CPR Asset Management
Responsible Investment Policy 2022

Effective date: 31st December 2022

INTRODUCTION

As a fully owned autonomous subsidiary of Amundi, CPR Asset Management (CPR AM), works exclusively in third-party investment management (for institutional, corporate, insurance, private banking, fund management, and wealth management clients). For three decades, thanks to the commitment of its employees, the company has been able to develop a unique management philosophy across the main asset classes - equities, fixed income, credit and asset allocation. This philosophy has empowered us to write a robust track record, making CPR AM an experienced specialist in the investment industry. As at end of September 2022, CPR AM had accumulated more than €56 billion in assets under management.

CPR AM's main differentiating factors are its unique set-up and profile, combining the responsiveness and accessibility of a human-scale player with the financial strength and operational capabilities of a large group. CPR AM as a responsible financial player has the commitment to deliver innovative, robust and scalable solutions that ensure sustainable performance for its customers.

Responsible investment lies at the heart of decision-making and ESG continually remains an essential commitment for the enterprise. With € 46.5 billion ESG funds under management, which represents more than 83% of its total AUM, the company is devoted to selecting investments according to a specific methodology taking into account ESG risk factors and impact measures deployed along a range of dedicated solutions and open-ended products for all asset classes.

CPR AM is convinced that taking into consideration Environmental, Social, and Governance (ESG) to invest in the financial markets is a way of introducing better practices on both public and private actors. To accomplish this, CPR AM employs the resources made available by the Amundi Expertise ESG team, a non-financial research and analysis center common to the entire Amundi group.

Following the completion of the first ESG action plan, Amundi has launched a new social and environmental plan, that will allow us to continue deepening ESG integration in investment solutions, strengthen our savings offering for sustainable development and set internal alignment objectives in line with Amundi's ESG commitments. This new 3-year plan is comprised of an ambitious set of goals that will address clients' current and future responsible investing needs. Please find details of our ambitions in the Ambition 2025 brochure here.

The purpose of this document is to explain the governance, the philosophy, and the strategy for integrating ESG criteria into CPR AM's investment policy.

CONTENT

I. A DEDICATED ORGANISATION

To implement its responsible investment policy, CPR AM relies on its own resources but also on the resources of the Amundi Group.

A – The Group resources

Amundi has set up a Responsible Investment business line. This department is positioned within the whole organization as a full-fledged standalone unit servicing both institutional, distributors and retail needs and also investment platforms (active/passive/illiquid), notably by providing a robust and reliable ESG analysis available to all through Amundi's portfolio management systems.

The responsible investment approach is built on three pillars, each with its own senior leadership: ESG data; qualitative research, engagement and voting; and advisory, development and advocacy. The independence of the ESG analysis team from the investment management and financial analysis teams ensures the quality and the independence of the ESG analysis. Nevertheless, ESG analysts work in close collaboration with Amundi's portfolio management teams.

The Responsible Investment Business Line is organized in 4 teams gathering more than 60 people:

- **Research, Engagement and Voting:** this international team spans across Paris, Dublin, London and Tokyo. ESG Research analysts meet, engage and maintain dialogue with companies to improve their ESG practices, with the responsibility of rating these companies and defining exclusion rules. ESG Research analysts work alongside a team of specialists dedicated to exercising voting and conducting pre-meeting dialogue. These specialists exercise voting rights at General Assemblies' of companies in which Amundi invests on behalf of its clients.

- **ESG Method and Solutions:** this team of quantitative analysts and financial engineers is in charge of maintaining and developing Amundi proprietary ESG scoring system, ESG-related data management systems (including selecting external data providers to generate proprietary ESG scores and making sustainability-related data and analytics available). They help analysts and portfolio managers integrating ESG considerations into their investment decisions, as well as business development teams to create innovative solutions by integrating sustainability-related data within financial products (ESG Ratings, climate data, impact metrics, controversies…). They oversee the development and integration of ESG-analytical tools in Amundi Portfolio Management Systems and Client Reporting Systems and are also in charge of implementing clients' specific ESG exclusions rules.

- **ESG Business Development & Advocacy:** present in Paris, Boston, Munich, Tokyo and Hong Kong, this team is in charge of supporting and developing ESG offering and solutions that match investors needs and challenges, ESG advisory and services for all Amundi Clients and managing ESG advocacy and collaborations with responsible finance initiatives, and of developing training programs for our clients.

- **COO Office**: this team is in charge of coordinating and streamlining developments between the Responsible Investment Business Line with the support functions of the Group, such as producing dashboards for the monitoring of the Business Line's activities (Business, Budget, IT, Audit, projects), and supervising major transversal projects.

With the support of these teams, four Responsible Investment steering committees have been put in place and are monitored by Amundi's CEO on a regular basis.

ESG & Climate Strategic Committee

Chaired by Amundi's CEO, this committee meets on a monthly basis to steer, validate and monitor Amundi's ESG and Climate strategy. It validates major strategic orientations of the Responsible Investment policy and monitors the progress and achievements of the Ambition 2025 plan.

ESG Rating Committee

Chaired by Amundi's Chief Responsible Investment Officer, this committee meets on a monthly basis. It is composed of senior managers from investment, responsible investment, and risk and compliance business lines. It defines and validates Amundi's ESG rating methodology and validates the exclusion and sector policies' application rules and reviews issues related to ESG ratings.

Voting Committee

Chaired by Amundi's Responsible Investment Supervisor, this committee meets on a monthly or on an ad hoc basis if needed. This committee supervises the application of Amundi's Voting policy, implementation rules and public reporting. This committee also acts as an advisor for voting decisions on individual cases and ensures the alignment of voting activities with key ESG engagement themes.

