

# Principal Adverse Impact Statement

## 2024

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**Amundi**  
ASSET MANAGEMENT

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# 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 Private Equity Funds – Midcap, 969500HGDY321R5PAJ83 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 Asset Management.

This statement on Principal Adverse Impacts on sustainability factors covers the reference period from 1<sup>st</sup> of January to 31<sup>st</sup> of December 2023.

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

Applicable to	Theme	PAI indicator	Number
Investment companies	Greenhouse gas emissions	GHG emissions	1
		Carbon footprint	2
		GHG intensity of investee companies	3
		Exposure to companies active in the fossil fuel sector	4
		Share of non-renewable energy consumption and production	5
		Energy consumption intensity per high impact climate sector	6
	Biodiversity	Activities negatively affecting biodiversity-sensitive areas	7
	Water	Emissions to water	8
	Waste	Hazardous waste and radioactive waste ratio	9
	Emissions	<i>Additional PAI:</i> Investments in companies without carbon emission reduction initiatives	4 (table 2)
	Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	10
		Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	11
		Unadjusted gender pay gap	12
		Board gender diversity	13
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)		14	

	Social and employee matters	<i>Additional:</i> Excessive CEO pay ratio (tracked by Amundi PEF - Impact only)	8 (table 3)
	Social and employee matters	<i>Additional:</i> Number of days lost due to injury, accident, death or illness (tracked by Amundi PEF - Fund of Funds only)	3 (table 3)
	Anti-corruption and anti-bribery	<i>Additional:</i> Share of investments in companies with no anti-corruption policy (only tracked by Amundi PEF - Midcap)	15 (table 3)
	Emissions	Investments in companies without carbon emission reduction initiatives	4 (table 2)
Sovereigns & supranationals	Environmental	GHG intensity	15
	Social	Investee countries subject to social violations	16
Real Estate	Fossil fuels	Exposure to fossil fuels through real estate assets	17
	Energy efficiency	Exposure to energy-inefficient real estate assets	18
	Energy consumption	<i>Additional PAI:</i> Energy consumption intensity	19 (table 2)

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

Amundi is pleased to present the 2024 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. 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. We have also seen a marked improvement in the coverage rate of Amundi Private Equity Funds' unlisted investments (the subject of this report). For example, Amundi Private Equity Funds - Midcap has managed to obtain ESG data reporting for 100% of its holdings.

## 2.1 Indicators applicable

Adverse sustainability indicator	Metric	Impact year n – PEF MidCap	Impact year n – PEF FoF	Impact year n – PEF Impact	Impact year n – PEF Consolidated	Incidences [Année n-1] – PEF Consolidated	Explanation	Actions taken, and actions planned and targets set for the next reference period (please refer to 2.3 for additional information)	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>									
<b>Greenhouse gas emissions</b>	1. GHG emissions	Scope 1 GHG emissions – tCO <sub>2</sub> eq <sup>1</sup>	1 750,6 tCO <sub>2</sub> e	28 587,5 tCO <sub>2</sub> e	868,93 tCO <sub>2</sub> e	31 207,0 tCO <sub>2</sub> e	4385981,58 tCO <sub>2</sub> e	Coverage rate : 6,04%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p> <p><i>Voting:</i> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
		Scope 2 GHG emissions – tCO <sub>2</sub> eq <sup>2</sup>	478,9 tCO <sub>2</sub> e	2 039,8 tCO <sub>2</sub> e	125,6 tCO <sub>2</sub> e	2 644,3 tCO <sub>2</sub> e	339738,30 tCO <sub>2</sub> e	Coverage rate : 5,78%	
		Scope 3 GHG emissions – tCO <sub>2</sub> eq <sup>3</sup>	12 190,4 tCO <sub>2</sub> e	120 062,2 tCO <sub>2</sub> e	2 873,0 tCO <sub>2</sub> e	135 125,6 tCO <sub>2</sub> e	5927601,45 tCO <sub>2</sub> e	Coverage rate : 4,92%	
		Total GHG emissions - tCO <sub>2</sub> eq <sup>4</sup>	14420 tCO <sub>2</sub> e	150689,4 tCO <sub>2</sub> e	3867,5 tCO <sub>2</sub> e	4 609 169,5 tCO <sub>2</sub> e	10608759,59 tCO <sub>2</sub> e	Coverage rate : 7,36%	

<sup>1</sup> Source of emission data: directly from the holdings or from fund managers in the case of Funds of Funds activities..

