Principal Adverse Impact Statement

2024

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Amundi
ASSET MANAGEMENT

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Amundi ASSET MANAGEMENT

1. Summary

Principal Adverse Impacts (PAIs) 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.

Amundi Immobilier LEI 969500VOVZ0RROPKEZ69 considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Amundi Immobilier

This statement on principal adverse impacts on sustainability factors covers the reference period from 1st of January to 31st of December 2023.

A summary of Principal Adverse Indicators considered by Amundi is presented in the table below:

Applicable to	Theme	PAI indicator	Number
Real Estate	Environmental	Exposure to fossil fuels through real estate assets	17
		Exposure to energy-inefficient real estate assets	18

2. Description of principal adverse impacts of investment decisions on sustainability factors

Amundi is pleased to present the 2023 version of the Principal Adverse Impacts (PAI) statement, marking our second year of this disclosure. This year, we have continued to enhance our PAI statement by further improving the transparency and robustness of our methodology, while making substantial progress in reducing adverse impacts across our portfolios. As a point of reference, at the end of 2023, Amundi had an 0.1% exposure to companies active in coal. We also have implemented significant methodological changes to ensure the results accurately reflect our activities. This period also provided an opportunity for major data providers in the market to review and refine their methodologies, enhancing the assessment of issuers' activities.

Amundi Immobilier is continuing to work with its main stakeholders to collect all the ESG data needed to calculate the regulatory indicators and monitor the extra-financial performance of the properties under management. During the 2023 financial year, we improved the rate of coverage by actual consumption data.

2.1 Indicators applicable to investments in real estate assets

For property investments, there are two mandatory IAPs to disclose and one optional IAP to choose from a list of five. Amundi Immobilier has chosen to monitor the energy intensity of its real estate assets under management

Adverse sustainability indicator		Metric	Impact year n	Impact year n-1	Explanation	Actions taken, and actions planned and targets set for the next reference period *(please refer to 2.3 for additional information)*
INDICATORS APPLICABLE TO INVESTMENTS IN REAL ESTATE ASSETS						
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuel – %	0%	0%	This indicator is integrated into the ESG rating of assets	*ESG analysis* : ESG analysis during the acquisition and managements phases

Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	86,2%	86,9%	The level of energy performance is taken into account in the ESG score. Energy performance reports for each building or building lot are integrated into our ESG data collection campaign, so that we can eventually cover the vast majority of the real estate under management.	*ESG scoring methodology*: ESG analysis during the acquisition and managements phases
Energy consumption	Energy consumptions intensity	Energy consumption in GWh of owned real estate assets per square meter – GWh/m²	0.000 288 GWh /m²	0.000 067 GWh /m²	To obtain real consumption data, we use a collection platform to monitor the energy performance of buildings. At the end of the 2023 financial year, the rate of coverage by real data was 56% (by value).	*ESG scoring methodology* : ESG analysis during the acquisition and managements phases

2.2 Actions taken during the period and actions planned to avoid or reduce main adverse impacts

During the period, Amundi implemented two new policies: the “Human Rights Policy” and the “Biodiversity and Ecosystem Services Policy” which were validated by the ESG Strategic and Climate Committee in 2023. These policies are integrated in the Global Responsible Investment Policy as part of Amundi’s minimum standards and exclusion policy. They specifically outline Amundi’s approach in monitoring companies identified as particularly exposed to high risks or exposed to potential risks that lack sufficient processes or disclosure. It highlights the process of exclusion of companies’ high severe cases, and for those facing controversies or specific risks, the process of engagement in place and the escalation process. In this latter case, our voting rights could be used or the ESG rating may be overridden with exclusion as a last resort if engagement fails to meet the required objectives.

Furthermore, the Global Responsible Investment Policy now details not only the thresholds for sectors’ exclusions (regarding thermal coal, unconventional fossil fuels, tobacco and nuclear weapons) but also all the processes that are implemented (objective and scope of application, engagement, ESG rating, related data used).

For the upcoming period, the focus will be to continue to engage with issuers on specific themes that have a direct effect on PAIs. Planned actions include:

- Pro-actively re-engage all issuers with whom we have started the Net Zero process
- Push for more disclosure on methane data, within Oil & Gas but also in other sectors, mainly Utilities, Mining and Financials
- Continue to proactively engage on the issue of water via the collaborative engagement campaign, the Valuing Water Finance initiative[1]
- Continue to develop our engagement on working conditions

As part of the annual review and learning from the 2023 proxy season, Amundi’s Global Voting Policy was updated with the following enhancements

- **ESG and climate criteria for executive compensation**: strengthened expectations, requiring a minimum of 10% of variable remuneration to be based on these criteria
- **Audit committee independence**: increased the minimum threshold for audit committee independence from 50% to 66%
- **Recruitment and executive packages**: more detailed expectations regarding recruitment packages, one-off awards, and executive departure packages
- **Say on climate, social cohesion, and board responsibility**: added granularity to expectations regarding these areas and Amundi’s analysis framework of shareholder proposals
- **Board Gender diversity**: strengthened our policy for large Japanese companies as Amundi now requires the Board to include at least 2 women

Amundi will continue to update its voting policy during the next period, leveraging experiences from the 2024 proxy season to inform potential evolutions.

