**

The use of forward financial instruments is an integral part of the investment process due to the advantages they offer in terms of liquidity and/or cost/efficiency ratios.

#### Information about the counterparties of the OTC derivative contracts:

Amundi AM relies on the expertise of Amundi Intermédiation in the context of providing services regarding the selection of counterparties.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi (Group) Credit Risk Committee, concerning the aspects of counterparty risk.

This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the **AMUNDI ULTRA SHORT TERM BOND SRI**

Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and to draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

- Types of markets:

- regulated
- organised
- over-the-counter

- Risks in which the manager intends to trade:

- equity
- interest rate
- currency
- credit

- Types of transactions and all operations that must be limited to the achievement of the investment objective:

- hedging
- exposure
- arbitrage

- Types of instruments used:

- futures: interest rate
- options: interest rate futures
- swaps: currency, interest rate
- forward foreign exchange contracts:
- credit derivatives: Credit Default Swaps (CDS) and European CDS indices (iTraxx)

- Strategy for using derivatives to achieve the investment objective:

- interest rate risk hedging
- currency risk hedging
- credit risk hedging or exposure

Interest rate swaps are used to hedge the portfolio in view of changes in interest rates.

Interest rate futures are used to hedge the portfolio based on the various maturities of the interest rate curve.

Foreign exchange swaps and forward contracts are used to hedge foreign exchange exposures resulting from the securities portfolio.

The Fund may enter into Credit Default Swaps (CDS) and European CDS indices (iTraxx) to hedge against the credit risk or default of an issuer. The purchase of protection reduces portfolio risk.

Consequently, like the default of an issuer in the portfolio, the default of an underlying issuer to a credit

derivative has an impact on the net asset value. The CDSs involve issuers whose rating is in compliance with those described under "Bond and money market instruments" above.

#### **4. Embedded derivatives**

- Categories of risks in which the manager intends to trade:

- equity
- interest rate
- currency
- credit

- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- hedging
- exposure
- arbitrage

- Types of instruments used

- Puttable bonds
- Callable bonds
- Euro Medium Term Notes (EMTN)
- Negotiable Medium Term Notes (BMTN)
- Credit-Linked Notes (CLNs)
- Loan Participation Notes (LPNs)

- Strategy for using embedded derivatives to achieve the investment objective:

- hedging the overall portfolio, particular risks, particular securities;
- constructing synthetic exposure to particular assets or particular risks;
- adjustment of exposure to the credit market (exclusively callable and puttable bonds).

#### **5. Deposits**

The UCITS can lodge deposits for a maximum 12-month period. The deposits are used for cash management purposes and help the UCITS reach its management objectives.

#### **6. Cash borrowings**

The UCITS may have a debit position up to a maximum 10% of its net assets to accommodate cash inflows and outflows (investments/disinvestments in progress, subscriptions/redemptions).

#### **7. Transactions involving temporary acquisition/disposal of securities**

- Types of transactions used:

- repurchase and reverse repurchase agreements with reference to the French Monetary and Financial Code
- lending and borrowing of securities with reference to the French Monetary and Financial Code

These transactions will cover eligible assets as defined by the regulations. These assets are held with the Depositary.

- Types of transactions and all operations that must be limited to the achievement of the investment objective:

- cash management: through securities repurchase agreements
- optimisation of the UCITS' income
- possible contribution to the leverage effect of the UCITS

The Fund's commitments arising from temporary purchases or sales of securities must not exceed 100% of the assets.

Total commitments on derivatives and temporary purchases or sales of securities must not exceed 100% of the assets.

The sum of the portfolio's exposure to all the risks resulting from the commitments and positions in real securities must not exceed 100% of net assets.

Remuneration: See Costs and Fees section

Summary of proportions used:

<u>Types of transactions</u>	<u>Reverse repurchase agreements</u>	<u>Repurchase agreements</u>	<u>Securities lending</u>	<u>Securities borrowing</u>
<u>Maximum proportion of net assets</u>	100%	100%	90%	20%
<u>Expected proportion of net assets</u>	25%	25%	22.5%	5%

#### 8- Information relating to collateral (temporary purchases and sales of securities and/or OTC derivatives):

Type of collateral:

In the context of temporary acquisitions and sales of securities and OTC derivative transactions, the Fund may receive securities or cash as collateral.

Securities received as collateral must adhere to the criteria defined by the Management Company. They must be:

- liquid,
- transferable at any time,
- diversified in compliance with the eligibility, exposure and diversification rules of the UCITS,
- issued by an issuer that is not an entity of the counterparty or its group.

For bonds, the securities will also be issued by high-quality issuers located in the OECD whose minimum rating may be AAA to BBB- on the Standard & Poor's scale or a rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 50 years.

The criteria described above are detailed in a Risk Policy available on the Management Company's website at [www.amundi.com](http://www.amundi.com) and may be subject to change, particularly in the event of exceptional market circumstances.

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Reuse of cash received as collateral:

Cash received as collateral may be reinvested in deposits, government bonds, repurchase agreements or short-term money market UCITS in accordance with the Management Company's Risk Policy.