ESG Management Committee

This Committee is comprised of the senior leadership members of the Responsible Investment Business Line. This committee meets on a weekly basis and is responsible for:

- Setting objectives and priorities for the ESG and voting teams;
- Building a consolidated view of ESG capabilities and resources across the Group; and
- Promoting ESG across Amundi, addressing key client requests and business opportunities.

B – Resources engaged by CPR AM

Fully involved in the group's ESG system, CPR AM has also put in place the resources and methods for ESG integration adapted to its own management.

Within CPR AM, the Head of ESG, under the responsibility of the Chief Investment Officer (CIO), embodies CPR AM's sustainable investment philosophy, in particular through a role as spokesperson, and actively contributes to the company's communication on all sustainable and impact finance issues.

In addition, all of CPR AM's departments are involved in responsible investment. All managers are involved in managing ESG funds. The financial engineers of the Research team are particularly involved in all topics related to Responsible Investment and ESG. In particular, they participate in the development of our ESG, impact investing and climate strategies across all asset classes, in the review of our ESG risk-based approach and in the integration of ESG criteria into management processes in compliance with labels.

The research team relies on the Amundi group's ESG rating framework and works in close collaboration with the management teams.

Three internal governance bodies dedicated to ESG

- **ESG Management Committee**

Chaired by CPR AM's Chief Executive Officer and attended by all members of the Management Committee and the Chief Responsible Officer, the ESG Management Committee meets every month. Its main objectives are to validate the ESG, Climate, Impact and CSR strategic orientations of the Company, to monitor and prioritize the different projects including labeling campaigns, to monitor regulatory calendars and ESG advocacy actions.

- **ESG Committee**

The ESG Committee is responsible for monitoring the development of CPR AM's ESG and Impact projects. Chaired by the Head of ESG and attended by members of the Management Committee in charge of

Investments, Business Development, Marketing and Products, this committee brings together every six weeks ESG project representatives from the management, research, marketing and communication, sales, compliance and risk control teams.

- **Sustainability Committee**

The Sustainability Committee is in charge of reviewing and monitoring the investment universes of our ESG strategies. Co-chaired by the Director of Investments and the head of ESG, this committee brings together on a monthly basis the portfolio managers in charge of ESG funds, research engineers, product specialists and risk controllers.

II. ESG ANALYSIS

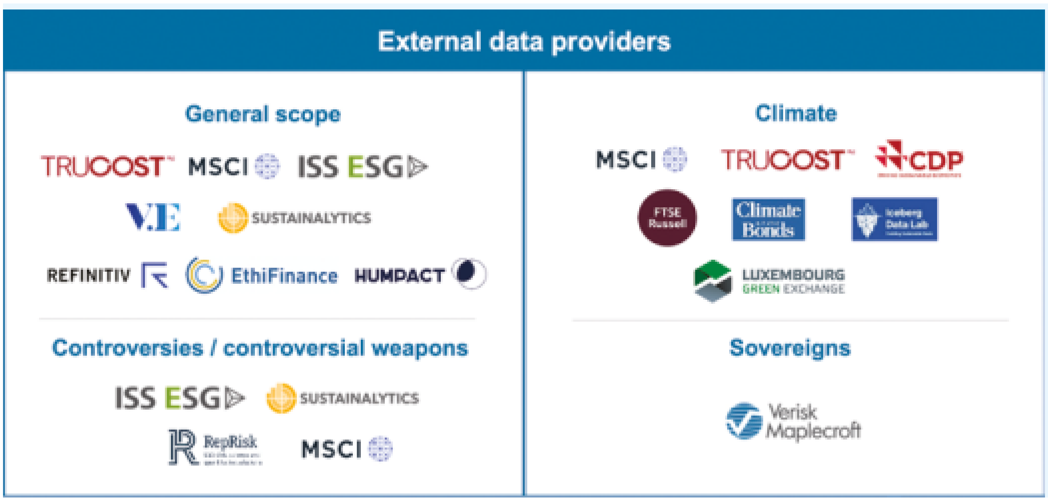
Amundi has developed its own ESG analysis framework and scoring methodology. This methodology is both proprietary and centralised, enabling a self-defined, independent and consistent approach to responsible investing throughout the organisation, in line with the values and views of Amundi.

Amundi has developed two main ESG scoring methodologies, one for corporates issuing listed instruments and one for sovereign entities. This is complemented by methodologies developed for specific needs and specific asset classes or instruments such as private assets or use-of-proceeds bonds.

Our approach is based on texts that are universal in scope, like the United Nations Global Compact, the Organisation for Economic Co-operation and Development's (OECD) guiding principles on corporate governance, the International Labour Organization (ILO), etc.

The ESG score aims to measure the ESG performance of an issuer, e.g. its ability to anticipate and manage the sustainability risks and opportunities inherent to its industry and to its individual circumstances. The ESG score also assesses the ability of the management team to handle potential negative impact of their activities on the sustainability factors[1].

We source our data from 15 main data providers:



1 – ESG FOR CORPORATE ISSUERS

The Best-in-Class principles

Amundi bases its ESG analysis of corporates on a best-in- class approach. Each issuer is assessed with a quantitative score scaled around the average of their sector, which distinguishes between what we believe are best practices from worst practices at sector level. Amundi's assessment relies on a combination of

[1] Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment - Principal adverse impacts are impacts of investment decisions that result in negative effects on sustainability factors - Sustainability factors mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

extra-financial data from third parties and qualitative analysis of associated sector and sustainability themes. The quantitative score is translated into a letter rating which ranges from a scale of A for best practices to G, for the worst ones. Where applicable, G-rated companies are excluded from investment in actively managed funds.

