

REMUNERATION POLICY 2024

AMUNDI ASSET MANAGEMENT S.A.I. S.A.

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1. PURPOSE

The Policy sets out the general remuneration framework of Amundi Asset Management SAI SA (the Company) and represents the local implementation of the Amundi Group Remuneration Policy, which contains universal principles applicable to the entire group.

2. LEGAL FRAMEWORK AND REFERENCE DOCUMENTS

- Regulation no. 9/2014 regarding the authorization and operation of investment management companies, collective investment bodies in securities and depositories of collective investment bodies in securities;
- Emergency ordinance no. 32/2012 regarding collective investment bodies in securities and investment management companies;
- Regulation no. 2/2016 regarding the application of corporate governance principles by entities authorized, regulated and supervised by the Financial Supervision Authority, with subsequent amendments and additions;
- Amundi Group Remuneration Policy 2024

3. TERMS, DEFINITIONS AND ABBREVIATIONS

Remuneration - Amount of money paid in exchange for work performed;

Fixed remuneration - The fixed part of the remuneration, which represents a specified/fixed amount that is paid to an employee based on an individual employment contract or any other binding agreement (mandate contract or management contract).

Variable remuneration: The variable part of the remuneration, which represents a variable amount and can be granted at managerial discretion depending on the achievement of objectives, as well as based on the evaluation of performance criteria. It may include bonuses, long term incentives and other benefits.

4. APPLICATION DOMAIN

This policy applies to all company employees.

5. OVERVIEW

The policy operates under the remuneration requirements of the UCITS Directive and of the AIFMD, and it ensures the compliance with the remuneration provisions of MiFID, and SFDR, to the extent that they are relevant. As a result, the remuneration policy and methods are aligned with the Company's business strategy, its values and objectives, as well as with the interests of the fund investors.

The Board of Directors of the Company is the responsible body for the adoption and the monitoring of the implementation of the policy, as well as for performing an annual review of the policy. Furthermore, the implementation of the policy is subject to an independent internal review, in order to verify its compliance with the policies adopted by the Board of Directors.

6. ASSESSMENT OF PROPORTIONALITY

In line with ESMA Guidelines and the best practices used in Amundi Group, the policy applies the remunerations principles considering the size and internal organization of the Company, as well as the nature, scope and complexity of its activities. As a result, the remuneration rules are aligned with the risks assumed by the Company.

Based on a self-assessment exercise that uses a scoring system on four criteria (size, scope of activities, nature of activities and risk), presented in the Appendix, the Company considers appropriate the application of the proportionality principle.

Taking into account the small size of the Company and the limited scope of its activities, the Company does not consider necessary to set up a Remuneration Committee and will continue to be supported by the Group Remuneration Committee. The Board of Directors will fulfill the role of a remuneration committee locally.

Similarly, considering the result of the proportionality assessment and that individual variable remuneration in the Company is generally below the level of significance set by the Group (see section 7), the Company decided not to implement specific remuneration principles in addition to those applicable in Amundi Group for variable remuneration: use of instruments, deferral periods and ex-post risk adjustments.

7. IDENTIFIED STAFF

7.1. The Company fully applies the definition of 'identified staff' outlined in the Amundi Group Remuneration Policy. According to it, employees who are likely to have a material impact on the risk profile within their position, are considered as 'identified staff' within the meaning of the AIFMD / UCITS regulation:

7.2. In implementing the first condition, the Company identified the employees whose professional activities, either individually or collectively, as members of a group, can exert material impact on the risks the Company is / may be subject to, including those persons that are capable of entering into contracts / positions and taking decisions that materially affect the risk position of the Company or of the UCITS it manages.

The persons fulfilling such criteria are:

- Members of the Executive Management
- Risk Takers Investments
 - Portfolio managers of the delegated entity [subject to the remuneration policy of Amundi Austria]
- Control functions
 - Head of Risk Management
 - Head of Compliance / Internal Control / Anti-Money Laundering (AML)-Officer

All other functions within the Company have no material impact on the risk profile of the Company or the UCITS it manages and therefore are not considered as Risk Takers.

7.3. The Company has set the level of significance of individual variable remuneration at the equivalent of EUR 100.000. In Amundi's view, a variable remuneration below such significance level do not encourage employees to take on excessive risk and therefore the standard policy and terms of payment apply for those in that variable remuneration range.

