

THIS NOTIFICATION IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE. THE BOARD OF DIRECTORS ACCEPT RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS NOTIFICATION AS BEING ACCURATE AS AT THE DATE OF PUBLICATION.

## **AMUNDI FUNDS**

*Société d'Investissement à Capital Variable*  
*Registered office: 5, Allée Scheffer*  
*L-2520 Luxembourg*  
*R.C.S. de Luxembourg B-68.806*  
*(the "Fund")*

Luxembourg, 31 March 2023

### **NOTICE TO SHAREHOLDERS**

We are writing to inform you of certain changes to the Fund and the Sub-Funds and the Hong Kong offering document of the Fund and the Sub-Funds (comprising of the Prospectus and the Product Key Facts Statements of the Sub-Funds, where applicable), and to invite you to attend an extraordinary general meeting. Unless otherwise defined herein, terms and expressions used in this notice have the same meanings as given to them in the Hong Kong offering document of the Fund and the Sub-Funds.

#### **I. Changes to the Fund and the Sub-Funds and the Hong Kong offering document of the Fund and the Sub-Funds**

##### **1. Changes to measures to fight against money laundering and financing of terrorism**

To fully comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, the following changes will be made to the measures to fight against money laundering and financing of terrorism adopted by the Fund:

##### **Changes to existing measures**

The following changes will be made to the existing measures adopted by the Fund to fight against money laundering and financing of terrorism:

- (1) Currently, the Management Company or any distributor or delegate (especially the Registrar and the Transfer Agent) may require certain types of account documentation to allow the Management Company ensuring proper identification of investors and ultimate beneficial owners. It is proposed that the Management Company may also require certain types of account documentation to allow the Management Company ensuring proper identification of the origin of subscription proceeds and to monitor the business relationship on an ongoing basis; and
- (2) Incorrect or out-of-date contact details (name and address) reflected in the register of shareholders may cause costs to the Fund or its service providers (excluding distributor) in order to correct and re-establish contact with the relevant investor. Currently, in this event, excluding any situation caused by the Fund or its service providers, the Board reserves the right to charge such costs to the relevant investor (effective costs only, up to a maximum of 10% of the relevant investor's invested assets). It is proposed that, in this event, excluding any situation caused by the Fund or its service providers, the Management Company will reserve the right to charge such costs to the relevant investor (effective costs only, without any cap on such costs).

##### **Introduction of new measures**

The following new measures will be introduced by the Fund to fight against money laundering and financing of terrorism:

- (1) It is proposed that the Fund may block the Shareholder's account until the receipt of the information and documents required to comply with international and Luxembourg laws, regulations, circulars, etc. aimed at preventing money laundering and the financing of terrorism; and
- (2) It is proposed that the Management Company will reserve the right to redeem an investor's holding if (i) the relevant investor does not provide the Management Company with satisfaction with the information and documents<sup>1</sup> within 30 days of the Management Company's final written request to do so or (ii) where the Management Company is unable to reach the relevant investor due to outdated personal data. For so long as the Fund or a Sub-Fund is authorised by the SFC<sup>2</sup>, the Management Company will exercise such power in respect of the Fund or the relevant Sub-Fund in good faith, on reasonable grounds and pursuant to applicable laws and regulations. The Management Company may also charge the relevant investor of any costs resulting thereof. The redemption proceeds will be transferred to the Management Company on the relevant investor's behalf. Consequently, the relevant investor will no longer have any link with the Fund and the safekeeping of the relevant investor's assets will be ensured via segregated accounts opened by the Management Company which will define the conditions of maintenance and the Management Company may deduct from the relevant investor's assets all effective costs resulting thereof.

## **2. Introduction of the flexibility for the Fund and the Sub-Funds to effect subscriptions and redemptions in kind**

The flexibility for the Fund and the Sub-Funds to effect subscriptions and redemptions in kind will be introduced.

### **(1) Subscriptions in kind**

The Board may, at its sole discretion, accept to issue shares in exchange of securities or other permitted assets. Such contribution in kind is subject to conditions which include the delivery of a valuation report by the Auditor and provided that the relevant securities comply with the investment objectives and policies of the relevant Sub-Fund described in the Hong Kong offering document. In addition, for so long as a Sub-Fund is authorised by the SFC<sup>2</sup>:-

- (a) subscriptions in kind may only be accepted provided that the Depositary and Management Company are satisfied that such arrangement would not prejudice the interests of the existing Shareholders of the relevant Sub-Fund;
- (b) the Shares of the Sub-Fund will only be issued upon vesting of the securities in or for the account of the relevant Sub-Fund to the satisfaction of the Depositary; and
- (c) the value of the securities to be transferred to the relevant Sub-Fund for the subscriptions in kind will be valued in accordance with the valuation policy of the Fund and the relevant Sub-Fund.