Reuse of securities received as collateral:

Not authorised: Securities received as collateral may not be sold, reinvested or provided as collateral.

#### ► **Risk profile:**

*Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to market fluctuations.*

The main risks related to this type of investment are:

**Interest rate risk:** the risk of a decline in the value of fixed-income instruments arising from fluctuations in interest rates. It is measured in terms of sensitivity.

In periods when interest rates are rising (positive volatility) or falling (negative volatility), the net asset value may fall significantly.

**Capital risk:** investors are warned that their capital invested is not guaranteed and may not be recovered.

The principal specific management-related risks are:

- **Credit risk:** the risk of a fall in value of the securities of a private or public issuer or the default of the latter, which could lead to a fall in the net asset value.

Other risks are:

**Counterparty risk:** The UCITS engages in temporary purchases and sales of securities and/or OTC derivatives transactions. These transactions, entered into with a counterparty, expose the UCITS to a risk of default and/or non-execution of the counterparty's swap, which may have a significant impact on the UCITS' net asset value. This risk may not necessarily be offset by the collateral received.

**Liquidity risk linked to temporary purchases and sales of securities:** The UCITS may be exposed to trading difficulties or a temporary inability to trade certain securities in which the UCITS invests or in those received as collateral, in the event of a counterparty defaulting on temporary purchases and sales of securities.

**Legal risk:** the use of temporary purchases and sales of securities may lead to a legal risk, particularly relating to contracts.

**Sustainability risk:** this is the risk of an environmental, social or governance event or situation which, if it occurs, could have an actual or potential material adverse effect on the value of the investment

► **Eligible subscribers and standard investor profile:**

The Fund is specifically intended for subscribers seeking a return on their liquidity over the recommended investment period.

E units: all subscribers, more specifically Companies

I units: all subscribers, more specifically Institutional Investors

I3 units: all subscribers, more specifically Institutional Investors

P units: all subscribers, more specifically individual investors

PERI units: Reserved for the entities of the Crédit Agricole Group as part of the Individual Retirement Savings Plan

PM units: Reserved for the management under mandate of Crédit Agricole Group

R units: Strictly reserved for investors subscribing directly or via intermediaries providing portfolio or mandate management services and/or financial investment consultancy services not authorising them to retain retrocessions, either contractually or pursuant to the MiFID II regulation or national legislation

R2 units: reserved for Amundi Iberia clients

S units: Reserved for direct and indirect investments associated with employee savings UCIs classified by the AMF as "bonds and other debt securities denominated in euros" and UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by the IORP Directive (2003/41/EC) managed or promoted by Crédit Agricole group companies

U units: reserved for the UniCredit Group

M units: Reserved for institutional investors and Italian insurers

O units: Reserved for feeder UCIs managed by the Amundi group

The recommended minimum investment period is 6 months. The amount that is reasonable to invest in this UCITS depends on the personal situation of the investor. To determine this amount, investors should consider their personal assets, their current financial needs and the recommended investment period as well as their willingness to accept risks or their wish to invest cautiously. It is also recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this UCITS.

This Fund's units cannot be offered or sold directly or indirectly in the United States of America (including its territories and possessions) to a U.S. Person as defined in U.S. "Regulation S" adopted by the Securities and Exchange Commission ("SEC").<sup>(1)</sup>

► **Date and frequency of NAV calculation:**

The net asset value is established on each Euronext Paris trading day, with the exception of official French public holidays.

► **Subscription and redemption conditions:**

Subscription and redemption requests are centralised each NAV calculation day (D) at 12.25 . These requests are executed on the basis of the net asset value of D and calculated on the following business day (D+1).

Orders will be executed in accordance with the table below:

D	D	D: the net asset value calculation day	D+1 business day	D+1 business day	D+1 business day
Clearing before 12.25 pm. of subscription orders <sup>1</sup>	Clearing before 12.25 pm. of redemption orders <sup>1</sup>	Execution of the order on D at the latest	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

1 The term "U.S. Person" means: (a) any individual residing in the United States of America; (b) any entity or company organised or incorporated under the laws of the United States; (c) any estate of which the executor or the administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any branch or subsidiary of a non-US entity located in the United States of America; (f) any non-discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; (g) any discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (h) any entity or company, if it is (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organised or incorporated, and owned, by Accredited Investors (as defined in Rule 501(a) of the Act of 1933, as amended) who are not individuals, estates or trusts.

<sup>1</sup>Unless any specific timescale has been agreed with your financial institution.

The persons wishing to acquire or subscribe units will be required to certify, at the time of any acquisition or subscription of units of the Fund, that they are not "U.S. Persons". Any unitholder who becomes a U.S. Person must immediately notify the Fund's management company of the change.

- **Establishments authorised to receive subscriptions and redemptions by delegation of the Management Company:** Amundi, CACEIS Bank, all of the agencies of the Caisses régionales de Crédit Agricole.

