January 2024

Amundi Group Remuneration Policy – CRD V addendum

Contents

1. General overview and implementation of the addendum

This document is an addendum to Amundi remuneration policy and it is applicable to qualifying credit institutions - which constitute the banking sector within the meaning of European Union law - within Amundi in France and the European perimeter in absence of more stringent local regulatory requirements. It is effective since the financial year that started on January 1st 2021.

This addendum represents the implementation of the directive "CRD V" and the regulation "CRR II", adopted on 22 May 2019 to entry in force respectively on the 29 December 2020 and 28 June 2021. The document illustrates remuneration rules specific for entities subject to CRD (for some topics like identification of material risk takers, deferral mechanisms for identified staff, etc.); <u>if not otherwise specified, the provisions of the valid Amundi group policy apply</u>.

The Remuneration Policy, its addendum and their implementation have been approved by the Amundi Board of Directors, following the review and positive opinion by the Amundi Remuneration Committee.

2. Definition of 'identified staff'

2.1 Scope of application

Considering the nature of the core business of Amundi group is investment management activity and that the vast majority of the legal entities in the group are fund managers subject to sector-specific legal acts, Amundi remuneration policy operates mainly under the remuneration requirements of AIFMD and UCITS directives, which normally prevail. This principle was established by article 109[1] of the CRD and restated on the *Guidelines on sound remuneration policies under Directive 2013/36/EU*. In principle, CRD remuneration requirements do not apply on a consolidated and individual basis to such subsidiaries, including financial institutions that are subject to the MiFID, IFD, AIFMD or UCITS Directive. However, under Article 109(5)[2] of the CRD, the remuneration provisions may still apply to individual staff members of those subsidiaries, if they have an

[1] Art 109, §4: The remuneration requirements laid down in Articles 92, 94 and 95 shall not apply on a consolidated basis to either of the following: 1.subsidiary undertakings established in the Union where they are subject to specific remuneration requirements in accordance with other Union legal acts; 2.subsidiary undertakings established in a third country where they would be subject to specific remuneration requirements in accordance with other Union legal acts if they were established in the Union.

[2] Art 109, §5: […] in order to avoid circumvention of the rules set out in Articles 92, 94 and 95, Member States shall ensure that the requirements laid down in Articles 92, 94 and 95 apply to members of staff of subsidiaries that are not subject to this Directive on an individual basis where: 1.the subsidiary is either an asset management company, or an undertaking that provides the investment services and activities listed in points (2), (3), (4), (6) and (7) of Section A of Annex I to Directive 2014/65/EU; and 2.those members of staff have been mandated to perform professional activities that have a direct material impact on the risk profile or the business of the institutions within the group.

impact on the risk profile at the level of the banking group; in such cases the requirements should apply when they are mandated to perform work for the credit institution.

In practice, every year at a consolidated level, an internal assessment is performed to determine which credit institutions within the group should apply the remuneration provisions of the CRD regulation, based on the following criteria:

(1) Entities crossing the applicable significance threshold:
- In France: entities with a Balance Sheet Total > EUR 10bn (as foreseen by the French regulator, *Autorité de Contrôle Prudentiel et de Résolution*)
- In the other countries of the European economic area: according to the thresholds defined by national regulators.

or

(2) Material Business Units within the Amundi group: entities with an internal capital exceeding 2% of the internal capital (or RWA) of the parent subsidiary

As a result of this assessment, the entities meeting the conditions above are: Amundi S.A. (criteria 1) and Amundi Finance (criteria 2).

For 2023, no other CRD entity within the Amundi group has crossed the thresholds described above.

2.2 Identified staff

Employees / persons whose professional activities have a material impact on the risk profile of the credit institution or material business unit will be considered 'identified staff' within the meaning of the CRD regulation; they will be managed by the policy and terms of payments for identified staff as described in section 3. Therefore, for performance year 2023, are considered identified staff :

- Board Members of Amundi SA,
- the CEO and the deputy CEO who are both legal representatives of Amundi S.A. ,
- the CEO and the deputy CEO of Amundi Finance.

3. Terms of payment for 'identified staff'

3.1 Payment of variable remuneration for identified staff should comply the following rules:

- Individual proportionality threshold: a deferral mechanism will be triggered for amounts of total variable remuneration (including LTI) above 50 000 EUR or 1/3 of total annual remuneration awarded for the performance year.

