

	REMUNERATION POLICY IN AMUNDI POLSKA TFI S.A.	Page no: 1/5
		POL-ORG-65-04_EN
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Context and purpose	Remuneration Policy in Amundi Polska TFI S.A. (hereinafter the „Policy”) sets out rules and conditions of remunerating identified staff of Amundi Polska TFI S.A. (hereinafter the „Company”).
Legal framework	<p>Internal regulation as referred to in art. 47a of the act dated 27 may 2004 on investment funds and managing alternative investment funds (hereinafter the “Act”) and Ordinance of the Minister of Finance dated 30 August 2016 on detailed requirements for remuneration policy in fund management company (hereinafter the “Ordinance”).</p> <p>This Policy also takes into account the risks to sustainable development referred to in Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on disclosure of information related to sustainable development in the financial services sector (hereinafter: "SFDR Regulation").</p>
Scope	The rules of the Policy refer to the Company’s identified staff as detailed in the Policy.
General rules	<p>The Policy sets out rules and conditions of remunerating identified staff of Amundi Polska TFI S.A.</p> <p>In other matters referred to remuneration other internal regulations and binding regulations of the Polish labour law apply unless an individual contract sets out more favourable conditions.</p>

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I. GENERAL RULES. PURPOSE OF THE POLICY

§ 1

The purpose of the Policy is:

- 1) to shape the salary policy of the Company in a way ensuring adequate remuneration of the Employees, limiting the risk of their rotation, and thus ensuring undisturbed functioning of the Company, with regard in particular to its financial situation, scale of activity and risk profile,
- 2) ensuring the transparency of the remuneration policy in connection with the introduction of sustainable development risks to the activities of the Company and managed funds,
- 3) preventing the direct dependence of the amount of remuneration of persons performing activities in the scope of the Company's activities on the remuneration or profits achieved by persons performing other types of activities, including in terms of risks to sustainable development that cause or may cause a conflict of interest,
- 4) supporting correct and effective risk management and preventing risk taking that is inconsistent with risk profiles, including risks for sustainable development, investment policy, investment strategies, fund statutes, or the Company's internal regulations, by eliminating behaviors leading to taking excessive risk beyond the acceptable level by the Company,
- 5) supporting the implementation of the Company's business and development strategy while enabling the employment of employees with appropriate competences, including knowledge and experience in the field of risks for sustainable development.

§ 2

1. The purpose of the Policy is achieved in particular by:

- 1) identification of the Employees who have significant impact on the Company's risk profile,
- 2) adopting the remuneration structure where fixed remuneration constitutes sufficiently high proportion of the Employees' income,
- 3) taking into account the compliance of the Employees' actions with binding rules on risk and Fund management,
- 4) introducing such a form and schedule of granting variable remuneration components that the value of such remuneration reflects the long-term effects of management, including risk management.

2. None of the provisions of the Policy should negatively affect proper and effective risk management of the Funds or create inducements to act against the Funds' statutes or strategies, procedures and other internal regulations in place in Company or the Funds.

§ 3

In the event of a conflict of the provisions of this Policy with other internal regulations of the Company, the provisions of this Policy shall apply to persons subject to the Policy.

II. DEFINITIONS

§ 4

Whenever the Policy mentions the:

- 1) Act – it shall be understood as the act dated 27 may 2004 on investment funds and managing alternative investment funds (i.e. unified text Journal of Laws of 2018 item 56 with subsequent amendments);
- 2) Fund – it shall be understood as an investment fund managed by the Company;
- 3) Employee - it shall be understood as a person employed by the Company based on a labour contract, management contract, service contract or other similar legal relation, covered by the Policy based on § 6;
- 4) Company - it shall be understood as Amundi Polska Towarzystwo Funduszy Inwestycyjnych S.A. with its seat in Warsaw;
- 5) Policy - it shall be understood as this Remuneration Policy in Amundi Polska TFI S.A.;
- 6) Significant TFI - it shall be understood as an entity referred to in § 1 item 4) of the Ordinance;
- 7) Discretionary pension benefits - it shall be understood as benefits agreed individually between the Company and the Employee and granted on a voluntary basis by the Company to the Employee as part of the remuneration, to which the Employee acquires rights in the time equivalent to the time of acquiring pension rights and which do not include additional benefits granted to the employed person based on an employee pension scheme offered by the Company.