*Investors should note that orders sent to distributors other than the aforementioned institutions should take into account the fact that the cut-off time for clearing orders applies to those distributors with CACEIS Bank.*

*As a result, these distributors may apply their own deadline, earlier than the time mentioned above, to allow them to meet their order transmission deadline to CACEIS Bank.*

- **Place and methods of publication or communication of the net asset value:**

The Fund's NAV is available on request from the Management Company and on its website: [www.amundi.com](http://www.amundi.com).

- **Features of the units:**

- **Minimum amount of the initial subscription:**

E-C unit: 1 Unit(s)

I-C units: 10 Unit(s)

I3-EUR-C units: 100 unit(s)

M - C units: one thousandth of a unit

O-C/D units: 1 thousandth of a unit

P-C units: one thousandth of a unit

PERI-C units: 1 thousandth of a unit

PM-C units: 1 thousandth of a unit

R-C unit: 1 Unit(s)

R2-C units: 2,500 unit(s)

R3-C units: 5 unit(s)

S - C units: one thousandth of a unit

U-C units: 5 unit(s)

- **Minimum amount of a subsequent subscription:**

E-C unit: 1 Unit(s)

I-C units: one thousandth of a unit

I3-EUR-C units: 1 thousandth of a unit

M - C units: 1 thousandth of a unit

O-C/D unit : one thousandth of a unit

P-C units: one thousandth of a unit

PERI-C units: 1 thousandth of a unit

PM-C units: 1 thousandth of a unit

R-C units: 1 Unit(s)

R2-C units: 1 thousandth of a unit

R3-C units: 1 thousandth of a unit

S - C units: one thousandth of a unit

U-C unit: 1 thousandth of a unit

- **Decimalisation:**

For all units, subscriptions are made in thousandths of units above the minimum subscription amount and redemptions in thousandths of units.

- **Initial Net Asset Value:**

E-C unit: 10,000.00 euros  
I-C units: EUR 100,000.00  
I3-EUR-C units: EUR 100,000.00  
M - C units: 100.00 euros  
O-C/D units: EUR 1,000.00  
P-C units: EUR 100.00  
PERI-C units: EUR 100.00  
PM-C units: EUR 100.00  
R-C units: EUR 1,000.00  
R2-C units: EUR 100,000.00  
R3-C units: EUR 10,000,000.00  
S-C units: EUR 1,000.00  
U-C units: EUR 20,000.00

- **Currency of the units:**

All units are denominated in euros.

- **Allocation of net profit:**

E-C unit: Accumulation  
I-C units: Accumulation  
I3-EUR-C units: Accumulation  
M - C units: Accumulation  
O-C/D units: Accumulation and/or distribution at the discretion of the Management Company  
P-C units: Accumulation  
PERI-C units: Accumulation  
PM-C units: Accumulation  
R-C units: Accumulation  
R2-C units: Accumulation  
R3-C units: Accumulation  
S - C units: Accumulation  
U-C units: Accumulation

- **Allocation of net capital gains realised:**

E-C unit: Accumulation  
I-C units: Accumulation  
I3-EUR-C units: Accumulation  
M - C units: Accumulation  
O-C/D units: Accumulation and/or distribution at the discretion of the Management Company  
P-C units: Accumulation  
PERI-C units: Accumulation  
PM-C units: Accumulation  
R-C units: Accumulation  
R2-C units: Accumulation  
R3-C units: Accumulation  
S - C units: Accumulation  
U-C unit: Accumulation

- **Distribution frequency**

E-C unit: not applicable  
 I-C units: not applicable  
 I3-EUR-C units: not applicable  
 M-C units: not applicable  
 O-C/D unit : annual, for distribution  
 P-C units: not applicable  
 PERI-C unit: not applicable  
 PM-C units: not applicable  
 R-C unit: not applicable  
 R2-C units: not applicable  
 R3-C units: not applicable  
 S-C units: not applicable  
 U-C units: not applicable

► **Costs and fees:**

**- Subscription and redemption fees:**

*Subscription and redemption fees increase the subscription price paid by the investor, or reduce the redemption price. Fees are retained by the Fund to offset the costs incurred by the Fund in investing or liquidating the amounts involved. Fees not accruing to the Fund are due to the Management Company, the Promoter, etc.*

Fees paid by the investor, charged at subscription and redemption	Basis	Interest rate
Subscription fees not accruing to the Fund	NAV x Number of units	E-C unit: None I-C units: None I3-EUR-C units: None M - C units: None O-C/D units: maximum 5.00%* P-C units: None PERI-C units: maximum 10.00%* PM-C units: maximum 10.00% R-C unit: None R2-C units: None R3-C units: None S-C units: maximum 10.00%** U-C unit: None
Subscription fees accruing to the Fund	NAV x Number of units	None
Redemption fees not accruing to the Fund	NAV x Number of units	E-C unit: None I-C units: None I3-EUR-C units: None M - C units: None O-C/D unit: None P-C units: None PERI-C units: None PM-C units: None R-C units None R2-C units: None R3-C units: None S - C units: None U-C unit: None
Redemption fees accruing to the Fund	NAV x Number of units	None