7.4. The 'identified staff' definition process is performed and reviewed annually.

8. REMUNERATION RULES

8.1. This section describes the Company's general remuneration rules, which are following the Amundi Group standard Remuneration Policy.

8.2. The remuneration policy is designed to be aligned with the economic strategy and long-term objectives, the values and interests of the company and of the funds under management and with those of investors, with sound and well-controlled risk management.

8.3. Each employee is eligible to all or part of the following elements of the remuneration package, depending on their responsibilities:

- **Fixed remuneration**, based on the level of responsibility, considering market conditions;

- **Variable remuneration**, consisting of an annual bonus that rewards the individual / team performance and is defined by managerial discretion on the basis of the level of achievement of pre-defined performance drivers; in some cases it can also consist of a Long Term incentive based on Amundi performance shares aimed at motivating the managers on the achievement of business, and implementation of Amundi's ESG trajectory objectives;
- **Benefits** that offer support and protection to employees and their families.

An appropriate balance is sought between fixed and variable remuneration. Thus, fixed remuneration must represent a sufficiently high proportion of total remuneration in order to favor the flexibility of variable remuneration.

- 8.4. Concerning individual variable remuneration, this is only awarded (except in the case of a recruitment) based on the contribution to performance as assessed by the manager in accordance with the following principles:
- The Amundi total variable remuneration pool is determined at the group level, as a percentage of the gross operating income, so as to calibrate the amounts paid out according to the results achieved by the Amundi group.
 - The bonus pool for the various sectors are defined following a top-down process to determine the contribution of each sector to the overall performance.
 - Individual variable remuneration awards are discretionary in nature, based on an assessment of the individual performance by the managers formalized in the annual appraisal, based on:
 - Objective criteria, both quantitative and qualitative
 - Incorporating, depending on the function, an appropriate short to long term time scale
 - Compliance with risk limits and the clients' interests
- 8.5. Guaranteed variable remuneration may only occur in the context of hiring new employees and is limited to the first year.
- 8.6. Early termination payments reflect performance over time in a way that does not reward failure.

Criteria taken into account to determine the bonus, depending on the position:

Position		Quantitative criteria	Qualitative criteria
Investment management	Risk-adjusted performance	.	<i>Compliance with risk policy, compliance and legal rules</i>

		<ul style="list-style-type: none"> · <i>Gross/absolute/relative performance of the investment strategies (based on GIPS composites) over 1, 3, 5 years, outlook mainly focused on 1 year, adjusted with long-term figures (3,5 years)</i> · <i>Performance risk adjusted based on IR/Sharpe over 1, 3, 5 years</i> · <i>Competitive positioning through Morningstar rankings</i> · <i>Net inflows / Successful requests for proposals, mandates</i> · <i>Performance fees generation</i> <p><i>Responsible Investment:</i></p> <ul style="list-style-type: none"> · <i>Respect of Responsible Investment beat the benchmark</i> · <i>Deliver alpha while respecting the Responsible Investment objectives of the fund (based on Amundi's rating)</i> · <i>In the context of new exclusion policies, divest according to timeline when applicable</i> · <i>Contribute to the development of Amundi's NZ offering with the objective of 1 NZ product / asset class</i> · <i>Contribute to the engagement target of the 2025 ambition plan</i> 	<ul style="list-style-type: none"> · <i>Quality of management</i> · <i>Innovation / Product development</i> · <i>Collaboration / sharing of best practices</i> · <i>Commercial engagement -- including the ESG component of commercial effort and flows</i> · <i>Responsible Investment:</i> - <i>Comply with Responsible Investment policy</i> - <i>Mainstream Responsible Investment processes, including beyond BtB when relevant (e.g. PAI integration, on boarding of GSS bonds analysis, etc...)</i> - <i>Demonstrate capacity to manage well the combination of risk return and Responsible Investment (the risk and Responsible Investment adjusted return)</i> - <i>Contribute to the achievement of "Amundi 2025 Plan" (2025 and intermediate targets) covering dimensions related to investment solutions offering</i> - <i>Get Responsible Investment trained, promote and project Responsible Investment knowledge internally and externally</i> - <i>Include Responsible Investment component in client engagement</i>
<p>Sales</p>	<p>Business development and sustainability through proper behaviour and consideration of client's interests</p>	<ul style="list-style-type: none"> · <i>Net inflows, notably on Responsible Investment (including NZ and impact denominated products)</i> · <i>Revenues</i> · <i>Gross inflows</i> · <i>Client base development and retention; product mix</i> <p><i>Responsible Investment:</i></p> <ul style="list-style-type: none"> · <i>Number of commercial activities per year and capacity to present our Responsible</i> 	<ul style="list-style-type: none"> · <i>Compliance with risk policy, compliance and legal rules</i> · <i>Joint consideration of Amundi's interests and of client's interests</i> · <i>Securing/developing the business</i> · <i>Client satisfaction</i> · <i>Quality of management</i> · <i>Cross-functional approach and sharing of best practices</i>