Costs associated with such a subscription will be borne by the investor.

### **(2) Redemptions in kind**

With the consent of or upon request of the Shareholder(s) concerned, the Board may accept or proceed with redemptions in kind by allocating to the redeeming Shareholders assets from the portfolio for a value equal to the net asset value attributable to the redeemed Shares. Such redemption in kind is subject to the issuance of, a valuation report by the Auditor. In addition, for so long as a Sub-Fund is authorised by the SFC<sup>2</sup>:-

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<sup>1</sup> These include information and documents which the Management Company deems necessary as determined from time to time to ensure proper identification in the meaning of applicable laws and regulations, including information about the beneficial ownership, proof of residence, source of funds and origin of wealth in order to be compliant at all times with applicable laws and regulations.

<sup>2</sup> SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

- (a) redemptions in kind may only be accepted provided that the Depositary and Management Company are satisfied that such arrangement would not prejudice the interests of the existing Shareholders of the relevant Sub-Fund; and
- (b) the value of the securities to be transferred to the relevant Shareholder for the redemptions in kind will be valued in accordance with the valuation policy of the Fund and the relevant Sub-Fund.

Costs associated with such redemption will be borne by the redeeming Shareholder.

### **3. Other amendments to the Articles**

Various amendments, including wording alignments, corrections of clerical errors or other minor modifications will be made to the Articles.

#### **Implications of the changes**

The Articles will be amended to reflect the changes to the Fund and the Sub-Funds as mentioned in sub-sections 1 to 3 above (the “**Changes**”), and the relevant amendments to the Articles require Shareholders’ approval at an extraordinary general meeting. Please refer to section II of this notice for further details.

The Changes shall become effective on the date of the extraordinary general meeting subject to the Shareholders’ approval of the relevant amendments to the Articles.

The Changes will not have any impact on the features and risks applicable to the Sub-Funds. Except as otherwise provided in sub-sections 1 and 2 above, the Changes will not lead to any changes in the operation and/or manner in which the Sub-Funds are being managed or any other effects on existing investors. There will be no change in the fee structure and fee level of the Sub-Funds and cost in managing the Sub-Funds following the implementation of the Changes. The rights and interests of the existing investors of the Sub-Funds will not be materially prejudiced as a result of the Changes.

The costs and expenses associated with the Changes will be borne by the Management Company.

If you don’t agree with the Changes, you have the right to redeem your Shares at any time, in accordance with the procedures and arrangements for redemption as set out in the current Prospectus. Please note that although we will not impose any charges in respect of your redemption instructions, your bank, distributor, financial adviser or pension scheme trustee or administrator may charge you redemption and/or transaction fees and may impose different dealing arrangements. You are advised to contact your bank, distributor or financial adviser, pension scheme trustee or administrator should you have any questions.

Subject to the Shareholders’ approval of the relevant amendments to the Articles, the Hong Kong offering document will be amended to reflect the Changes in due course.

### **II. Convening notice to an extraordinary general meeting**

Shareholders are kindly invited to attend an extraordinary general meeting to be held at the offices of AMUNDI LUXEMBOURG, 5, Allée Scheffer, L-2520 Luxembourg on Tuesday May 2, 2023 at 14:00 pm with the following agenda:

- 1 To add the following new article 34 named “Money Laundering and Terrorist Financing” and that refers to the obligations of the company and measures it will be entitled to take with the objective to fully comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing :

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#### **MONEY LAUNDERING AND TERRORIST FINANCING**

#### Article 34

*The Company must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including in particular with the - Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time, and implementing regulations and CSSF circulars adopted from time to time.*

*To comply with international and Luxembourg laws, regulations, circulars, etc. aimed at preventing money laundering and the financing of terrorism, the Company (and/or its delegates) may require certain types of account documentation to allow the Company to ensure proper identification of subscriber and ultimate beneficial owners and the origin of subscription proceeds and to monitor the business relationship on an ongoing basis. The Company (and/or its delegates) may ask subscriber for additional documentation as well (either before opening an account or at any time afterward) until the Company (and/or its delegates) is reasonably satisfied it understands the identity and economic purpose of the subscriber. Additionally, the subscriber as well as Shareholders are obliged to inform the Company if the information which have been provided to the Company in order to identify the subscriber/Shareholder needs to be updated (in case of address changes, change of the beneficial owner(s), etc.). Such updated information allows the Company to properly contact shareholders to provide them with any notice or solicit them with the view to be provided with the above mentioned document and information.*