<sup>2</sup> Source of emission data: directly from the holdings or from fund managers in the case of Funds of Funds activities..

<sup>3</sup> Source of emission data: directly from the holdings or from fund managers in the case of Funds of Funds activities..

<sup>4</sup> Source of emission data: directly from the holdings or from fund managers in the case of Funds of Funds activities..

	2. Carbon footprint	Carbon footprint - tCO <sub>2</sub> eq/€m invested	62,25 tCO <sub>2</sub> e /M€	461 tCO <sub>2</sub> e /M€	49,6 tCO <sub>2</sub> e/M€	311,4 tCO <sub>2</sub> e /M€	35,41 tCO <sub>2</sub> e /M€	Coverage rate : 6,90%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p> <p><i>Voting:</i> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
	3. GHG intensity of investee companies	GHG intensity of investee companies – tCO <sub>2</sub> eq/€m revenues <sup>5</sup>	239,1 tCO <sub>2</sub> e /M€	3 036,5 tCO <sub>2</sub> e /M€	73,9 tCO <sub>2</sub> e /M€	1 966,8 tCO <sub>2</sub> e /M€	4,27 tCO <sub>2</sub> e /M€	Coverage rate : 6,83%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p> <p><i>Voting:</i> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector – %	0,36%	9,1%	0%	2,0%	2,1%	Coverage rate : 8,5%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p> <p><i>Voting:</i> Criteria requirement linked to the energy transition in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><i>Exclusion Policy:</i> part of Amundi's Exclusion Policy dedicated to coal and to unconventional hydrocarbons</p>
	5. Share of non-renewable energy consumption	Share of non-renewable energy consumption	NA	NA	NA	Production : 21% Consumption : 62%	Consumption : 26%	Coverage rate production : 6,16% Coverage rate consumption: 5,16%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p>

	and production	n and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources – %							<i>ESG Score Integration:</i> included under the environmental pillar of Amundi's proprietary ESG model
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector – GWh/€m revenues	NA	NA	NA	Section A : 0 Section B : 0 Section C : 21,8 Section D : 0 Section E : 0,5 Section F : 0 Section G : 0 Section H : 4,4 Section L : 83,4	5,56 GWh/M€	Coverage rate : Section A : 3% Section B : 4% Section C : 5% Section D : 4% Section E : 4% Section F : 4% Section G : 4% Section H : 4% Section L : 4%	<i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy <i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model
<b>Biodiversity</b>	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity	0%	2,7%	0,0%	1,0%	1,7%	Coverage rate : 9%	<i>Engagement policy:</i> part of Amundi's engagement focusing on natural capital preservation <i>Voting:</i> Use of voting rights as escalation in the event of significant negative impacts <i>Controversy monitoring:</i> Screening, taking into account alert levels relating to biodiversity and land use, is also at the heart of discussions with participants

		-sensitive areas where activities of those investee companies negatively affect those areas – %								<i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model
<b>Water</b>	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average – t/€m invested	0,0 Tonnes / M€	3,6 Tonnes / M€	0,0 Tonnes / M€	0,7 Tonnes / M€	0,24 Tonnes / M€	Coverage rate : 6%		<p><i>Engagement:</i> part of Amundi's engagement on the preservation of natural capital with exposed holdings</p> <p><i>Controversy monitoring:</i> Screening, taking into account alert levels relating to water pollution and consumption, was also at the heart of discussions with participants.</p> <p><i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Waste</b>	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average – t/€m invested	5,2 Tonnes / M€	31,4 Tonnes / M€	0,0 Tonnes / M€	10,1 Tonnes / M€	2,98 Tonnes / M€	Coverage rate : 7%		<p><i>Engagement:</i> Theme of engagement with exposed holdings</p> <p><i>Controversy monitoring:</i> Screening, taking into account alert levels relating to toxic emission, effluents and waste, was also at the heart of discussions with participants.</p> <p><i>ESG Score Integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>										

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises – %	0%	0%	0%	0%	8%	Coverage rate : 8,5%	<p><i>Exclusion:</i> Issuers and investments that repeatedly and seriously violate one or more of the Global Compact's ten principles, without credible corrective action, are excluded.</p> <p><i>Engagement:</i> part of Amundi's engagement focusing on social cohesion</p> <p><i>Vote:</i> Use of voting rights as escalation for companies with controversial social practices</p> <p><i>Controversy monitoring:</i> Engagement on taking into account alert levels relating to potential or unknown violations of the UNGC, was also at the heart of discussions with participants.</p>
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD	77,3%	13,9%	95,1%	67,0%	42%	Coverage rate : 8%	<p><i>Engagement:</i> part of Amundi's engagement focusing on strong governance for sustainable development</p> <p><i>Vote:</i> Use of voting as an escalation tool for companies with no conflict of interest processes or mechanisms</p> <p><i>Controversy monitoring:</i> Engagement taking into account alert levels relating to public policy and governance incidents</p>