2.3 Targets

As a member of several international standards and initiatives, Amundi has made commitments and set targets related to Principle Adverse Impacts (PAIs) in order to guide its activities and effectively monitor its evolution. By doing so, Amundi ensures that it remains aligned with the principles and objectives of

1 See Amundi 2023 engagement report for more information

the PAI reporting and can further track evolutions. For more details on the specific standards and initiatives related to PAIs, please refer to section 5 of this document. Amundi will continue to evolve its approach regarding PAIs in the coming years, according to the scientific reference scenarios and in close connection with its clients' objectives.

3. Description of policies to identify and prioritise principal adverse impacts on sustainability factors

3.1 Policy priorities

Amundi has made responsible investment one of its founding pillars since it was created in 2010. In 2018, Amundi launched a three-year action plan aimed at integrating ESG into 100% of its open funds under active management. On 8 December 2021, with the aim of further strengthening its commitments, Amundi set up a new **Ambitions ESG 2025** plan. This new 3-year Action Plan is comprised of an ambitious set of goals that aims to address clients' current and future responsible investing needs. Please find details of our corporate ambitions in the ESG Ambitions 2025 brochure.

The following policies support the Ambitions ESG 2025 plan and inform Amundi's processes for identifying, monitoring and mitigating the principal adverse impacts deriving from its investment activities:

Amundi Group Policy	Principal adverse impacts - thematic mitigation priorities	Approval and revision process
Amundi Global Responsible Investment Policy 2023	*Normative exclusions*: Controversial weapons, UN Global Compact controversies *Sectoral exclusions*: Tobacco, Coal, Unconventional Oil and Gas *ESG integration*: 38 material ESG issues identified and prioritized per economic sector *Product policies*: ESG mainstream, Net Zero, Impact	Policy reviewed by Compliance, Legal, Risk and investment management teams and approved by CRIO[2] Published on 28/11/2023 Updated annually
Amundi Climate Strategy ("Say on climate")	Climate change Energy transition	Voted by General Assembly in 18/05/22
Amundi Voting Policy 2023	Energy transition, and in particular the decarbonisation of our economies Social cohesion, in particular through controls of the wage balance within the framework of remuneration policies, employee involvement in companies' governance and employee share ownership	Policy reviewed by Compliance, Legal and investment management teams and approved by voting committee Published on 30/01/2024 Updated annually
Amundi Alternative and Real Assets	**Principal adverse impacts - thematic mitigation priorities**	**Approval and revision process**
Responsible Investor Charter Amundi Real Assets	Climate action Increasing transparency Aligning the interests of all stakeholders	Amundi Real Assets Management Board of Directors; July 2022
Responsible Investor Charter Amundi real Estate	Climate action Increasing transparency	Amundi Real Estate

2 Chief Responsible Investment Management

	Aligning the interests of all stakeholders	Management Board of Directors; Mars 2023

Amundi will continue to adjust its climate strategy in the coming years, according to the scientific reference scenarios and in close connection with its clients' objectives, both by developing investment solutions to accelerate the transition and by progressively aligning its portfolios with the 2050 neutrality objective.