The ESG dimensions

Amundi's analysis framework has been designed to assess corporate behaviour in three fields: Environment, Social, and Governance (ESG). Amundi assesses companies' exposure to ESG risks and opportunities, including sustainability factors and sustainability risks, and how corporates manage these challenges in each of their sectors. As far as issuers of listed securities are concerned, Amundi scores issuers regardless of the instrument type, equity or debt.

A. Environmental dimension

There are risks and opportunities linked to environmental issues. Our analysis on this dimension examines how issuers address this topic, and assesses companies' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.

B. Social dimension

In this dimension, we measure how an issuer manages its human capital and its stakeholders[3], drawing on fundamental principles with a universal reach. The "S" in ESG has multiple meaning. It covers the social aspect linked to an issuer's human capital, those linked to human rights in general and the responsibilities towards the stakeholders.

C. Governance dimension

In this dimension, we assess an issuer's ability to establish an effective corporate governance framework that ultimately supports the issuer's value over the long term.

The ESG specific criteria

Our internal reference values for analysis are comprised of 38 criteria, of which 17 are generic criteria, common to all companies whatever their business sector, and 21 sector-specific criteria. These criteria are constructed to either assess how sustainable issues might affect the issuer as well as the quality of the management of this dimension. Impact on sustainable factors as well as quality of the mitigation are also considered. These criteria are available in the fund managers' front office portfolio management system.

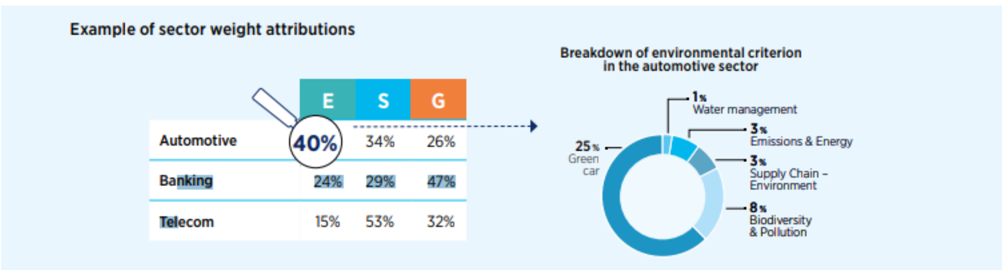
	Environment	Social	Governance
CROSS-SECTOR CRITERIA	- Emissions & Energy - Water Management - Biodiversity & Pollution - Supply Chain - Environment	- Health & Safety - Working Conditions - Labour Relations - Supply Chain - Social - Product & Customer Responsibility - Community Involvement & Human Rights	- Board Structure - Audit & Control - Remuneration - Shareholders' Rights - Ethics - Tax Practices - ESG Strategy

	Environment	Social
SECTOR-SPECIFIC CRITERIA	- Clean Energy - Green Car - Green Chemistry - Sustainable Construction - Responsible Forest Management - Paper Recycling - Green Investing & Financing - Green Insuring - Green Business - Packaging	- Bioethics - Responsible Marketing - Healthy Product - Tobacco Risk - Vehicle Safety - Passenger Safety - Responsible Media - Data Security & Privacy - Digital Divide - Access to Medicine - Financial Inclusion

To be effective, ESG analysis must be capable of focusing on key criteria depending on the business and sector activity. The weighting of ESG criteria is a critical element of our ESG analysis framework. For each sector, ESG analysts weigh 4 to 5 sector-specific criteria deemed the most important.

Our ESG Research analysts will typically increase their level of scrutiny and expectations whenever the risk faced by a company on any given ESG criterion is deemed high and material.

For example, in the automotive sector, CO2 emissions are highly related to the emissions of car manufacturers' vehicle fleets. Our ESG Research Analysts will therefore focus on investments in R&D[4]: vehicle efficiency and alternative vehicles (electric, hybrid). We believe this criterion is all the more relevant in that it represents a risk for car manufacturers (e.g. potential market share for energyefficient vehicles due to rising fuel costs).



The ESG scoring and rating methodology process

The ESG rating of an issuer is a weighted average of the scoring for E, S and G dimensions, each dimension being itself the weighted average of the internal reference values. The output of each the scores for the 38 criteria are translated into an ESG rating from A to G. At the end of this process, companies are attributed an ESG rating from A to G. There is only one ESG rating for each issuer, regardless of the chosen reference universe. The ESG rating is thus “sector neutral”, that is to say that no sector is privileged or, on the opposite, disadvantaged. ESG ratings are updated on a monthly basis, based on the data provided by our external data providers' raw data. Developments on issuers' ESG practices are followed continuously; Our ESG Research Analysts regularly readjust their ESG analysis & rating methodology according to the environment and current events.

3 - ESG FOR SOVEREIGN ISSUERS

Amundi ESG sovereign scoring methodology aims at assessing the ESG performance of sovereign issuers. E, S and G factors can have an impact on the issuer's ability to repay its debt in the medium and long-term. They can also reflect on how countries are faring in dealing with major sustainability issues that affect global stability. Amundi's methodology relies on a set of about 50 ESG indicators deemed relevant by Amundi ESG research to address sustainability risks and sustainability factors[2]. Each indicator can weigh in several data points, coming from different sources, including open source international databases (such as from the World Bank Group, the United Nations, etc.) and proprietary databases. Amundi has defined the weights of each ESG indicator contributing to the final Amundi sovereign ESG scores, and its various sub-components (E, S and G).