		Guidelines for Multinational Enterprises – %							
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies – %	7,58%	16,13%	-3,53%	7,00%	14%	Coverage rate : 6%	<p><i>Engagement:</i> part of Amundi's engagement focusing on a social cohesion</p> <p><i>Voting:</i> part of Amundi's voting priority theme on social cohesion</p> <p><i>Controversy monitoring:</i> Engagement taking into account alert levels relating to labor relations and employee management</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members – %	85,3%	76,1%	54,3%	75,0%	16%	Coverage rate : 6%	<p><i>Engagement:</i> The generalization of gender diversity is part of the Group's commitment policy, with the launch in 2020 of the 30% Club France Investor Group, of which Amundi has become co-chair. Amundi is committed to this plan on the Supervisory Boards and Executive Committees of its investments.</p> <p><i>Vote:</i> part of Amundi's voting priority theme on social cohesion</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons – %	0%	0%	0%	0%	0%	Coverage rate : 9%	<p><i>Exclusion policy:</i> controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our Exclusion Policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons</p> <p><i>Vote:</i> Use of voting rights as escalation for companies with controversial social practices</p>

		INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS			
<b>Environmental</b>	15. GHG intensity	GHG intensity of investee countries – tCO <sub>2</sub> eq/€m GDP	Not applicable	Not applicable	Amundi Private Equity Funds do not invest in sovereign or supranational issuers.
<b>Social</b>	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law – absolute number and relative number in %	Not applicable	Not applicable	Amundi Private Equity Funds do not invest in sovereign or supranational issuers.
		INDICATEURS APPLICABLES AUX INVESTISSEMENTS DANS DES ACTIFS IMMOBILIERS			

<b>Fossil fuels</b>	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 – %	Not applicable				Not applicable	Amundi Private Equity Funds do not invest in real estate assets.	
<b>Energy efficiency</b>	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	Not applicable				Not applicable	Amundi Private Equity Funds do not invest in real estate assets.	
			AUTRES INDICATEURS RELATIFS AUX PRINCIPALES INCIDENCES NÉGATIVES SUR LES FACTEURS DE DURABILITÉ						
<b>Emissions</b>	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement – %	23%	50%	34,0%	35%	77%	Coverage rate : 9%	<p><i>Engagement:</i> part of Amundi's engagement focusing on transition towards a low carbon economy</p> <p><i>Voting:</i> Criteria requirement linked to the carbon transition and footprint calculation in executive compensation for sectors with a significant impact on climate, use of voting rights as an escalation in the event of significant negative impacts</p> <p><i>ESG score integration:</i> included under the environmental pillar of Amundi's proprietary ESG model</p>
<b>Social and employee matters</b>	<i>Additional:</i> Excessive CEO pay ratio (tracked by Amundi PEF - Impact only)	Number of workdays lost to injuries, accidents, fatalities or	NA	NA	210%	210%	NA	Only tracked by Amundi PEF - Impact	New additional indicator, therefore no historical data

		illness of investee companies expressed as a weighted average							
<b>Social and employee matters</b>	<i>Additional:</i> Number of days lost due to injury, accident, death or illness (tracked by Amundi PEF - Fund of Funds only)	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	NA	562,72	NA	562,72	NA	Only tracked by Amundi PEF - Fund of Funds  New additional indicator, therefore no historical data	
<b>Anti-corruption and anti-bribery</b>	<i>Additional:</i> Share of investments in companies with no anti-corruption policy (only tracked by Amundi PEF - Midcap)	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	48%	NA	NA	48%	NA	Only tracked by Amundi PEF - Midcap  New additional indicator, therefore no historical data	



## 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
- At the level of Amundi Private Equity Funds, no company is directly involved in a Net Zero process. However, all Amundi Private Equity Funds’ direct holdings (excluding fund of funds activities) must have calculated their carbon footprint by 2025.
- Continue to proactively engage on the issue of water via the collaborative engagement campaign, the Valuing Water Finance initiative<sup>6</sup>
- Continue to develop our engagement on working conditions

Amundi will continue to update its voting and engagement policy during the next period.