Exemption:

\*Except target subscribers

\*\*None for Employee Mutual Funds (FCPEs), other Amundi UCIs and investment vehicles compliant with the AMUNDI ULTRA SHORT TERM BOND SRI

**- Administrative and management fees:**

*These fees cover all the charges invoiced directly to the UCITS, excluding transaction charges. Transaction fees include intermediary fees (i.e., brokerage fees, stock market taxes, etc.) and turnover fees, if any, may be charged, notably by the Depositary and the Management Company.*

*The following fees may be charged in addition to the operating and management fees:*

- *performance fees. These reward the Management Company when the UCITS exceeds its objectives. They are therefore charged to the UCITS;*
- *transaction fees invoiced to the UCITS;*
- *fees related to the temporary purchases and sales of securities.*

	<b>Fees charged to the Fund</b>	<b>Basis</b>	<b>Rate structure</b>
P1 — P2	<p>Financial management fees</p> <hr/> <p>Administrative fees external to the management company</p>	Net assets	E-C units: maximum 0.50% inclusive of tax
			I-C units: maximum 0.30% inclusive of tax
			I3-EUR-C units: 0.50 % maximum incl. taxes
			M-C units: 0.30% maximum incl. tax
			O-C/D units: maximum 0.10% inclusive of tax
			P-C units: maximum 0.50% inclusive of tax
			PERI-C units: 0.50 % maximum incl. taxes
			PM-C units: 0.50 % maximum incl. taxes
			R-C unit: maximum 0.50 % incl. tax
			R2-C units: 0.50 % maximum incl. taxes
P3	Maximum indirect fees (fees and management fees)	Net assets	R3-C units: 0.50 % maximum incl. taxes
			S - C units: maximum 0.10% inclusive of tax
			U-C unit: maximum 0.50% incl. tax
P4	<p>Turnover fees</p> <p>Received by the Depositary</p> <p>*****</p> <p>Charged depending on the instruments and transactions by the Management Company or by Amundi Intermédiation</p>	Levied on each transaction or operation	<p>Flat fee of between 0 and 450 euros inclusive of tax, depending on the stock market.</p> <p>*****</p> <p>Fixed amount of €5 per contract (futures/options) or percentage fee ranging from 0% to 0.20% depending on the instrument (securities, currency, etc.)</p>
P5	Performance fees	Net assets	E-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			I-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			I3-EUR-C units: None
			M-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			O-C/D units: None
			P-C units: 20.00maximum % p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			PERI-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			PM-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			R-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			R2-C units: None
			R3-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology
			S-C units: Maximum 20.00% p.a. of the performance above

that of the benchmark index, calculated using the "reference assets" methodology
U-C units: Maximum 20.00% p.a. of the performance above that of the benchmark index, calculated using the "reference assets" methodology

The following costs may be added to the fees invoiced to the UCITS as listed above:

- Exceptional legal costs associated with the recovery of the UCITS' debts;
- Costs related to fees due to the AMF from the Management Company in connection with its management of the UCITS.

Administrative and management fees are charged directly to the Fund's Income Statement.

### **Performance fees**

The calculation of the performance fee applies to each unit concerned and on each calculation date of the Net Asset Value. It is based on a comparison (hereinafter the "Comparison") between:

- The net assets of the unit (before deduction of the performance fee) and
- The reference assets (hereinafter the "Reference Assets"), which represent and replicate the net assets of the unit (before deduction of the performance fee) on the first day of the observation period, adjusted for subscriptions/redemptions at each valuation, to which the performance of the benchmark index (80% capitalised €STR + 20% ICE BofA 1-3 Year Euro Corporate Index) is applied.

As such, from 01 December 2021, the Comparison is performed over a maximum observation period of five years, for which the anniversary date corresponds to the calculation date of the last net asset value in November. All observation periods that begin on or after 01 December 2021 shall follow the new procedures below.

Over the unit's lifetime, a new maximum observation period of five years will begin:

- If the annual provision is paid on an anniversary date.
- If a cumulative underperformance is recorded at the end of a period of five years.

Any underperformance of over five years is disregarded.

The performance fee shall represent 20% of the difference between the net assets of the unit (before deduction of the performance fee) and the Reference Assets, provided that the following cumulative conditions are met:

- This difference is positive.
- The relative performance of the unit against the Reference Assets since the start of the observation period, as defined above, is positive or zero.

Underperformance over the preceding five years must be offset before a provision can be recorded again.

This fee will be subject to a provision when the Net Asset Value is calculated.

For redemptions during the observation period, the apportioned share of the provision made, which corresponds to the number of units redeemed, accrues to the Management Company. This amount may be paid to the Management Company on each anniversary date.