The indicators are sourced from an independent data provider. All indicators have been grouped into 8 categories in order to provide greater clarity, each category falling into one of the pillars E, S or G. Similar to our corporate ESG rating scale, issuers' ESG score is translated in an ESG rating ranging from A to G.

Environment	Climate Change - Natural Capital
Social	Human Rights - Social Cohesion - Human Capital - Civil Rights
Governance	Government Effectiveness - Economic Environment

4 - OTHER TYPES OF INSTRUMENTS OR ISSUERS

Amundi main ESG rating methodology cannot cover some instruments and issuers of Amundi's investable universes, sometimes because of the nature of the instruments or sometimes because of a lack of coverage by existing external data providers (this situation applies for instance to real assets, US municipal bonds or securitized products). To expand its coverage, Amundi has developed specific methodologies that apply to private equity, private debt issuers, impact investing, real estate[15] as well as to specific instruments such as green or social bonds. Even if each methodology is specific, they share the same target, which is the ability to anticipate and manage the sustainability risks and opportunities as well as the ability to handle their potential negative impacts on the sustainability factors.

5 – INTEGRATING ESG INTO OUR ANANLYSIS AND INVESTMENT PROCESS

We firmly believe that ESG analysis consolidates value creation as it provides a holistic understanding of the overall company. This view has led us to integrate ESG criteria across our active management

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processes, and to implement an engagement policy, where applicable. Underlying ESG integration is the conviction that a strong sustainable development perspective enables issuers to manage their regulatory and reputational risks better as well as improve their operational efficiency.

By integrating such issues, investors could better take into account long-term risks (financial, operational, reputational, etc.), fulfilling both their fiduciary duties and potential commitment to act as responsible investors. Our ESG analysis aims to assign issuers an ESG (Environmental, Social, and Governance) rating but also to raise awareness and encourage companies to do business with a sustainable development approach. Our analysis enables Amundi to take into account specific risks related to the companies' activities and manage these risks across our investment portfolios. We therefore constantly monitor our investee companies, across all E, S and G factors as well as more traditional financial metrics. We seek to identify problems and concerns early before they damage company performance and affect our clients' investment performance. Our proprietary rating derives from the aggregation of E, S, and G ratings and analysis of a range of sources, and it is now available for 13,800 issuers[3]. Amundi funds may invest in a variety of instruments, issuers or projects, with different ESG objectives and constraints. However, ESG ratings, the 38 criteria produced by Amundi ESG research, and additional sustainability-related indicators, are made available to all our fund managers' on their portfolio management system. This enables them to integrate sustainability issues into their investment decisions and apply any constraints relevant for their portfolios.

[3] Data as of April 2022

III. A TARGETED EXCLUSION POLICY

As part of its fiduciary responsibility, Amundi applies a targeted exclusion policy across its portfolios. Issuers exposed to the exclusionary rules and thresholds set out in our sector policy or do not comply with internationally recognized conventions and/or frameworks, and national regulations are excluded.

This exclusion policy is implemented in our portfolios, unless otherwise requested by our clients and always subject to applicable laws and regulations prohibiting their implementation.

The ESG and Climate Strategic Committee sets out the rules of the exclusion policy and the ESG Rating Committee validates the rules for implementation. Excluded issuers are flagged in fund managers' front office tools and trades on those names are blocked on a pre-trading basis. Amundi's Risk Business Line is in charge of second level controls.

For any new mandate or dedicated fund, Amundi's exclusion policy shall be implemented in accordance with our pre-contractual documentation, unless otherwise requested by the client.

For passive funds, the application of the exclusion policy differs between ESG products and non-ESG products:

- For ESG passive funds: All ESG ETFs and index funds apply Amundi's exclusion policy.
- For non-ESG passive funds: The fiduciary duty in passive management is to replicate as closely as possible an index. The portfolio manager has thus limited leeway and has to meet the contractual objectives to get passive exposure fully in line with requested benchmark. Amundi index funds/ETFs replicating standard (non-ESG) benchmarks cannot apply systematic sector exclusions. However, for securities that are excluded due to the rules in the Thermal Coal Policy applicable to Amundi's active investment universe, but that could be present in non-ESG passive funds, Amundi has strengthened its engagement and voting actions that could end-up with a vote against the discharge of the board or management, or the re-election of the Chairman and of some Directors.

1 – NORMATIVE EXCLUSIONS

Amundi excludes the following issuers:

- Issuers involved in the production, sale, storage or services for and of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo treaties;
- Issuers involved in the production, sale or storage of chemical, biological and depleted uranium weapons;
- Issuers that violate, repeatedly and seriously, one or more of the ten principles of the UN Global Compact[4], without credible corrective action.

By the end of 2022, Amundi also excludes:

- Issuers involved in the production, sale, storage of nuclear weapons of States that are non-parties to the Treaty on the Non-Proliferation of Nuclear Weapons;
- Issuers that produce nuclear warheads and/or whole nuclear missiles; or that
- Issuers that derive over 5% of their total revenue from the production or sale of nuclear weapons.

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[4] United Nations Global Compact (UN Global Compact): "A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals."

2 – SECTOR EXCLUSIONS

Thermal Coal Policy

Coal combustion is the single largest contributor to human-induced climate change[5]. In 2016, Amundi implemented a dedicated sector policy on thermal coal, triggering the exclusion of certain companies and issuers.