## 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 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.

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<sup>6</sup> See [Amundi 2024 engagement](#) report for more information

# 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 2024	<i>Normative exclusions:</i> Controversial weapons, UN Global Compact controversies <i>Sectoral exclusions:</i> Tobacco, Coal, Unconventional Oil and Gas <i>ESG integration:</i> 38 material ESG issues identified and prioritized per economic sector <i>Product policies:</i> ESG mainstream, Net Zero, Impact	Policy reviewed by Compliance, Legal, Risk and investment management teams and approved by CRIOZ Published on 28/11/2024 Updated annually
Amundi Climate Strategy (“Say on climate”)	Climate change Energy transition	Voted by General Assembly in 18/05/22
Amundi Voting Policy 2024	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 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.

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7 Chief Responsible Investment Management

### 3.2 Policy governance

Amundi Real Assets, of which Amundi Private Equity Funds is a part, relies mainly on Amundi Group's ESG governance

#### 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.

### Overview of ESG in Amundi Private Equity Funds in the pre-investment phase

Amundi PEF promotes a strict sector exclusion policy. For several years now, Amundi PEF has been monitoring certain activities deemed controversial via its *Responsible Investment policy*<sup>8</sup>.

Prior to any investment, Amundi PEF ensures that the company's activities comply with international conventions, notably those of Ottawa and Oslo, and with French legislation on controversial weapons.<sup>9</sup>

<sup>8</sup> Amundi Asset Management's Responsible Investment Policy is available by following the link below: <https://www.amundi.fr/instit/ESG/Documentation>

<sup>9</sup> These include anti-personnel mines, cluster bombs, chemical weapons, biological weapons and depleted uranium weapons.

Amundi Asset Management's sectoral exclusion policy applied at Amundi PEF, and more specifically that on coal, has enabled us to develop a perfect knowledge of issuers in this sector, to identify them and to exclude them from any investment opportunities right from the preliminary stages of any investment. Amundi Asset Management has also undertaken to limit investments in tobacco companies.

Once we have ensured that sector exclusions have been respected, ESG criteria are carefully examined during due diligence. ESG Due Diligence, the cornerstone of ESG analysis ESG criteria are integrated into our investment process from the earliest stages, thanks to close collaboration between the investment teams and ESG specialists, who attend all weekly meetings, the key moments when investment files are presented. This collaboration enables the investment teams to better understand ESG issues, and also to better anticipate potential ESG problems for certain projects.

ESG Due Diligence enables the analysis and evaluation of ESG criteria specific to the company in question.

### 3.3 Methodologies and data sources for the calculation of PAI values

#### General principles

In order to publish indicators that best represent the main negative impacts on sustainability factors at entity level, Amundi has adopted an approach to calculating and managing indicators on main negative impacts that is based on the principle of portfolio coverage. Consequently, the data covered is divided by the assets to which it relates.

Although Amundi has identified the short- and long-term negative impacts most likely to have a significant impact on investment portfolios, the information available to assess the main negative impacts is limited and often lacks standardization across sectors and regions concerning indirect investments. As a result, investment portfolios may be exposed to significant and chronic negative impacts that vary according to the geographical location of the companies concerned.

#### 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.

#### Methodological Limitations

The limitations of our methodology are inherent in the use of ESG data. The ESG data universe is in the process of being standardized, which may have an impact on data quality; data coverage is also limited. Current and future regulations will improve the standardization of reporting and information provided by the companies on which ESG data is based.

Amundi Real Assets also faces a second level of difficulty in collecting ESG data, as the companies it invests in are unlisted and therefore less mature when it comes to ESG data. The forthcoming standardization of extra-financial reporting practices mainly concerns companies of a certain size. However, many companies invested in PEF do not meet these criteria.

We are aware of these limitations, which we mitigate through a combination of approaches: a structured qualitative assessment of ESG scores by our ESG research team, the implementation of strong

governance, a data collection campaign carried out directly with invested companies, technical and logistical support for companies collecting data, and a process to ensure the reliability of ESG data.

Finally, in some specific cases, it may be difficult to obtain data from portfolios. Despite our efforts to retrieve all necessary data (see also the section below), a lack of data availability may have an impact on some of our assets. We encourage readers to exercise caution and take this potential margin of error into account when interpreting and using the information provided.

#### **Data sources: Data providers used only for PAIs**

Amundi Private Equity Funds does not use external data providers. Data is therefore collected directly from invested companies and GPs. Sirsa, an ESG consultancy and publisher of reporting software (Reporting21), assists Amundi PEF in this task.