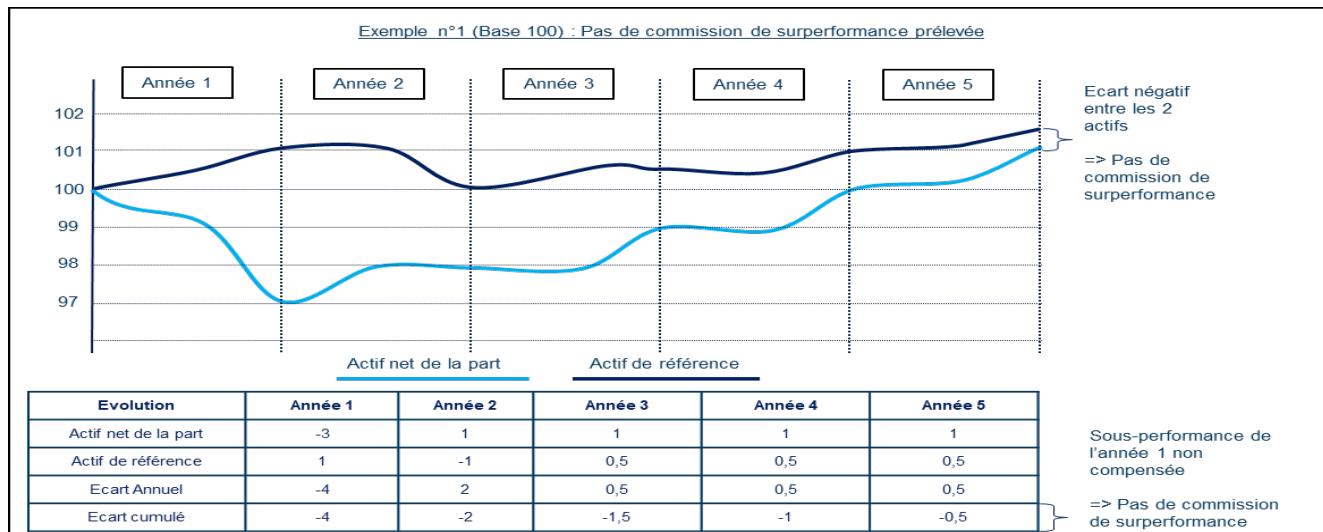
If, during the observation period, the net assets of the unit (before deduction of the performance fee) are lower than the Reference Assets, the performance fee will be nil and will be subject to a provision reversal when the Net Asset Value is calculated. Provision reversals are capped at the level of previous allocations.

During the observation period, all provisions as defined above become payable to the Management Company on the anniversary date.

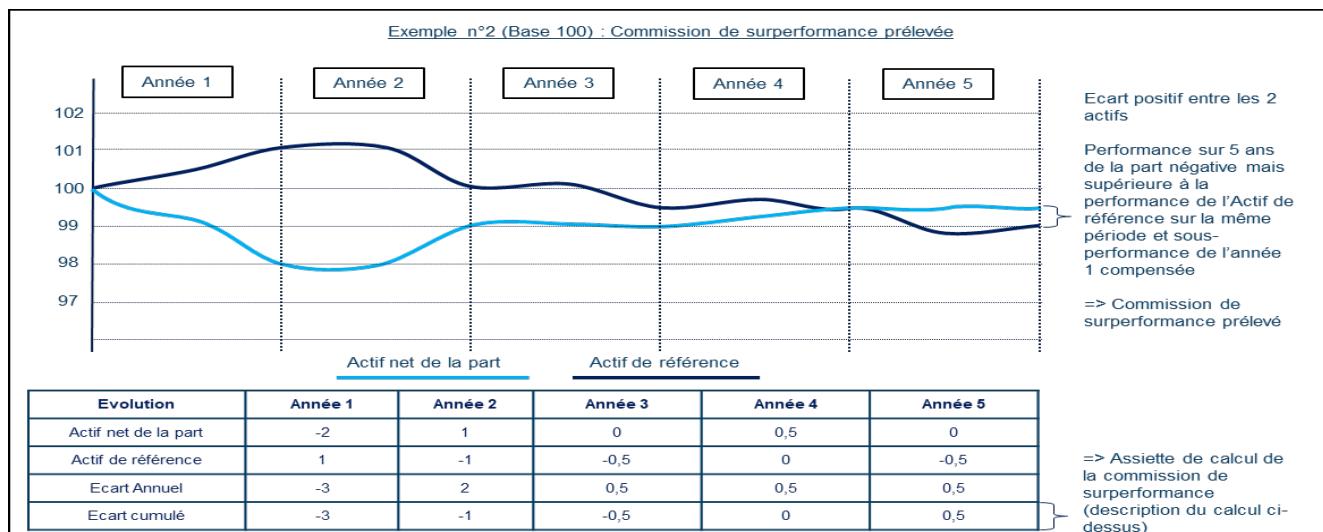
**The Management Company will receive the performance fee even if the unit's/share's performance over the observation period is negative, provided that the unit outperforms the Reference Assets.**

The three examples below outline the conditions applicable to observation periods of five years:

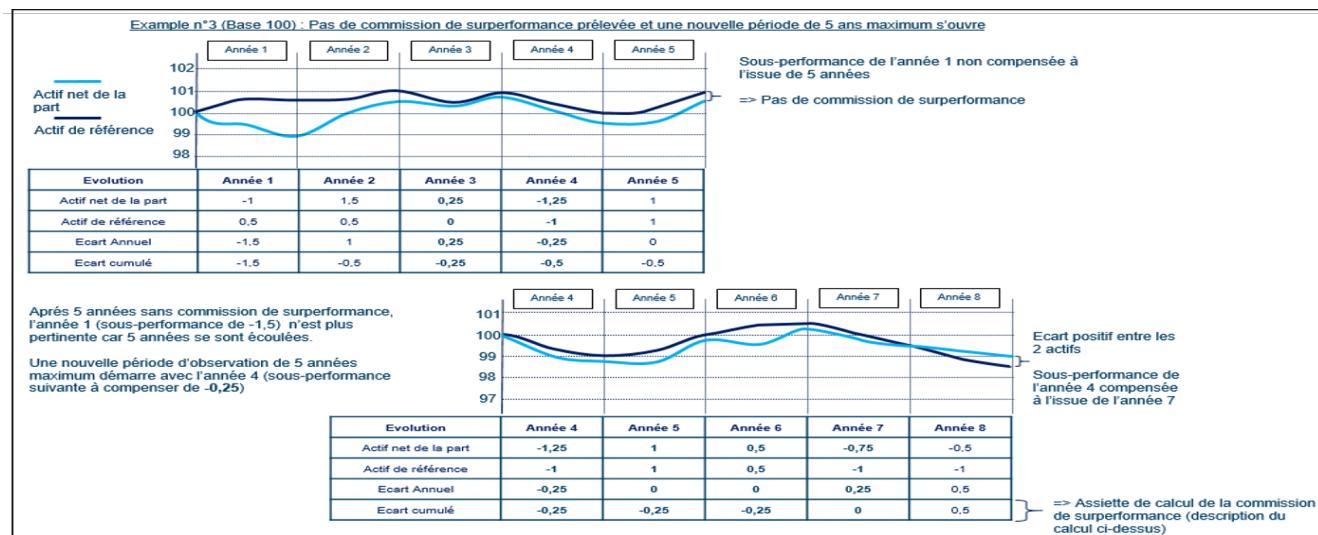
**In the case of unrecovered underperformance:**



**In the case of recovered underperformance:**



**In the case of unrecovered underperformance where a new observation period opens in a year of underperformance:**



For more information, please refer to ESMA's guidelines on performance fees in UCITS (undertakings for collective investment in transferable securities) and certain types of AIFs (alternative investment funds), ref. 34-39-968, as amended, as well as the related Q&As published by ESMA.

## Securities lending and repurchase transactions

As part of securities lending and repurchase transactions, Amundi AM, a subsidiary of Amundi, has entrusted Amundi Intermédiation, in the context of service provision, on behalf of the UCI, with executing transactions, undertaking in particular:

- consultancy services related to selecting counterparties;
- market contracts set up requests;
- qualitative and quantitative monitoring of the collateralisation (management of diversification, ratings, liquid assets, etc.), of repurchase agreements and securities lending.

Income from such transactions is returned to the UCI. These transactions generate costs that are paid by the UCI. Amundi Intermédiation's billing may not exceed 50% of the revenues generated by these transactions. Such transactions carried out by Amundi Intermédiation, a company that is part of the same group as the Management Company, creates a potential conflict of interest.

## Selection of intermediaries

### Policy for selecting counterparties of OTC derivative contracts or of temporary sales of securities

The Management Company implements a counterparty selection policy, in particular when entering into temporary purchases and sales of securities and certain derivatives.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi Group Credit Risk Committee, concerning the aspects of counterparty risk. This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

In order to justify inclusion in the Amundi Intermédiation shortlist, counterparties are assessed by several teams, which give opinions on various criteria:

- counterparty risk: the Amundi Credit Risk team, under the governance of the Amundi Group Credit Risk Committee, is in charge of assessing each counterparty on the basis of precise criteria (shareholding, financial profile, governance, etc.);
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- quality of post-execution processing.

The selection is based on the principle of selectivity of the best counterparties in the market and aims to select a limited number of financial institutions. Financial institutions of an OECD country with a minimum rating ranging from AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are primarily selected when setting up the transaction.

#### Broker selection policy

At meetings of the Broker Committees, the Management Company also draws up a list of approved brokers, based on recommendations by Amundi Intermédiation. The Management Company may extend or adjust this list, as necessary, in accordance with pre-determined selection criteria.

The selected brokers will be monitored regularly in accordance with the Management Company's Performance Policy.

In order to justify inclusion in the Amundi Intermédiation shortlist, brokers are assessed by several teams, which give opinions on the basis of various criteria:

- a universe that is restricted to brokers which enable transactions to be paid for/delivered on a delivery versus payment basis or cleared listed derivatives;
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- quality of post-execution processing.