Each year since then, Amundi has progressively reinforced the rules and thresholds of its thermal coal sector policy. (see Exclusion Policy).

Phasing out coal is paramount to achieve the decarbonisation of our economies. That is the reason why Amundi is committed to phase out thermal coal from its investments by 2030 in OECD countries and in 2040 in non-OECD countries. Consistent with the United Nations Sustainable Development Goals (SDGs) and the 2015 Paris Agreement, this strategy is based on the research and recommendations of the Crédit Agricole Scientific Committee, which takes into account scenarios designed by the International Energy Agency's (IEA) Sustainable Development Scenario, Climate Analytics Report and Science Based Targets.

- Objective of the policy

"Achieving a state of net-zero emissions at the planetary level requires real world cuts in GHG emissions from companies' value chains, and not simply a reduction in exposure to emissions within portfolios"[6].

In line with our 2030/2040 phase out timeline from thermal coal, the following rules and thresholds are the baseline for which companies are considered too exposed to be able to phase out from thermal coal at the right pace.

- Scope of the policy

The policy is applicable to all investee companies, but predominately affects mining, utilities, and transport infrastructure companies. This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

- Using our role as investors to influence issuers to phase out thermal coal

Amundi engages with all companies having thermal coal exposure for which Amundi has requested the company to publish a public thermal coal phase out policy consistent with Amundi's 2030/2040 phase out timeline.

For companies that are:

– Excluded from Amundi's active investment universe according to our policy (see Exclusion Policy), and
– Have thermal coal policies Amundi considers lagging, Amundi policy consists in voting against the discharge of the board or management or the re-election of the Chairman and of some Directors.

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[5] IPCC, 2022: Summary for Policymakers. In: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [P.R. Shukla, J. Skea, R. Slade, A. Al Khourdajie, R. van Diemen, D. McCollum, M. Pathak, S. Some, P. Vyas, R. Fradera, M. Belkacemi, A. Hasija, G. Lisboa, S. Luz, J. Malley, (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA. doi: 10.1017/9781009157926.001.

[6] Science Based Targets initiative (SBTi)

- Exclusions as a tool to deal with unsustainable exposures

Where applicable, Amundi excludes:

- Mining, utilities, and transport infrastructure companies that are developing coal projects that have permitted status and are in the construction phase as defined in the coal developers list of the Crédit Agricole Group.
- Companies with coal projects in earlier stages of development including announced, proposed, with pre-permitted status are monitored on a yearly basis.

For companies considered too exposed to be able to phase out from thermal coal at the right pace, Amundi excludes:

- All companies with revenue in thermal coal mining extraction and thermal coal power generation >50% of their revenue without analysis,
- All coal power generation & coal-mining extraction companies with a threshold between 20% and 50% with a poor transition path.

Concerning mining extraction, Amundi excludes:

- Companies generating >20% of their revenue from thermal coal mining extraction,
- Companies with annual thermal coal extraction of 70 MT or more without intention to reduce.

- Implementation

Exclusions are integrated in our front office tools, preventing fund managers, where applicable, from investing in these issuers. The Risk Business Line is in charge of carrying out second level controls.

To assess companies' carbon exposure, Amundi utilizes carbon metrics from data providers (Trucost and MSCI). This allows us to have a large data coverage from a range of sources to integrate into our ESG analysis and rating methodology. This also allows us to gain a fuller understanding of companies' carbon emissions and provide our investment teams with unique and valuable insights on the topic. When both providers have carbon data for the same issuer, we apply a conservative approach, which consists in retaining the data with the highest coal exposure between the two providers. In case of large discrepancies between information provided by the data providers, Amundi also performs its own due diligence.

To assess the development of new thermal coal capacities, Amundi uses the official exclusion list from Crédit Agricole Group based on information from Trucost. Due diligence could also be performed to enrich or challenge the information received by the provider.

Tobacco policy

Tobacco not only has a negative impact on public health, but its value chain faces human rights abuses, has an impact on poverty, has environmental consequences, and bears substantial economic costs, believed to be more than USD 1 trillion a year globally, according to World Health Organisation estimates.

In May 2020, Amundi became a signatory of the Tobacco- Free Finance Pledge.

- Objective of the policy

Amundi caps the ESG score of issuers exposed to the tobacco value chain and as set an exclusion policy for companies producing cigarettes.

- Scope of the policy

This policy is applicable to the tobacco sector in its entirety, including suppliers, cigarette manufacturers and retailers. This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

- Using our role as investors to influence issuers

Concerning the remaining exposure to companies falling within the scope of our exclusion policy (see Exclusion Policy), our policy consists of voting against the discharge of the board or management, or the re- election of the Chairman and certain Directors.

- ESG rating of companies exposed to tobacco

The ESG rating (ranging from A to G) of the tobacco sector is capped to E. This policy applies to companies involved in the production, the supply and retailing of tobacco (thresholds for application: revenues above 10%). This applies to active investments.

- Exclusions as a tool to deal with unsustainable exposures

This policy is applicable across all actively managed strategies and passively managed ESG strategies over which Amundi has full discretion.

Amundi excludes companies that manufacture complete tobacco products (thresholds for application: revenues above 5%), including cigarette manufacturers, as no product could be deemed to be child labour free.

- Implementation

Exclusions are integrated in our front office tools, preventing fund managers from investing in these issuers.
The Risk Business Line is in charge of carrying out second level controls.
To assess companies, Amundi uses MSCI as a data provider.

Unconventional Fossil Fuel Exclusion Policy

By the end of 2022, Amundi excludes companies whose activity is exposed to exploration and production of unconventional oil & gas extraction (covering “shale oil and gas” and “oil sands”) by over 30%.