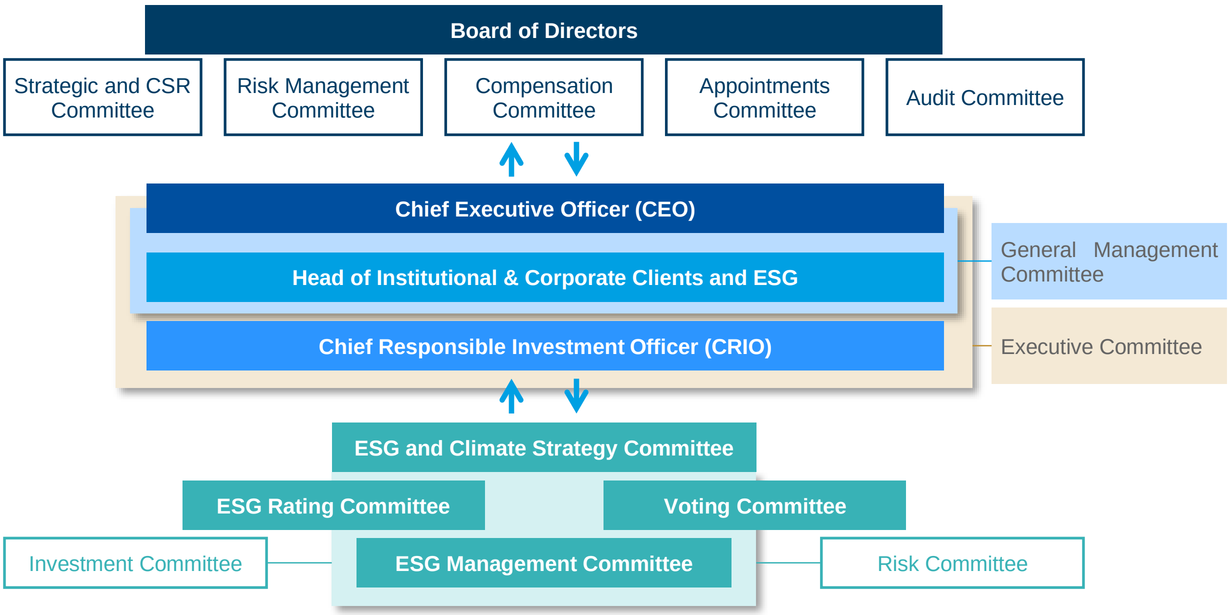
3.2 Policy governance

Amundi Real Assets from which Amundi Immobilier Funds belongs relies mainly on the ESG governance of Amundi Group.

Supervision of the responsible investment strategy by Amundi Board of Directors

The missions of the Board of Directors of Amundi relate to the definition of the strategic orientations of Amundi's activity, while ensuring their operational implementation by the senior management. The responsible investment strategy is therefore fully integrated within the scope of its deliberations and decisions. This role is described in detail in Article 2 of its Rules of Procedure: "It regularly reviews, in connection with the strategy it has defined, the opportunities and risks such as financial, legal, operational, social and environmental risks as well as the measures taken as a result.

A dedicated internal organisation to monitor and manage the responsible investment strategy



Within overall ESG and climate governance, four Responsible Investment Steering Committees have been put in place and are monitored by Amundi's CEO on a regular basis.

ESG and Climate Strategic Committee

This Committee, chaired by Amundi's CEO, meets every month to set the strategic orientations of the Amundi Group with respect to ESG integration, sustainability and climate, and determine and approve the ESG and climate policies applicable to investments. Its purpose is to:

- Steer, confirm and monitor Amundi's climate and responsible investment strategy;
- Validate the main strategic orientations of the Global Responsible Investment Policy (Sector Policy, Exclusion Policy, Voting Policy, Engagement Policy);
- Monitor key strategic projects.

Voting Committee

This Committee is chaired by the member of executive management in charge of Responsible Investment supervision. It meets once a year to approve the Voting Policy, monthly and on an ad hoc basis during the rest of the year, with the purpose to:

- Advise on voting decisions at the General Meetings for special cases; members are called upon to give their views in an expert capacity;
- Approve Amundi's Voting Policy (for the entities covered) and its rules of implementation;
- Approve specific/local approaches that are not directly covered by the Voting Policy;
- Approve periodic reports on voting disclosures.

ESG Rating Committee

Chaired by the Chief Responsible Investment Officer, this Committee is composed of senior managers from investment platforms, risk and compliance divisions, and meets every month with the aim to:

- Validate Amundi's standard ESG methodology;
- Review exclusion policies and sector-specific policies and approve their rules of application;
- Review and decide on individual ESG rating issues, and advise on new ESG cases whenever necessary.

ESG Management Committee

This weekly Committee is chaired by the member of executive management in charge of Responsible Investment supervision. It focuses on defining the responsible investment strategy and monitoring its implementation by the Responsible Investment business line, including monitoring of business development, human resources, budgeting, regulatory projects, audits, responsible investment communication campaigns and market initiatives.

The Chief Responsible Investment Officer also participates in the Group's Investment Committee.

Risk controls

Sustainability risks are integrated into Amundi's internal control and risk management team system. Responsibilities for managing sustainability risks are divided between:

- The first level of control, carried out by the management teams, and;
- The second level of control, carried out by the risk management teams, who check that the funds comply with their ESG objectives and constraints.

Risk management team participates in Amundi's Responsible Investment governance system. They monitor compliance with regulatory requirements and the management of related risks.

ESG constraints are monitored by the risk management teams in the same way as other management constraints. They are based on the same tools and procedures and cover our exclusion policies as well as the eligibility criteria and ESG rules specific to the funds. These constraints are monitored automatically using a proprietary control tool (ALTO Investment Compliance). This tool can be used to trigger

- Pre-trade alerts, which may or may not be blocking, particularly for exclusion policies;
- Post-trade alerts: managers receive notification of any overruns so that they can be rectified quickly.