		<p><i>Investment offer (including NZ and impact)</i></p> <ul style="list-style-type: none"> · <i>Number of clients approached on their net zero strategy</i> 	<ul style="list-style-type: none"> · <i>Entrepreneurial spirit</i> <p><i>Responsible Investment:</i></p> <ul style="list-style-type: none"> · <i>Capacity to explain and promote Responsible Investment policies and capabilities as well as solutions of the firm</i> · <i>Get Responsible Investment trained, promote and project Responsible Investment knowledge internally and externally (complete mandatory and highly recommended Responsible Investment trainings)</i> · <i>Accompany clients in new SFDR context</i>
Control	Project management and achievement of own targets, regardless of the results of the business controlled	<ul style="list-style-type: none"> · <i>Depending on the projects managed and objectives set</i> <p><i>Absence of regulatory breach</i></p>	<ul style="list-style-type: none"> · <i>Depending on the projects managed by objectives set</i> · <i>Quality of controls</i> · <i>Compliance with regulations and consideration of client's interests</i> · <i>Quality of management</i> · <i>Collaboration/Sharing of best practices</i>
Support	Project management and achievement of own targets	<ul style="list-style-type: none"> · <i>Depending on the projects managed by objectives</i> <p><i>stable</i></p> <ul style="list-style-type: none"> · <i>Management / optimization expenses</i> 	<ul style="list-style-type: none"> · <i>Depending on the projects managed and objectives set</i> · <i>Quality of client servicing and support to all staff</i> · <i>Improvement of company's efficiency, contribution to its development</i> · <i>Quality of management</i> · <i>Collaboration/Sharing of best practices</i>

In particular, financial objectives are avoided for control functions in order to ensure an adequate degree of independence with regard to the activities subject to controls and to avoid any conflict of interest.

Marketing teams have also sustainable investment objectives defined to support sales team (e.g. steer the innovation pipeline for NZ & Impact products, ensure integrity of Responsible Investment communication, mainstream responsible investment into product management process, get trained on responsible investment).

ESG criteria and sustainability risk as part of the Amundi Group remuneration framework

Since its creation in 2010, Amundi Group has made responsible investment one of its founding pillars. In 2018, Amundi Group set out a three-year action plan with an objective of adopting a 100% responsible approach. With the ambition of further strengthening its commitments, on 8th December 2021, Amundi Group launched a new ESG strategic plan for 2022-2025, the "Ambitions ESG 2025" Plan. Amundi group remuneration policy is aligned with its Responsible Investment policy and its "Ambitions ESG 2025" plan.

The respect of Amundi Responsible Investment policy is embedded within Amundi's control framework. The responsibilities are spread between the first level of controls performed by the Investment teams themselves and second level of controls performed by the Risk teams, that can verify the compliance with the Responsible Investment policy of a fund at all time. Responsible Investment policy rules are monitored by the Risk teams the same way as any rule falling into their control perimeter, relying on the same tools and on the same procedures.

Moreover, in accordance with the commitment number 8 of "Ambitions ESG 2025" plan, Amundi has included ESG criteria in the determination of remuneration. Indeed:

- the implementation of the "Ambition 2025" ESG plan accounts for 20% of the KPIs supporting the performance share plan for more than 200 Amundi's senior executives,
- Responsible Investment targets are also set for all portfolio managers, sales representatives and marketing teams.