3 – SOVEREIGN ISSUERS EXCLUSIONS

Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi’s Rating Committee.

IV. ENGAGEMENT POLICY

CPR AM is fully in line with the Amundi group's engagement policy.

Stewardship activity is an integral part of Amundi's ESG strategy. Amundi promotes a transition towards a sustainable, inclusive low carbon economy. Apart from the systematic integration of ESG criteria within our active investment, Amundi has developed an active stewardship activity through:

- A pro-active engagement policy that seeks to:
  - Contribute to best practice dissemination and drive a better integration of sustainability in our investees' governance, operations and business models,
  - Trigger positive change concerning how investees are managing their impacts on specific topics paramount to the sustainability of our society and our economy,
  - Support the investees in their own transition towards a more sustainable, inclusive and low carbon business model, and
  - Push investees to increase their level of investment in capex/R&D in highly needed areas for this transition.
- A voting policy emphasizing the need for corporates' governance and boards to grasp environmental and social risks and opportunities, and ensure that corporates are appropriately positioned and prepared to handle the transition towards a sustainable, inclusive and low carbon economy.

Engagement and voting will continue to play an even greater role going forward. In 2021, Amundi announced its new Ambition 2025 plan. As environmental and societal issues are already systematically considered in the dialogue with companies across all Amundi investment platforms (beyond the ESG Research, Engagement, and Voting team), our investment professionals are equipped to achieve Amundi's engagement ambitions together with our ESG analysts.

Our voting activity is an integrated arm of our stewardship activities. If insufficient improvements are made following an active engagement with a company, the voting team can decide to vote negatively on the company's resolutions. Engagements are also triggered by our voting activity to encourage issuers and issuers' boards to better integrate sustainability and long-term views in their companies' strategic planning.

At Amundi, engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. It therefore must be result-driven, proactive and integrated into our global ESG process. The aim of engagement activities can fall into two categories:

- To engage an issuer to improve the way it integrates the environmental and social dimension in its processes and in the quality of its governance in order to limit its sustainability risks,

- To engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy, even though the financial materiality to the issuer might not be clear or directly impacted. Engagement differs from corporate access and traditional dialogue with a corporate as it has the aim of influencing the activities or behaviour of investee companies to improve ESG practices or its impact on key sustainability linked topics. More specifically, engaging implies having a specific agenda and targets that focus on real-life outcomes in a specific timeframe. Amundi engages with issuers around six main areas:

- Transition towards a low carbon economy;
- Natural capital preservation (ecosystem protection & fight against biodiversity loss);
- Social cohesion through the protection of direct & indirect employees, promotion of human rights;
- Client, product & societal responsibilities;
- Strong governance practices that strengthen sustainable development;
- Dialogue to foster a stronger voting exercise & a more sound corporate governance.

Amundi engages with investees or potential investees at the issuer level regardless of the type of holdings held. Issuers engaged are primarily chosen based on their level of exposure to the focus area of engagement.

Amundi engagement spans across different continents and takes into account local realities. The aim is to have the same level of ambition globally but with gradual expectations across different geographies. We wish our engagement activities to be impactful and additive to the global effort of the financial community.

Companies' engagement timeline varies depending on the agenda, but the average engagement period is approximately 3 years. Amundi defines different milestones and engagement developments that are shared internally via our research platform, available to all investment platforms. Formal assessments are carried out, at minimum, on a yearly basis. We also wish to have a collaborative, supportive, and pragmatic yet ambitious dialogue with our investees, to inspire a wide range of actions that will benefit not only the issuers but also all its stakeholders. We truly believe that dialogue is the cornerstone of a sound, strong development towards a sustainable and inclusive low carbon economy.

Amundi also engages at the "security level" (for example Green, Social, Sustainable bonds bonds), funds, asset-backed securities (ABSs)… to promote better practices and transparency.

1 – Measuring and monitoring engagement progress

Amundi assesses the progress made by the issuer towards certain engagement objectives using milestones.

Our first objective is to induce positive impact and the way we decide to engage will always be defined by its effectiveness. Triggering deep change in large organizations might prove to be complicated, stressful and even considered impossible by issuers. Adopting a longer-term view and considering different intermediary targets for engagement that take into account the particular situation and circumstances is an essential element for engagement to be effective: keep the long-term goal in mind while seeking manageable and measurable improvements in the short to medium term.

As investors, we must be both demanding and pragmatic to promote a transition towards a sustainable, inclusive and low-carbon economy in a timely manner. We understand the current limitations to effectively measure and address key themes in sustainability including climate science, biodiversity, and human rights. We consider sustainability to be a moving benchmark, and as such, our engagement strategies will evolve overtime to better integrate these developments.

2 – Engagement escalation

When engagement fails or if the remediation plan of the issuer appears weak, we consider escalation measures first and divestment from the active investment universe as a last resort. Escalation modes include (in no particular order) negative overrides in one or several criteria, questions at AGMs, votes against management, public statements, ESG score caps and ultimately exclusion.

Escalation modes through our voting activities: if we hold equity in themes that are critical (climate, social, severe controversies and/or violations of UN Global Compact principles), or in the case of unsuccessful engagement, Amundi could decide to vote against the discharge of the board or management, or the re-election of the Chairman and of some Directors.