Specific ESG governance within Amundi Real Estate

Internal control organization

Amundi Immobilier's internal control system comprises three levels :

Level 1: the operational teams carry out Level 1 controls;

Level 2: the controls by teams specializing in risk control and compliance;

To guarantee their independence from the operational teams, the 2nd level control functions report both to the General Management of Amundi Immobilier and to the Risk and Compliance Departments of the Amundi group.

Level 3 : the periodic controls are carried out independently by the Amundi group's Internal Audit Department.

Amundi real Estate internal control system focuses in particular on the application of ESG rules set for the management of the fund. A procedure for implementing the Responsible Investment approach describes the responsibilities of the various players within the management company.

Internal control at fund level:

ESG commitments are overseen by the fund's Finance Committee, in which all ESG management stakeholders participate: Fund Management, Asset Management, ESG Team, 2nd level control functions.

In particular, the committee monitors compliance with SRI management objectives and thresholds (including proportions of ESG-rated and Best-in-Progress assets, average Best-in-Class rating) and the fund's SRI reporting obligations. It is based on data prepared by the operational teams.

3.3 Methodologies and data sources for the calculation of PAI values

General principles

In order to disclose metrics that have the closest representation of the sustainability indicators related to adverse impacts at entity level ("Management Company" or "ManCo"), Amundi has adopted two different approaches for the calculation and management of sustainability indicators related to principal adverse impacts, one that is based on all investments related to the entity, and one that it is based on the principle of portfolio covered or relevant portfolio with covered data divided by to the sole assets they relate to.

While Amundi has identified both short- and long-term adverse impacts that are principal to the investment portfolios, the information available for assessing and reporting on the adverse impacts is limited and often lacks standardisation across sectors and regions. Therefore, Amundi's approach to principal adverse impact assessment is applied bottom up at the portfolio level. Moreover, investment portfolios may be exposed to variably acute and chronic adverse impacts depending on companies' sectors and geography.

The perimeter for the calculation of our PAI has been identified based on the following assumptions:

Portfolios that we delegate to an external manager are in scope of the PAI statement. Portfolios that we manage by delegation are also in the perimeter of the PAI statement;

Investments in an internal underlying fund (managed by the same Manco) are not included as the investments made by this internal fund are already included in the scope (to avoid double counting).

Additional information on the calculation methodology can be provided by Amundi on request.

Methodology limitation and margin of error

Our methodology limitations are by construction mainly linked to the use of sustainability indicators ("ESG data"). The ESG data landscape is currently being standardized, which can impact data quality; data coverage is also a limitation. Current and future regulations will improve standardized reporting and corporate disclosures on which ESG data rely. We are aware of these limitations, which we mitigate by a combination of approaches: the use of several data providers, a structured qualitative assessment by our ESG research team of the ESG scores, and the implementation of a strong governance.

Finally, in some specific cases portfolio data may not be easily obtained. Despite our best effort approach to retrieve all necessary figures (see also section below), a lack of data availability may impact a certain portion of our assets. As a result, there is a possibility of a substantial margin of error in our calculations. We encourage stakeholders to exercise caution and consider this potential margin of error when interpreting and utilizing the provided information.

In the context of establishing the report on principal adverse impact indicators, it is important to note that the database used to retrieve the positions held by investment portfolios has been modified in 2023. This database has been enriched with positions held in fund shares throughout the year 2023, and particularly from the third quarter of 2023.

Best effort approaches to PAI coverage

Data coverage is uneven across principal adverse impact indicators. In the case of indicators with a coverage below 100% (e.g., gender pay gap), Amundi has adopted a reweighting approach across holdings for which data is available. This avoids setting missing data at zero which would "dilute the indicator over all assets". For PAI indicators 8 and 9, we estimated that the data coverage from the providers was too limited to perform the reweighting, thus figures are not extrapolated in the presence of missing data.

For investments in third-party funds, the PAI data source used has been the PAI values reported by the investment managers in their publicly available EET.

Amundi reserves the right to modify this methodology and our data sources in the future.

Selection of additional principal adverse impact indicators

Amundi has identified the additional principal adverse impact indicators from Table 2 and 3 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 assessing:

i) their relevance to Amundi ESG strategic priorities as outlined in the overarching policies described in section 3.1;

ii) the availability of data for measuring the severity of impact of those risks within the investment universe.

Data sources: Data providers used only for PAIs

Entity	Data provider
Investee company	MSCI
	ISS
	Trucost
	Refinitiv (LSEG)
	SBT
	CDP
Sovereign & Supra-national	MSCI
	Verisk Maplecroft

For real estate assets:

Amundi Immobilier works in partnership with a company specialising in the collection of fluid consumption data for each property asset, involving our main stakeholders.

i) Data is collected directly from our main stakeholders (property managers, tenants, technical managers, etc.);

ii) Energy consumption is collected from each tenant of the properties under management via a dedicated service provider.