## IV – COMMERCIAL INFORMATION

#### Circulation of Fund information:

The prospectus, the latest annual report and interim statements are available from the Management Company:

Amundi Asset Management  
Customer Services  
91-93, Boulevard Pasteur - 75015 Paris, France

The UCITS' net asset value is available on request from the management company and on the website: [www.amundi.com](http://www.amundi.com)

Unitholders are informed of any changes affecting the Fund in accordance with the procedures defined by the French Market Regulator (AMF): individual information or by any other method (financial notice, interim report, etc.).

Financial notices may be published in the press and/or on the Management Company's website: [www.amundi.com](http://www.amundi.com) in the News-and-documentation/Financial-Notices section.

#### Disclosure of the UCITS' portfolio composition:

The management company may disclose, directly or indirectly, the composition of the UCITS' portfolio to unitholders of the UCITS who qualify as professional investors governed by the ACPR, the AMF or the equivalent European authorities, solely for the purpose of calculating the regulatory requirements related to the

Solvency II Directive. If applicable, this information must be disclosed once more than 48 hours has passed since the publication of the net asset value.

**Respect by the Fund of criteria relating to social, environmental and governance quality objectives (SEG):**

The Management Company provides investors with information on how the UCITS's investment policy takes account of the criteria for compliance with ESG objectives. This information can be found on the Management Company's website ([www.amundi.com](http://www.amundi.com)) and in the UCITS's annual report (for periods beginning on or after 1 January 2012).

**Regulation (EU) 2019/2088 on sustainabilityrelated disclosures in the financial services sector (the "Disclosures Regulation")**

As a financial market participant, the management company of the UCI is governed by Regulation (EU) 2019/2088 of 27 November 2019 on sustainabilityrelated disclosures in the financial services sector (the "Disclosures Regulation").

This Regulation lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks (Article 6 of the Regulation), the consideration of negative sustainability impacts, the promotion of environmental or social characteristics in the investment process (Article 8 of the Regulation) and sustainable investment objectives (Article 9 of the Regulation).

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment.

Sustainable investment means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, staff remuneration and tax compliance.

**Regulation (EU) 2020/852 (the so-called "Taxonomy Regulation") on establishing a framework to support sustainable investment and amending the Disclosure Regulation.**

The Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, (vi) protection of healthy ecosystems.

For the purpose of establishing the environmental sustainability of an investment, an economic activity is considered environmentally sustainable if it makes a substantial contribution to one or more of the six environmental objectives, does not significantly harm one or more of the environmental objectives ("do no significant harm" or "DNSH" principle), is carried out in accordance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation, and complies with the technical review criteria that have been established by the European Commission under the Taxonomy Regulation.

In accordance with the current state of the Taxonomy Regulation, the Management Company currently ensures that investments do not significantly undermine any other environmental objective by implementing exclusionary policies in relation to issuers with controversial environmental and/or social and/or governance practices.

Notwithstanding the above, the “do no significant harm” principle only applies to those investments underlying the UCI that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this UCI do not take into account the EU criteria for environmentally sustainable economic activities.

## V – INVESTMENT RULES

The Fund adheres to the investment rules laid down by the French Monetary and Financial Code that are applicable to its category.

The UCI may invest more than 35% of its assets in eligible financial securities or money market instruments issued or guaranteed by any OECD State or public or semi-public institution.

## VI – GLOBAL RISK

### Global risk ratio calculation method:

Commitment

## VII - ASSET VALUATION AND ACCOUNTING RULES

### Principle

General accounting conventions are applied in compliance with the following principles:

- continuity of trading,
- consistency of accounting methods from one year to the next,
- independent fiscal years.

The standard method for recognising assets in the accounts is the historic cost method, except for portfolio valuation.

### Asset valuation rules

The net asset value of the units is calculated with respect to the following valuation rules:

- Securities traded in a regulated market (French or foreign), are valued at market price. In line with the terms and conditions agreed, the benchmark market price is valued at the latest stock market price.

Differences between the listed price used to recalculate the NAV and the historic cost of the securities that make up the portfolio are recognised in an account entitled “Estimation Differences”.

However:

- Securities for which a price has not been recorded on the valuation date or for which the price has been corrected, are valued at their probable trading value as estimated by the Management Company. The Independent Auditor is informed of these valuations and their justification when conducting audits.
- Negotiable debt securities and similar securities are valued on an actuarial basis, using a benchmark described below, plus a difference representing the intrinsic value of the issuer, where applicable:
  - Negotiable debt securities with a maturity of less than or equal to 1 year: Euribor interbank rate in euros
  - Swapped negotiable debt securities: valued using the OIS (Overnight Indexed Swaps) curve

- Negotiable debt securities with a term exceeding three months (money market UCIs): valued using the OIS (Overnight Indexed Swaps) curve
- Negotiable debt securities with maturity of over 1 year: Rates for French treasury bills (BTAN and OAT) with similar maturity dates for the longest durations.

Negotiable debt instruments with three months or less to run will be valued according to the linear method.