III. SCALE OF THE COMPANY'S ACTIVITY

§ 5

1. As of the day of adopting the Policy, the Company does not meet the criteria to be considered as a Significant TFI.
2. The Company's Management Board continuously monitors whether the Company meets the criteria to be considered as a Significant TFI.
3. Immediately after meeting the criteria to be considered as a Significant TFI the Company shall modify the Policy appropriately. The modified rules of the Policy shall in such case be binding with regard to the first full calendar year of the modified Policy.

IV. PERSONS COVERED BY THE POLICY

§ 6

1. The rules of the Policy apply to those Employees of the Company whose activities significantly affect the risk profile of the Company or the Funds, including:
 - 1) Members of the Company's Management Board,

- 2) Persons making investment decisions with regard to the Fund's investment portfolio,
 - 3) Persons performing functions in the scope of risk management,
 - 4) Persons performing functions in the scope of compliance of the Company's activity with the law or in the scope of internal audit in the Company.
2. The Company's Management Board may include in the Policy also other Employees of the Company, in particular when:
- 1) They hold managerial positions in the Company's organizational structure,
 - 2) There is significant impact on the risk profile of the Company or the Funds,
 - 3) The remuneration of the Employee provides for paying variable part of remuneration related to the purposes or results of the Company or the Funds, the annual value of which exceeds the level of PLN 425 000.
3. The Company creates a list of positions and persons covered by the Policy and updates it if necessary.

§ 7

1. The Company verifies and updates the list of persons and positions covered by the Policy at least once a year.
2. Verification of the list of positions covered by the Policy takes into account:
 - 1) Types of risks to which the Company is exposed,
 - 2) Organization of the Company, scale of its activities,
 - 3) The role of the Employees in the Company and their impact on the Company's activity, in particular the impact on the risk taken by the Company and the Company's results.
 - 4) Determination whether the Employee complies with the criterion set out in § 6.2.3) of the Policy.
3. In case of persons significantly affecting the Fund's risk profile, the following are also taken into account:
 - 1) Types of risks to which the Fund is exposed,
 - 2) The relevance of the Fund, the risk profile of which is affected by a given Employee, for the functioning of the Company.

V. VARIABLE PARTS OF REMUNERATION

§ 8

1. Employees covered by the Policy receive fixed remuneration and variable remuneration. The criteria and rules of granting parts of the remuneration, in particular the level of parts of the remuneration in case of Management Board members of the Company is set by the Supervisory Board of the Company.
2. The Employee's fixed remuneration is established based on the level of responsibility, scope of entrusted duties, level of their execution and the Employee's competence and experience. Fixed remuneration is set and recorded in the labour agreement or other document confirming the rules of employment. The amount of fixed remuneration is set taking into consideration the necessity for proper execution of duties entrusted to the Employee also in case of lack of granting or payment of variable parts of remuneration.
3. Variable part of remuneration is set based on financial and non-financial results of a given Employee.
4. Financial results constituting the basis for setting variable remuneration are established based on financial indicators of the Company or the Funds, appropriately. The financial indicators may refer in particular, but not exclusively, to:
 - 1) In case of Employee having significant impact on the risk profile of the Fund:
 - a) Net performance of the Fund in compare to the benchmark or target return;
 - b) Gross performance of the Fund in compare to the benchmark or target return;
 - c) Amount of the Company's gross income due to the management fee of the Fund in its fixed or variable part;
 - 2) In case of Employee having significant impact on the risk profile of the Company:
 - a) Financial result, gross result before taxes or net result from the Company's statement;
 - b) Amount of the Company's gross income due to the management fee of the Fund in its fixed or variable part;
 - c) Other financial indicators calculated by the Company, such as in particular the level of execution of the budget;
5. Data for calculating the financial indicators should come from audited financial statements of the Company

and the Funds appropriately. The indicators are calculated based on the data from last two financial years and if the Employee was employed by the Company for a shorter time, starting from the date of employing such Employee.

6. Persons performing functions in the scope of risk management, persons performing functions in the scope of compliance of the Company's activity with the law or in the scope of internal audit in the Company are remunerated for achieving purposes resulting from their functions, and their remuneration may not depend on the results achieved in the areas of activity they control.
7. Financial and non-financial indicators specified above are set in advance for a given calculation period (calendar year) by the Management Board member responsible for the unit in which the Employee performs the functions. In case of Management Board members the financial and non-financial indicators are established by the Company's Supervisory Board.