To collect all fluid consumption for a building, it is essential to obtain the agreement of the tenants concerned. C'

For the ESG rating of property assets, Amundi Immobilier works with a specialised consultancy that carries out on-site audits or documentary analysis to define the level of ESG performance.

The data sources may be revised in the future to include more data providers.

4. Engagement policies and other PAIs levers

As a responsible asset manager, Amundi understands its fiduciary duty as encompassing the need to contribute positively to addressing major socio-economic and environmental challenges in the interests of our clients, our stakeholders and of society. For this reason, Amundi has embraced the concept of "double materiality" around which we build our ESG analysis and rating methodology. This means that not only do we assess the way ESG factors can materially impact the value of companies, but we also assess how the companies impact the environment, and social matters or human rights.

Under the Disclosure Regulation, financial market participants, which consider the principal adverse impacts of investment decisions on sustainability factors at a product level, should disclose in the pre-contractual information for each financial product, concisely in qualitative or quantitative terms, how such impacts are considered as well as a statement that information on the principal adverse impacts on sustainability factors is available in the periodic reporting. Please refer to products' precontractual documentation and periodic reports for product-level information.

At entity level, Amundi considers PAIs via a combination of approaches that can vary depending on the asset class, investment process or type of strategy and fund range.

4.1 Engagement[3]

Engagement is a continuous and purpose driven process aimed at influencing the activities or behavior of investee or potential investee companies to improve ESG practices or their impact on key sustainability linked topics. Therefore, it must be result driven, proactive, considering double materiality, and integrated in our global ESG process. This approach applies to all of Amundi's products.

Amundi real Estate has also an engagement policy aimed at the main parties concerned working on the building has also been put in place. It is materialized in particular by an evaluation of the practices of the various actors concerned.

Amundi Real Estate stands out as a driving force in the real estate sector for the integration and application of ESG criteria in the management of its funds and in all its practices. Amundi Real Estate implements a Responsible Investment policy that covers each of the three main pillars of Environment, Social and Governance.

Amundi Real Estate builds a continuous dialogue with its main stakeholders and relies on a committed internal governance as described below.

Amundi Real Estate pays particular attention to:

- Building a relationship of trust with its tenants to ensure the optimal use of the assets and guarantee their satisfaction

- Engaging with its service providers and suppliers to improve their ESG practices

Amundi Real Estate values the relationships established with its various stakeholders and ensures that their expectations and constraints are taken into account, particularly in terms of ESG policy.

3 Additional information regarding engagement at Amundi can be found in our 2023 engagement report

4.2 Vote

Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy and Amundi's Voting Report. This approach applies by default to all of Amundi products.

4.3 Exclusion

Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Sustainable Finance Disclosure Regulation (SFDR). This approach applies to all Amundi funds in scope of Amundi Minimum Standards and Exclusion Policy[4].

4.4 ESG factors integration

Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score than the applicable ESG benchmark)[5]. The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect. All criteria are available in fund managers' portfolio management system.

Amundi Real Estate has developed its own ESG rating methodology to measure ESG performance across all asset classes and locations, i.e., its ability to anticipate and manage the sustainability risks of its business sector and the specific characteristics of the asset. The use of these ESG ratings allows sustainability risks to be taken into account in investment decisions.

Amundi Real Estate applies targeted exclusion policies to all investment strategies, excluding companies and assets that are in contradiction with its Responsible Investment Charter.

Thus, in Amundi Real Estate's ESG rating scale, the assets belonging to the exclusion list correspond to F or G.

Amundi Real Estate's ESG rating is a quantitative ESG score translated into seven grades, ranging from A (the best grade) to G (the worst). This rating is carried out once during the due diligence process for the acquisition of the property, and renewed at least every three years. This rating makes it possible to establish - if necessary - an action plan to reduce the building's exposure to the main sustainability risks.

The ESG rating and analysis is carried out by Amundi Real Estate's ESG team, with the technical support of independent third-party auditors.

These analysis criteria, carried out during the acquisition process, highlight the ESG performance of the asset as well as the sustainability risks to which it may be exposed. These criteria must be submitted to the Investment Committee and constitutes a discriminating criterion in the investment decision.

These analysis grids are used during the acquisition and operating phases in order to have a proactive approach to identify viable solutions for improving the ESG performance of assets when they do not meet the minimum criteria of the considered fund. These action plans are then deployed by the asset management teams.

To determine the ESG rating, Amundi Real Estate assesses the performance of each asset on the following dimensions:

4 Refer to Amundi Responsible Investment Policy for additional information on the scope of application and always review Funds' offering documents for complete information on ESG integration

5 Wherever technically feasible: some exceptions are defined to the implementation of the ESG Mainstream objective (Funds for which the active management feature is limited such as Buy and Watch funds or Securitization Undertakings, Real Estate and Alternative funds; Funds not managed on Amundi Investment Platform, and delegated Funds; Funds with high concentration in Index or limited ratable issuers coverage; Fund Hosting products). Refer to Amundi Responsible Investment Policy for additional investment information on the scope of application and always review Funds' offering documents for complete information on ESG integration.