*Delay or failure to provide to the Company and/or for the Company to receive the required/up-to-date documentation and information may result in having any order delayed or not executed, or any proceeds withheld. Furthermore, in such case, the Company may take the measures that it considers to be appropriate, including but not limited to, (a) the blocking of the Shareholder's account until the receipt of the information and documents required or (b) the compulsory redemption of the Shares (as per article 7 of these Articles) after having provided a 30 calendar days' notice to the Shareholder in order to send the required documentation. Any costs (including account maintenance costs) which are related to non-cooperation of the Shareholder will be borne by the Shareholder.*

*Incomplete, incorrect or out-of-date contact details (e.g. name and address) or lack of cooperation of a Shareholder may cause costs to the Company in order to correct and re-establish contact. In this event, excluding any situation caused by the Company (or its service providers), the Company reserves the right to charge such costs to the Shareholders.*

UNQUOTE

Consecutively, articles 34 and 35 will be renumbered respectively in article 35 and 36.

- 2 To complete article 23 with following provisions that allow redemption in kind :

*With the consent of or upon request of the Shareholder(s) concerned, the Board may (subject to the principle of equal treatment of shareholders) satisfy redemption requests in whole or in part in kind by allocating to the redeeming Shareholders investments from the portfolio in value equal to the net asset value attributable to the Shares to be redeemed as described in the sales documents. Such redemption will, if required by law or regulation, be subject to a special audit report by the approved statutory auditor of the Company confirming the number, the denomination and the value of the assets which the Board will have determined to be contributed in counterpart of the redeemed Shares. The costs for such redemptions in kind, in particular the costs of the special audit report, will be borne by the Shareholder requesting the redemption in kind or by a third party. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares in the relevant Sub-fund.*

- 3 To complete article 26 with following provisions that allow subscription in kind :

*The Company may agree to issue Shares against a contribution in kind of transferable securities and/or other permitted assets, in compliance with the conditions set forth by Luxembourg law, in particular the obligation for the independent auditor of the Company to deliver a valuation report and provided that such assets comply with the investment policy and restrictions of the relevant Sub-fund as described in the sales documents of the Company. Any costs incurred in connection with a contribution in kind of assets shall be borne by the relevant Shareholders.*

- 4 To completely restate the Articles of Incorporation with effect as of the date that will be resolved by the extraordinary general meeting in order to reflect the various amendments adopted by the extraordinary general meeting, including wording alignments, corrections of clerical errors or other minor modifications.
- 5 To resolve that the effective date of the resolutions of the above agenda shall become effective on the date of the extraordinary general meeting.
- 6 Miscellaneous.

The Board will only exercise any of the powers under the amended Articles if it considers it to be in the best interests of the shareholders as a whole. The changes do not remove any existing requirements to provide advance notice should the Board decide to exercise any powers given in the Articles.

The draft text of the amended Articles will be made available upon request at the registered office of the Fund and the office of the Hong Kong Representative at Suites 04-06, 32nd Floor, Two Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong.

Shareholders are advised that at the extraordinary general meeting a quorum of at least one (1) half of the shares issued is required at the first meeting, which will otherwise be reconvened. Decisions may be approved by a majority of two-thirds of the shares present and/or represented and voting.

If you wish to attend the meeting in person, we would be most grateful if you would communicate your intention to us at latest two business days before the meeting.

If you are unable to attend the meeting in person, please complete, date and sign the enclosed proxy form and return it by email or by fax **at least 3 business days before the extraordinary general meeting is held (Email: Proxies-Luxembourg@amundi.com or Fax: +352/26.86.80.99).**

A copy of the latest Hong Kong offering document is available on request free of charge at the registered office of the Fund and at the office of the Hong Kong Representative at Suites 04-06, 32nd Floor, Two Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong. The latest Hong Kong offering document is also available online at: <http://www.amundi.com.hk>. Please note that this website has not been reviewed by the SFC.

If you would like any further information, please contact Amundi Hong Kong Limited, the Hong Kong Representative at (852) 2521 4231.

The Board of Directors of AMUNDI Funds