In addition to escalation through our voting activities, failed engagement might have a direct impact on our full capacity to invest in a company. ESG research analysts can downgrade the related criteria in the ESG score, and if the issue is critical, it could lead to a downgrade of the overall ESG score. Amundi has committed to integrate ESG criteria into the investment process of actively managed open-ended funds, with an objective to maintain, in addition to financial objectives, portfolio average ESG scores above the average ESG score of the respective investment universe. Negatively overriding ESG scores therefore reduces Amundi's capacity to invest in the issuer.

The ultimate escalation mode could be exclusion in case of failure to engage and to remediate a critical issue.

V. CPR AM RISK-BASED APPROACH

Having created its first responsible investment solution in 2006, CPR AM elevated the dynamic in 2016 with structuring research work on an ESG methodology based on risks co-developed with an institutional client. Since then, the risk-based approach has been the subject of continuous improvements.

Our conviction at CPR AM is that each step of the rating process (criteria, components, overall rating) conveys important information and that ESG risk prevention constitutes an essential materiality lever for the sustainability of portfolios.

The overall ESG rating provides a synthetic view of an issuer's ESG profile, like the rating of Agencies, which provides a synthetic view of credit quality. It is rare for the E, S or G components to contradict the overall ESG rating; on the other hand, at the level of the criteria, compensation situations may exist between well-rated criteria and poorly rated criteria, information which is subsequently lost at the level of the overall rating. The specific analysis at the criteria level makes it possible to identify and finely compare the strengths and weaknesses of issuers.

For example, an issuer can perform well on the greenhouse gas emissions criterion, but not have an audit and internal control structure of sufficient quality to detect any problems related to the production process (example of the Diesel Gate).

For this reason, we have developed the ESG risk-based approach. This solution based on financial materiality, relies on both the overall ESG rating and a selection of specific relevant E, S & G criteria (“weak signals”), permitting us to define an ESG investment universe for the implementation of financial management.

The criteria and their materiality are at the heart of our approaches to combine financial and extra-financial performance. Our holistic approach is designed to apply to all asset classes.

An exclusion filter is therefore applied to the worst ESG ratings, at 2 different levels:

- On the overall ESG rating: issuers who seriously breach the criteria for responsible investment or who present an overall high level of extra-financial risk;
- On the most relevant specific criteria by sector of activity (the most weighted criteria in the overall rating) or according to the theme of the fund: issuers with a high level of risk on one of the material criteria identified by CPR AM.

CPR AM's risk-based approach therefore minimizes the risk to investors.

In addition to the ESG analysis, issuers' news is continuously monitored through controversies. For illustration, in the thematic equities range, they are evaluated by 3 external service providers: RepRisk, Sustainalytics and MSCI, which quantify incidents, their level of severity and the reputational risk of companies related to ESG issues. If a company is flagged as the subject of severe ESG controversy by at least 2 of these 3 data providers, it is excluded from the portfolio, according to the following analyses and thresholds:

- RepRisk supplies its proprietary RRI, an indicator that dynamically captures and quantifies reputational risk exposure related to ESG issues for more than 165,000 public and private companies. It is made of an environmental, a social, and a governance component. The percentage of each component’s contribution to the RRI is based on the number of risk incidents related to E, S and G issues. The RRI ranges from 0 to 100. Companies with a RRI between 50 and 100 (“high to extremely high risk exposure”) are flagged;
- Sustainalytics monitors daily 20,000 news sources and reports incidents on various ESG topics such as Environmental Supply Chain Incidents, Employee Incidents, Business Ethics Incidents, etc. Incidents are then graded from 1 to 5 according to the estimated level of seriousness, 1 being

"low" and 5 being "severe". Whenever a company is related to an incident graded 4 or 5, it is flagged.

- MSCI monitors more than 12,500 issuers. For each issuer, relevant KPI are defined to cover the controversy and assessing its level of severity. Incidents are then graded from 0 to 10, 0 being the most severe and 10 represents the absence of incidents. Whenever a company is related to an incident graded 0, it is flagged.

Controversies are updated on a monthly basis.

VI. ACTION IN FAVOR OF ENERGETIC TRANSITION

The Paris Climate Agreement marked a turning point in the essential fight against climate change. To achieve the goal of keeping global warming below 2 ° C, significant funding must be committed. Investors and asset managers have a major role to play as key players in financing the transition to a low carbon economy.

Within the Amundi group, we are convinced that management companies and investors can no longer ignore the risks induced by climate change. If the management and reduction of these risks are aligned with long-term objectives, we also have a key role to play in financing the transition to a low carbon economy. Our responsibility as a management company is to ensure that investors take into account the long-term risks and that they are able to seize the opportunities that emerge from this transition. To do so, we promote positive impact investments and encourage responsible practices within the companies in which we invest.

The ESG risks and opportunities linked to climate change are taken into account in the environmental dimension of our ESG analysis on all of our investments. To better respond to the specific nature of the analysis of transition risks and physical risks, the Amundi group has organized itself to strengthen its capacities in terms of climate data in order to have climate measures at its disposal to assess its investments on a perceivable manner.

- **Complete assessment of the risks associated with the transition**: we assess the current level of carbon emissions of a company over its entire value chain (3 scopes in the loop) and deduce the companies' exposure to the risk of transition. We then assess the company's level of commitment to reduce its footprint in order to possibly correct the level of exposure to transition risk. To do this, we use a combination of measures: carbon emissions, carbon intensity, green and brown activities and targets.

  In addition to traditional data providers, Amundi also relies on open-source data to complete its comprehensive assessment of transition risks (for example, the Science-Based Target Initiative database, an initiative that ensures that objectives set by companies are aligned with science).