4.5 Controversy monitoring

Amundi has developed a controversy tracking system that uses third-party data from three providers to systematically identify controversies and establish their level of severity on a proprietary scale from 1 to 5 (5 being the highest). This quantitative approach is then supplemented by an in-depth analysis of the scope of controversies deemed to be severe (score of 3 or more), carried out by ESG analysts, and a periodic review of developments. In the most severe and repeated cases, when no credible corrective action is taken, the analyst may propose a downgrade of the company's ESG rating. This may ultimately lead to exclusion from the active investment universe (G rating), which is validated by the ESG Rating Committee.

For Article 8 and 9 actively managed products, Amundi considers all the mandatory PAIs applicable to the products' strategy and relies on a combination of some, or all, of the approaches mentioned above.

For Article 6, Amundi considers PAI 14 in its normative Exclusion Policy on exclusion weapons.

The same approach for PAI consideration applies by default to mandates delegated to Amundi.

The table below details the approach for each PAI that Amundi generally implements at Group level. Specific PAI approaches can also be followed at product level; in such case, the specific approach is also described in the precontractual documentation. Where applicable, PAIs are prioritized given the sustainable objectives or characteristics of the fund, provided that all minimum standards are met.

Indicator's scope of application

#	Metric	General considerations on the scope of application[6]
17	**Exposure to fossil fuels through real estate assets**	*ESG analysis:* all assets be subject to an ESG analysis during the investment and management phases
18	**Exposure to energy-inefficient real estate assets**	*ESG score integration:* the level of energy performance of each building is taken into account by means of its EPC[7]
19 (table 2)	**Energy consumption intensity**	*ESG score integration:* the level of energy performance of each building is taken into account by means of its EPC

These engagement policies will be reviewed and adapted based on PAIs results over each period.

6 Active funds refer to funds that are actively managed, passive funds refer to funds that are passively managed

7 Energy performance certificate

5. Reference to international standards

Principal Adverse Impacts		Standards, initiatives and public policies relevant to principal adverse impacts[8]
1, 2, 3, 4, 5, 6 and 4 (table 2)	**GHG emissions (Scope 1, 2, 3 and total)** **Carbon footprint** **GHG intensity of investee companies** **Exposure to companies active in the fossil fuel sector** **Share of non-renewable energy consumption and production** **Energy consumption intensity per high impact climate sector** **Investments in companies without carbon emission reduction initiatives**	Paris Agreement on Climate Sustainable Development Goals (SDGs) EU Taxonomy Net Zero Asset Managers Initiative (NZAMI) Climate Action 100+ Carbon Disclosure Project (CDP) Science-based Targets initiative Task Force on Climate-related Financial Disclosures (TCFD) The Japan TCFD Consortium Montréal Carbon Pledge Portfolio Decarbonisation Coalition (PDC) Institutional Investors Group on Climate Change (IIGCC) Asia Investor Group on Climate Change (AIGCC) Investors for a Just Transition China-Singapore Green Finance Taskforce Eurosif Observatoire de l'Immobilier Durable
7,8,9	**Activities negatively affecting biodiversity sensitive areas** **Emissions to water** **Hazardous waste ratio**	Task Force on Nature-related Financial Disclosures (TNFD) Finance for Biodiversity Pledge Farm Animal Investment Risk and Return (FAIRR) Investor Action on Antimicrobial Resistance CDP Water CDP Forest Fondation de la Mer Global Reporting Initiative (GRI) Global Impact Investing Network (GIIN) Impact Disclosure Taskforce Biodiversity Impulsion Group (BIG) Nature Action 100
10, 11	**Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines** **Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines**	UN Global Compact OECD Guidelines on Multinational Enterprises UN Guiding Principles on Business and Human Rights PRI Human Rights Engagement

8 The table only reflect the most relevant PAIs associated to the different initiatives, please note that some initiatives have a broader coverage

		Human Rights Reporting and Assurance Frameworks Initiative
12	**Unadjusted gender pay gap**	Workforce Disclosure Initiative (WDI) Platform Living Wage Financials (PLWF)
13	**Board gender diversity**	The 30% Club France Investor Group The 30% Club Japan Investor Group The 30% Club Germany Investor Group International Corporate Governance network (ICGN) France Invest – Equality Charter
14	**Exposure to controversial weapons**	Ottawa and Oslo treaties
9 (table 3)	**Lack of a human rights policy**	UN Guiding Principles on Business and Human Rights
15	**GHG intensity of investee countries**	Paris Agreement on Climate Green bond principles
16	**Investee countries subject to social violations**	International Bill of Human Rights
17	**Exposure to fossil fuels through real estate assets**	SFDR regulation
18	**Exposure energy-inefficient real estate assets**	Energy performance diagnostics (EPC) - calculation methodology is determined by the regulations in each country
19 (table 2)	**Energy consumption intensity**	

The following paragraphs aim to detail the internationally recognized standards that are the most relevant to act on PAI.