§ 9

1. Granting or change of rights to receive variable parts of remuneration dependent on results is done not more frequently than once a year.
2. Acquiring rights for payment of variable parts of remuneration dependent on results is done once year, after closing each financial year.
3. The process of granting variable remuneration is initiated by establishing the amount of variable remuneration for the Company. Then the Employee assessment is conducted and remuneration is granted.
4. Total amount of remuneration is established on the level taking into account the assessment of the activity risk and allowing for maintaining the Company's good financial standing in case of its payment.
5. Rights for payment of variable part of remuneration are acquired after the assessment of financial and non-financial results constituting the basis for the payment, subject to the principles set out in:
 - 1) attachment 1 – with respect to the persons referred to in:
 - a) § 6.1 who fail to meet the criterion referred to in § 6.2.3 of the Policy,
 - b) In § 6.2.1-2 who meet the criterion referred to in § 6.2.3 of the Policy,
 - 2) attachment 2 – with respect to the persons referred to in § 6.1 who comply with the criterion referred to in § 6.2.3 of the Policy.
6. Qualitative criteria set out in this way may base on the conformity with the means of risk control such as limits and audit results. Unfavorable non-financial results, such as in particular unethical or illegal behavior shall prevail over potential favorable financial results achieved by the Employee and may result in decreasing or withdrawal of the initially granted variable remuneration.
7. Variable parts of remuneration may be paid in each form allowed by the law, in particular in cash, participation units or investment certificates of investment funds managed by the Company, as well as in options or other financial instruments, subject to the limits on payments set out in attachments 1 and 2.

§ 10

1. Variable part of remuneration dependent on results is not guaranteed.
2. In exceptional cases the Company may grant guaranteed variable part of remuneration dependent on results. In such case the remuneration may only be granted upon commencing the cooperation with the Employee and is limited solely to the first year of employment.
3. In case when remuneration due to terminating the agreement is paid to the Employee, such remuneration shall reflect the work amount, efficiency and quality for the period of at least last two years of holding the

position or for the whole period of holding the position if such Employee was employed for the period shorter than two years.

§ 11

The Company may decide to offer Discretionary pension benefits, in which case the Company shall modify the Policy appropriately.

§ 12

Persons covered by the Policy are obliged not to undertake actions aimed at impairing the effect of being covered by the Policy, in particular not to:

- 1) Present for redemption the participation units, dispose of or present for redemption investment certificates, participation titles or participation rights in the Funds, in a manner inconsistent with the agreement signed by such person and the Company,
- 2) Use personal hedging strategies,
- 3) Use insurance regarding the remuneration or responsibility.

VI. FINAL PROVISIONS

§ 13

1. The Policy is prepared, implemented and updated by the Company's Management Board.
2. The Policy is approved by the Company's Supervisory Board.
3. Compliance officer of the Company reviews the Policy at least once a year and then prepares a report on the state of the Policy's execution.
4. The report referred to in section 3 above is presented by the Compliance Officer of the Company the Company's Supervisory Board.
5. The Company's Supervisory Board at least once a year prepares and presents to the Company's general meeting the report on the assessment of the Policy's execution.
6. The Company's general meeting assesses whether the Policy is favorable for the development and safety of the Company's activity.
7. The Policy constitutes the remuneration policy as referred to in art. 47a of the Act and § 28.1 of the Corporate governance rules for supervised institutions adopted by the resolution of the Polish Financial Supervision Authority on the 22nd of July 2014.
8. The Policy enters into force as of the day of its publication, after being approved by the Company's Supervisory Board. The Policy does not cover variable parts of remuneration depending on results, remuneration due to termination of the agreement and discretionary pension benefits to which persons covered by the Policy acquired rights before the 1st of October 2016.

Attachments

Attachment 1 - The rules for paying variable remuneration components to Employees referred to in § 9.5.1 of the Policy.

Attachment 2 - The rules for paying variable remuneration components to Employees referred to in § 9.5.2 of the Policy.

Attachment 3 - Summary of rules regarding the payment of variable remuneration components.