9. PAYMENT TERMS FOR THE STANDARD POLICY

9.1. The largest variable remuneration are partly deferred over a 3-year period.

Variable remuneration deferral scale for "unidentified" staff:

Annual variable remuneration	Percentage of annual variable remuneration to be deferred	Guaranteed non-deferred portion
< EUR 100k	0%	-
EUR 100-400k	40%	EUR 100k
EUR 400-600k	50%	EUR 240k

EUR >= 600k	60%	EUR 300k
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This scale is also applicable for 'identified staff' whose annual variable remuneration is lower than €100k (or equivalent in local currency).

The percentage to be deferred is applied to the total annual variable remuneration awarded (applied « as from the first euro awarded ») taking into account the guaranteed non-deferred portion.

The application of this scale cannot lead to a deferred amount lower than EUR 15k. Below this amount, the deferral is cancelled and the bonus is fully paid at the time of attribution.

9.2. Definitive vesting conditions:

Each tranche vests only under conditions :

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

Not meeting these conditions can result in a decrease or loss of the deferred amount.

Together, the (collective) performance condition and the (individual) absence of risky professional behavior form the 'malus' clause (ex-post risk adjustment).

The collective performance conditions are specific to each plan. They are defined in the deferred bonus plan rules and in the share-based plan rules and reflect the deferral duration and nature of the incentive plan.

The performance condition relative to each tranche of deferred compensation is related to the achievement of group / entity level 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 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:

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

10. TERMS OF PAYMENT FOR IDENTIFIED STAFF

For employees belonging to "identified staff" (definition in section 7) and whose annual variable remuneration is:

- lower than €100k (or equivalent in local currency), variable remuneration is paid as described in section 9.
- higher or equal to €100k (or equivalent in local currency), variable remuneration is paid based on the following principles:

10.1. Variable remuneration are partly deferred over a 3-year period

10.2. Variable remuneration deferral scale for 'identified' staff with an annual variable remuneration \geq €100k (or equivalent in local currency) :

Annual variable remuneration	Percentage of annual variable remuneration to be deferred	Guaranteed non-deferred portion
0-600 k€	50%	-
\geq 600 k€	60%	300 k€

The percentage to be deferred is applied to the total annual variable remuneration awarded (applied "as from the first euro awarded").

10.3. Definitive vesting conditions:

Each tranche vests only under conditions :

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

Not meeting these conditions can result in a decrease or loss of the deferred amount.

Together, the (collective) performance condition and the (individual) absence of risky professional behavior form the 'malus' clause (ex-post risk adjustment).

The collective performance conditions are specific to each plan. They are defined in the deferred bonus plan rules and in the share-based plan rules and reflect the deferral duration and nature of the incentive plan.

The performance condition relative to each tranche of deferred compensation is related to the achievement of group / entity level 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 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:

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

10.4. Payment of variable remuneration:

The deferred portion of bonus is indexed on the performance of a representative 'basket of funds'. The applicable basket is the "Amundi Basket".

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.

10.5 . Monitoring risk-taking behavior:

The monitoring the risk limits and compliance rules is implemented annually by the concerned control functions (Risk, Compliance and Security).

11. APPENDIX: PROPORTIONALITY ASSESSMENT

In order to evaluate the applicability of the proportionality principle, the Company uses a scoring system based on the following criteria:

- size of the institution (market shares)
- scope of activities (UCITS, AIF, segregated accounts)
- nature of activity (investment strategies, use of derivatives)
- risk management

Based on the self-assessment, a score from 1 (low complexity) to 5 (high complexity) is being attributed for each criteria. The overall assessment of complexity is determined based on the weighted average score, using an equal weight for each criteria used.

Size of the institution: score of 2 / 5

- funds managed: 2 funds [portfolio management activities are delegated to Amundi Austria]
- market share in assets under management: 1.5%
- no. of branches: 1
- no. of employees: 9

Scope of activities: score 1 / 5

- only open-ended UCITS, not listed
- no AIF
- no segregated accounts

Nature of activity: score 1 / 5

- only bond and balanced strategies
- no derivative instruments used

Risk management: score 1 / 5

- low counter-party risk
- low concentration risk
- low liquidity risk
- daily NAV calculation

The weighted average score is equal to $WAS = (2+1+1+1) / 4 = 1.25$ versus a maximum of 5, which shows a very low complexity level. Based on such evaluation, the Company considers appropriate the application of the proportionality principle.