Paris agreement: Net Zero Asset Managers initiative (NZAMi)

PAIs: 1-6 Greenhouse gas emissions

As a member of the Net Zero Asset Managers Initiative since July 2021, Amundi not only embraces global carbon neutrality objectives, but is actively taking action to accelerate investing aligned with net zero emissions by 2050 or sooner. Within this commitment, Amundi disclosed dedicated targets in 2022 to highlight engagement

1. 18% of total AuM[9] will be Net Zero aligned by 2025, Amundi considers that Net-zero alignment commitment must be clear and binding for the investment strategies in-scope, consequently, the 18% will be only composed of funds and mandates with explicit net zero alignment objectives. Only net Zero investment frameworks compatible with this principle are validated and eligible, including:
    a. For PAII Net Zero Investment Framework, the following Net Zero baselines:
        i. -30% carbon intensity reduction target in 2025 vs. 2019, and -60% vs. 2030 (minimum targets that need to be exceeded) on scope 1, 2 and part of scope 3;
        ii. -16% absolute emission reduction target in 2025 vs. 2019, and -41% vs. 2030 on scope 1, 2 and part of scope 3;

9 Based on total aggregated portfolios at Group level

b. For NZAO investment mandates, targets in line with the v1 or v2 of the UN Asset Owner Alliance Target Setting Protocol (including < 5 years and 2030 targets);

c. For real estate portfolio, targets compatible with CREEM Net Zero trajectories set at asset levels;

2. -30% in carbon intensity (tCO2e/€m turnover) by 2025 and -60% by 2030 for committed portfolios under NZIF (Net Zero Investment Framework);
3. financed emissions under engagement: In 2023, Amundi engaged with 966 additional companies on climate. As part of its Ambition 2025 Plan, Amundi will begin a significant cycle of engagement with 1,000 additional businesses by 2025. Through this dialogue, Amundi requests that businesses publish a detailed climate strategy based on specific indicators and objectives for each carbon emission scope, and on the corresponding capital expenditure (investment plan). In addition, Amundi will carry on engaging all investee companies exposed to thermal coal and that have not communicated a thermal coal exit in line with our policy.

Hereunder is additional information regarding methodology used to calculate and define targets, greenhouse gases (GHG) emissions considered, data providers and scenario leveraged:

Methodologies leveraged

- Net Zero Asset Owner Alliance Target Setting Protocol
- Net Zero Investment Framework

GHG scopes

- Scope 1, 2 and 3 upstream (tier 1)[10]

Data providers

- As part of Amundi proprietary Net Zero framework, two data providers are leveraged: MSCI & Trucost

Forward-looking climate scenario

- IEA Net Zero Emissions by 2050 – Developed in 2021

United Nations Global Compact (UNGC) and human rights

PAIs: 10-11 and 9 (table 3) Social and employee matters

As an asset manager, we recognize our responsibility to uphold human rights and address human rights abuses in our investment activities. We see human rights violations as a breach of Amundi's investment principles, therefore, we pay particular attention to company exposure to human rights risks.

Amundi's parent company, Crédit Agricole, is a signatory of the UN Global Compact and Amundi endorses it through its normative exclusions and controversy monitoring methodology. Please refer to Amundi's 2022 Global Responsible Investment Policy for more detail about the scope of application.

Amundi considers that to qualify as Sustainable Investment, among other criteria, investment should pass the two Do Not Significantly Harm tests ("DNSH Test") below:

1. The first DNSH Test relies on the monitoring of specific Principal Adverse Impacts. In order to pass the test, a company should:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors) (unit: $tCO_2e/M€$[11] revenues, source: Trucost);

10 Only accounting for emissions linked to tier 1 supplier

11 Tons of carbon dioxide equivalent per million euros

- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector (unit: %, source: Refinitiv);
- Be cleared of any severe controversy in relation to work conditions and human rights (unit: yes or no, source: MSCI and Sustainalytics);
- Be cleared of any severe controversy in relation to biodiversity and pollution (unit: yes or no, source: MSCI and Sustainalytics).