- 40% to 60% of variable remuneration will be deferred over 4 or 5 years (60% and 5 years for staff identified in respect of their function within the Crédit Agricole S.A. Group[3], 4 years for the others);
- At least 50% of variable remuneration will be granted in shares or share-linked instruments (applicable both to the upfront and deferred part).
- The acquisition of the remuneration in instruments is subject to a retention period of 12 months for staff identified in respect of their function within the Crédit Agricole S.A. Group, 6 months for others.
- Variable remuneration must not exceed 200% of the fixed remuneration (as per the 9^{th} resolution voted by Amundi S.A shareholders on the 12^{th} May 2016 General Meeting and as per the 7^{th} resolution voted by Amundi Finance shareholders on the 17^{th} May 2022).
- Payment of deferred variable remuneration is subject to vesting conditions reminded below.

3.2 Variable remuneration deferral scale for 'identified' staff' crossing the individual proportionality threshold:

Annual variable remuneration	Percentage of variable remuneration to be deferred	Guaranteed non-deferred portion of bonus	Form of payment	Timing of payment
0-500 k€	40%	-	50% in cash	March Year N and N+1, N+2, N+3, N+4
			50% in instruments	+6 months after grant Year N, N+1, N+2, N+3, N+4
>500 k€	60%	300 k€	50% in cash	March Year N, N+1, N+2, N+3, N+4 (N+5)*
			50% in instruments	+6/12* months after grant Year N, N+1, N+2, N+3, N+4 (N+5)*

*5-years vesting and 12-months retention period is applied to staff identified in relation to their job position within Crédit Agricole S.A. group

Practical applications:

- The deferral percentage is applied to the total annual variable remuneration awarded (applied "as from the first euro awarded").
- The deferred portion of the bonus will be split in 4 or 5 equal tranches: the part paid in cash will be delivered over 4 or 5-years after the grant date (gradual vesting); the part granted in instruments is indexed to Amundi share price evolution and will be delivered upon completion of vesting and retention period.
- In case the employee is elected to participate to the long-term incentive scheme,
  - the performance shares grant will be taken into consideration for the calculation of the portion of variable remuneration to be deferred.
  - the performance shares will be split in equal tranches to be delivered to the beneficiaries annually during the vesting period, after the retention period.

Example of calculation of variable compensation payment:

[3] Members of Crédit Agricole S.A. Executive Committee and Management Committee

The employee is an identified staff of a credit institution and has been granted a total annual remuneration of 600 000 EUR, of which 300 000 EUR is represented by fixed remuneration and 300 000 EUR by variable remuneration. Variable remuneration is constituted by a bonus of 240 000 EUR and by a grant of performance shares of 60 000 EUR.
The variable compensation to be deferred is 40% of 300 000 EUR = 120 000 EUR, of which 60 000 EUR consist of the LTI grant and 60 000 EUR the deferred portion of the bonus.

CASH
INSTRUMENTS

	Y	Y+1	Y+2	Y+3	Y+4	Total
Cash	90	15	15	15	15	150
Indexed cash (paid after retention period)	90					150
Perf.shares (delivered after retention period)		15	15	15	15	
Total	180	30	30	30	30	300

3.3. Vesting conditions

As foreseen by the main Amundi Group remuneration policy, each tranche of the deferred variable compensation vests only under conditions:

- collective performance (Group level),
- absence of excessive risk-taking professional behavior (Individual level),
- presence at the date of vesting.

Not meeting these conditions can result in a decrease or loss of the deferred award. Together, the (collective) performance condition and the (individual) absence of risky professional behavior form the ‘malus’ clause (ex-post risk adjustment).

Moreover, if it discovered, within a five-year period after the delivery of a tranche of deferred variable compensation, either in cash or shares, that a member of ‘identified staff’ is (i) responsible for or has contributed to significant losses to the detriment of Amundi or (ii) has engaged in particularly risky behavior, the Group reserves the right to demand the restitution of all or some of the shares already delivered or of the sums already paid out, subject to the applicability of local law.

The performance condition applied to each tranche of deferred compensation is related to the achievement of Amundi financial performance and in some cases to CASA financial performance. As such, in case of significantly adverse financial performance, the deferred part of variable remuneration can be voided partially or in full.
The collective performance conditions and the payment conditions specific to each plan are defined in the deferred bonus plan rules and in the share-based plan rules and reflect the deferment duration and nature of the incentive plan.

The condition related to the absence of excessive risk-taking professional behavior is individual in nature and will be assessed by the Risk Remuneration Committee as regards to:

- Misconducts or breach of compliance rules as implemented by Amundi
- Non-compliance with risk processes and limits implemented by Amundi.

3.4. Payment of variable remuneration:

The deferred portion of bonus is awarded 50% in cash, and 50% in instruments, which might be shares and/or cash indexed on Amundi share price evolution, as validated by the Risk Remuneration Committee.

The employees concerned are not authorized to use personal hedging strategies in order to offset the impact of the risk alignment incorporated in the management of the deferred variable remuneration.

The indexed cash will be subject to a retention period after vesting. This is to align incentives with the longer-term interests of the institution.