Treasury notes are valued at the market rate, provided daily by the Treasury Securities Specialists.

- UCI shares or units are measured at the last known net asset value.
- Securities not traded in a regulated market are valued by the Management Company at their likely trading value. Their valuation is based on their assets and yield, taking into account the prices used in recent major transactions. Investment fund units or shares are valued at the last known NAV or, if necessary, based on available estimates under the control and the responsibility of the Management Company.
- Monetary investments, deposits and financial instruments held in the portfolio and denominated in foreign currencies are translated into the accounting currency of the UCITS at the exchange rate on the valuation date.
- Securities, which are covered by a temporary disposal or acquisition contract, are valued in accordance with the legislation in force, and the methods for application are determined by the Management Company.

Securities received under repurchase agreements are recorded in the buy portfolio under the heading "Debt representing securities received as part of repurchase agreements" at the amount stated in the contracts, plus any interest receivable. Securities lent under repurchase agreement are posted in long portfolios at their stock market price. Interest receivable and payable for repurchase transactions is calculated pro rata. Liabilities representing securities lent under repurchase agreements are posted in short portfolios at the value set forth in the agreement, plus any accrued interest due. On settlement, the interest received and paid is shown as debt revenues.

Loaned securities are valued at market price. The indemnity collected in relation to these securities is recorded under revenues on debt securities. Accrued interest is included in the stock market value of the securities lent.

- Transactions on firm forward financial agreements or options traded in organised markets (French or foreign) are valued at market value according to procedures specified by the Management Company. Contracts on forward markets are valued at the settlement price.

#### Valuation of financial collateral:

Collateral is valued daily at market price (mark-to-market method).

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Margin calls are made daily, unless otherwise stipulated in the framework contract covering these transactions or if the Management Company and the counterparty have agreed to apply a trigger threshold.

- - Futures or options or swap transactions on OTC markets as authorised under the laws and regulations governing UCIs are valued at market value or at an estimated value under arrangements specified by the Management Company. Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future cash flows (principal and interest), at the market interest rates and/or currency rates. This price is adjusted for issuer risk.

#### **Recognition method**

Revenues are accounted for using the accrued revenue method.

Revenues consist of:

- income from securities,
- dividends and interest received on foreign securities, at the foreign currency rate,
- cash proceeds in foreign currency, loan income, and revenue from lending of securities and other investments.

The following deductions are made from these revenues:

- management fees,
- financial expenses and charges on the lending and borrowing of securities and other investments.

### **Off-balance sheet commitments**

Futures contracts are entered at their market value as off-balance sheet commitments at the settlement price. Options are converted into their underlying equivalent. OTC interest rate swaps are valued on the basis of the nominal value, plus or minus the corresponding estimation difference.

### **Income accruals account**

Income accrual accounts ensure fair allocation of income among unitholders, regardless of the subscription or redemption date.

### **Swing pricing mechanism**

Significant subscriptions and redemptions may impact the NAV because of the portfolio adjustment costs related to investment and divestment transactions. This cost may originate from the difference between the transaction price and the valuation prices, taxes or brokerage fees.

For the purposes of preserving the interests of the shareholders of units present in the UCI, the Management Company may decide to apply a swing pricing mechanism to the UCI with a trigger threshold.

As a result, as long as the absolute value of the balance of subscriptions and redemptions of all shares together is greater than the pre-set threshold, there will be an adjustment to the NAV. Consequently, the NAV will be adjusted upwards (or downwards) if the balance of subscriptions and redemptions is positive (or negative); the objective is to limit the impact of these subscriptions and redemptions on the NAV of the shareholders of units present in the UCI.

This trigger threshold is expressed as a percentage of the total assets of the UCI.

The level of the trigger threshold and the NAV adjustment factor are determined by the Management Company and are reviewed on a quarterly basis at a minimum.

Due to the application of swing pricing, the volatility of the UCI may be not only derived from the assets held in the portfolio.

In accordance with the regulations, only those in charge of its implementation know the details of this mechanism, including the percentage of the trigger threshold.

## **VIII – REMUNERATION**

The management company has adopted the remuneration policy of the Amundi group, to which it belongs.

The Amundi group has implemented a remuneration policy adapted to its organisation and its activities. This policy is designed to regulate practices regarding the different remunerations of employees authorised to make *AMUNDI ULTRA SHORT TERM BOND SRI*

decisions, exercise control functions or take risks within the group.

This remuneration policy was defined taking account of the economic strategy, objectives, values and interests of the group, management companies belonging to the group, UCITS managed by group companies and their unitholders. The objective of this policy is to not encourage excessive risk-taking, in particular through the non-observance of the risk profile of the managed UCITS.

Furthermore, the management company has implemented suitable measures to prevent conflicts of interest.

The remuneration policy is adopted and supervised by the Board of Directors of Amundi, the parent company of the Amundi group.

The remuneration policy is available on the website [www.amundi.com](http://www.amundi.com) or free of charge upon written request from the management company.

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