- **Physical risk assessment**: this measure assesses the location of a company's activities in order to determine whether it is exposed to chronic and / or acute climatic risks. Amundi uses the physical risk exposure score developed by Trucost which measures the exposure of a transmitter to seven extreme climatic events, both chronic and acute (Coldwave wave, heat wave, water stress, coastal flooding, Wildfire, hurricane and flood) using asset-level data. In addition, portfolio managers also take into account internal ratings, which include consideration of an issuer's performance in relation to the climate.

- **1.5-degree approach:** this approach consists of comparing the trajectory of a company's carbon emissions with sectoral carbon balances. These carbon balances aim to be consistent with limiting global warming to below 2 ° C. As this approach has not yet stabilized and several data providers are still developing their products, we are closely monitoring their ongoing development.

These different types of assessment allow us to have a broader vision of the risks and opportunities linked to climate change. They are also increasingly triggering investment decisions in the mandates of clients who are sensitive to climate-related issues. In this case, they serve as tracking parameters or even optimization criteria.

In addition, the underlying signals of these measures are intended to be integrated into Amundi's proprietary ESG rating process, which triggers investment decisions.

Finally, these measures allow us to assess our portfolios while respecting 1) French regulations as defined by Article 173 relating to the Energy and Ecological Transition for Green Growth (LTECV) as well as 2) our commitments to key initiatives that focus on the environmental dimension, for example, the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

Beyond integrating climate measures into our ESG analysis, we also seek to address the subject of climate risks in our voting and engagement activities.

To meet the challenges of climate change, Amundi not only participates in turnkey collaborative initiatives (for example, Climate 100+, Green Bond Principles, Carbon Disclosure Project, etc.) but also engages with issuers through dialogue on how to face the environmental dilemma and the implementation of a climate aligned action plan.

In 2019, Amundi underlined the need for each company to set up a “decarbonisation” trajectory in line with the Paris Agreement. In this context, the Amundi voting team pays particular attention to companies' data on greenhouse gas emissions, such as their emission reduction plans and their ability to monitor their implementation and dynamic, in their analysis of companies when voting on resolutions.

As part of an innovative collaboration, Amundi and CPR AM have been collaborating since 2020 with the CDP, a non-profit NGO, which has launched a new type of climate ratings to measure and communicate the impact of companies and investments on the global warming. They are thus the first to use CDP temperatures to increase their ESG research capabilities and measure the temperature of their investment universes.

CPR AM offers its customers various “climate” solutions:

- A global equity fund whose objective is to invest in companies committed to limiting the impact on climate change. In 2021, CPR AM will adapt the philosophy of this fund by creating a range of climate products extending its offer to European equities and to the bond asset class. This range will be the subject of particular attention in terms of carbon offsetting and portfolio temperature.
- In addition, in 2020 CPR AM created two funds for a French banking network placing the reduction of CO2 emissions at the heart of their strategy. They are based on a double action: the reduction of emissions from portfolio issuers and carbon offsetting - which occurs secondly in addition to the objective of reducing emissions beforehand.
- In 2021 and 2022, CPR AM has expanded its offering by proposing, in addition to "climate" funds, "transition" funds designed to invest in solutions supporting the energy transition. This commitment has taken shape with the launch of three thematic funds: a fund focused on the hydrogen economy (CPR Invest - Hydrogen), a fund focused on the sustainable use of ocean and marine preservation (CPR Invest - Blue Economy), and a fund dedicated to the circular economy (CPR Invest – Circular Economy).

VII. LABELS AND TRANSPARENCY OF INFORMATION

Labels

Our offer is locally adapted for retail customers and distributors. Among our responsible solutions, we offer a range of products that have received the following labels:

- SRI Label, Relance and Finansol Label in France,
- FNG in Germany,
- Towards Sustainability in Belgium,
- LuxFlag in Luxembourg,
- Austrian Eco-Label in Austria.

As of 30/09/2022, the labelled funds reached EUR 20bn representing 36% of the total AUM of CPR AM.

Please find hereafter open-ended funds labelled:

Label Relance (France)	CPR Ambition France
Label ISR (France)	CPR Cash CPR Monétaire ISR CPR Oblig 6 Mois CPR Oblig 12 Mois CPR Actions France ESG CPR Euroland ESG CPR USA ESG CPR Invest – Climate Action CPR Invest – Climate Action Euro CPR Invest – Climate Bonds Euro CPR Invest – Food For Generations CPR Invest - Global Silver Age et CPR Global Silver Age CPR Invest – Social Impact
Label Febelfin/Towards Sustainability (Belgium)	CPR Invest – Education CPR Invest – Food For Generations CPR Invest – Social Impact
Label FNG Siegel (Germany)	Amundi CPR Climate Action
Austrian Eco Label (Austria)	Amundi CPR Climate Action

Transparency of information

ESG reports on ESG open-ended funds are published every month. These reports, provided with the fund’s financial report, include a comparison of the portfolio’s ESG rating (from A to G, A being the highest rating and G the lowest) with its benchmark index or investment universe, as well as comments on the portfolio’s issuers’ ESG performance.

Carbon reports are also published for ESG funds on a monthly basis. They include carbon emissions, geographic and sector contribution, exposure to coal, etc.

Annual impact reports are also published on some of our impact funds. They concretely present the social and / or environmental impact of investments according to the fund's philosophy.

The transparency codes for ESG funds are published each year on the AFG (Agence Française de la Gestion financière) and FIR (Forum pour l'Investissement Responsable) websites; they allow the management company to provide transparent and precise information on the management of ESG funds for their clients.

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The information contained in this document is deemed accurate as at December 31st 2022.