Amundi already considers specific principal adverse impacts within its Exclusion Policy as part of its Global Responsible Investment Policy. These exclusions, which apply on top of the tests detailed above, cover the following topics: exposure to **controversial weapons (PAI 14), violations of UN Global Compact Principles (PAI 10), and coal & unconventional fossil fuel (PAI 4)[12].**

2. Beyond the specific sustainability factors covered in the first test, Amundi implements a second DNSH Test in order to verify that the company does not belong to the worst performers on environmental or social matters compared to the other companies within its sector. The approach relies on Amundi's ESG scoring methodology. Amundi has set a threshold for this test that corresponds approximately to excluding the worst ~7% on environmental or social performance pillars across each sector. Using Amundi's ESG scoring methodology, this means that a company should have an environmental and or a social score better or equal to E.

In addition to research and monitoring, Amundi exercises leverage with issuers through engagement. Human rights engagement follows a two-pronged approach. First, we aim to engage proactively with companies on identification and management of human rights risks. Second, we can engage reactively when an abuse or allegation occurs. In this case, we would seek to ensure that companies are taking appropriate measures for effective remediation.

Finance for Biodiversity Pledge

PAI: 7 Biodiversity

As a financial institution, Amundi recognizes the need to protect biodiversity and reverse nature loss in this decade. As such, in 2021 Amundi joined the Finance for Biodiversity Pledge, an unprecedented coalition of 170 signatories representing over €22 trillion in AUM across 26 countries as of 2024. The pledge is a commitment of financial institutions to protect and restore biodiversity through their finance activities and investments.

This initiative brings together financial institutions from around the globe, committing to protect and restore biodiversity through their finance activities and investments. Amundi represented the signatories with a speech at the High-Level Segment of the Fifteenth United Nations Conference on Biodiversity (COP15) to call on global leaders to protect and restore biodiversity.

Amundi began engaging with companies in 2021 on biodiversity strategy, growing the engagement pool from 52 companies in 2021 to 301 in 2023 (up from the 92 companies engaged last year) across a diverse range of sectors[13]. The expansive nature of the initial engagement sample in 2021 meant that Amundi could begin to identify best practices within and across sectors and geographies, and use this as guidance for companies. Details on these practices can be seen in our standalone report (found here). We have built on that initial work annually, continuing to develop our company, sector, and global expectations.

Amundi also expanded its efforts on biodiversity in 2023 in part due to the establishment of its new biodiversity policy[14]. The policy focuses on companies with high exposure to biodiversity harming

12 The remaining Principle Adverse Impact are not included yet in the DNSH test because of a lack of good quality data or because of a limited coverage

13 Insurance, energy, pharmaceuticals, materials, food retailing, fashion, consumer services, household personal products, and banks among others

14 https://about.amundi.com/files/nuxeo/dl/c44a7bb2-813b-4346-96e0-e3d695241d9b

activities that are either lacking sufficient processes/disclosure or have been involved in serious controversies.

Specific Real Estate initiatives:

Amundi real Estate adheres to the Charter of commitment in favor of the development of SRI management in real estate of the French Association of Real Estate Investment Companies (ASPIM). In addition, Amundi Immobilier benefited from the working group for the creation of the SRI label dedicated to real estate funds within this same structure.

Amundi Real Estate is also one of the founding members of the Sustainable Real Estate Observatory (OID). The OID is an independent and transparent space for exchange that promotes sustainable development and innovation in French real estate. It brings together private and public actors in a shared vision around its raison d'être: “Thinking responsible real estate”. In line with Amundi's commitment to biodiversity through Act4nature, Amundi Immobilier has decided to implement a biodiversity axis in its Responsible Investment policy by becoming the partner company of the "Biodiversity Impulsion Group" (https://biodiversity-pulse-group.fr/linitiative-big/). This applied research program brings together a large number of players in the real estate sector in order to better integrate biodiversity issues into the design and management of real estate projects in France.

At the same time, Amundi Immobilier is supporting the implementation of the “ESREI” program led by the OID aimed at bringing together players in the sector around ESG issues and the state of regulations in this area across Europe.

6. Historical comparison

Amundi is pleased to present the 2023 version of the Principal Adverse Impacts (PAI) statement, marking our second year of this disclosure. This year, we have continued to enhance our PAI statement by further improving the transparency and robustness of our methodology, while making substantial progress in reducing adverse impacts across our portfolios. As a point of reference, at the end of 2023, Amundi had an 0.1% exposure to companies active in coal. We also have implemented significant methodological changes to ensure the results accurately reflect our activities. This period also provided an opportunity for major data providers in the market to review and refine their methodologies, enhancing the assessment of issuers' activities.

At the level of the Amundi Immobilier entity, fund work is carried out to collect all the ESG data needed to monitor the extra-financial performance of the assets under management. This data collection enables us to gain a better knowledge and understanding of our real estate assets, so that we can deploy improvement actions tailored to each building. The calculation of energy and carbon performance indicators is based on this data collection, and during the 2023 financial year we improved the rate of coverage by real data from our buildings.