#### **Different approaches depending on data coverage**

Data coverage varies between the different indicators of the main negative impacts. For indicators with less than 100% coverage (e.g. uncorrected gender pay gap or water discharges), Amundi has adopted a conservative approach for qualitative indicators (e.g. Yes/No to the absence of a process and compliance mechanism to monitor compliance with the UN Global Compact principles and OECD guidelines) and has adopted a negative response in the absence of available data. For the quantitative indicators, we have adopted a calculation approach based on the scope of the responding companies only.

For investments in third-party funds, the data source used was the values of the main negative impact indicators declared by the external managers.

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

## 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<sup>10</sup>

Engagement is a continuous and purpose driven process aimed at influencing the activities or behavior of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimensions, 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. This approach applies to all of Amundi’s products.

### 4.2 Vote

Amundi’s voting policy responds to a holistic analysis of all long-term issues likely to influence value creation, including material ESG issues. For more information, please consult Amundi’s Voting Policy and Voting Report<sup>11</sup>. This approach applies by default to all Amundi funds. Amundi Real Assets invests mainly in assets without a voting system, so Amundi’s voting policy is best reflected in actions and commitments to the companies invested.

### 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 exclusion policy.<sup>12</sup>

### 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

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<sup>10</sup> Additional information regarding engagement at Amundi can be found in our 2024 engagement report

<sup>11</sup> [https://www.amundi.fr/fr\\_instit/ESG/Documentation](https://www.amundi.fr/fr_instit/ESG/Documentation)

<sup>12</sup> 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

applicable ESG benchmark)<sup>13</sup>. 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.

## 4.5 Controversy monitoring

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.

### Indicators scope of application

#	Metric	General considerations on the scope of application <sup>14</sup>
1	GHG emissions (Scope 1, 2, 3 and total)	<p><i>Engagement:</i> active funds and passive funds</p> <p><i>Voting:</i> active funds and passive funds</p> <p><i>ESG score integration:</i> active funds with ESG rating improvement target<sup>15</sup> and/or selectivity approaches<sup>16</sup> (included under the environmental pillar of Amundi's proprietary ESG model).</p>
2	Carbon footprint	<p><i>Engagement:</i> active funds and passive funds</p> <p><i>Voting:</i> active funds and passive funds</p> <p><i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model).</p>
3	GHG intensity of investee companies	<p><i>Engagement:</i> active and passive funds</p> <p><i>Voting:</i> active and passive funds</p> <p><i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)</p>
4	Exposure to companies active in the fossil fuel sector	<p><i>Engagement:</i> active and passive funds</p> <p><i>Voting:</i> active and passive funds</p> <p><i>Exclusion Policy (coal and unconventional hydrocarbons):</i> active funds and ESG passive funds (that apply Amundi's Sector Policy).</p>
5	Share of non-renewable energy consumption and production	<p><i>Engagement:</i> active and passive funds</p> <p><i>ESG Score Integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model).</p>

13 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.

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

15 Categories of funds which aim to invest in issuers improving their ESG rating over time

16 ESG criteria are taken into account when selecting issuers to invest in

6	Energy consumption intensity per high impact climate sector	<i>Engagement:</i> active and passive funds <i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches.
7	Activities negatively affecting biodiversity sensitive areas	<i>Engagement:</i> active and passive funds <i>Voting:</i> active and passive funds <i>Controversy monitoring:</i> active funds <i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
8	Emissions to water	<i>Engagement:</i> active and passive funds <i>Controversy monitoring:</i> active funds <i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model).
9	Hazardous waste ratio	<i>Engagement:</i> active and passive funds <i>Controversy monitoring:</i> active funds <i>ESG Score Integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
4 (table 2)	Investments in companies without carbon emission reduction initiatives	<i>Engagement:</i> active and passive funds <i>Voting:</i> active and passive funds <i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines	<i>Exclusion (UN Global Compact principles):</i> active funds and ESG passive funds (that apply Amundi Exclusion Policy) <i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds <i>Controversy monitoring:</i> active funds
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active and passive funds <i>Controversy monitoring:</i> active funds
12	Unadjusted gender pay gap	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds <i>Controversy monitoring:</i> active funds
13	Board gender diversity	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds
14	Exposure to controversial weapons	<i>Exclusion:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds <i>Controversy monitoring:</i> active funds
15	GHG intensity	<i>ESG score integration:</i> active funds with ESG rating improvement target and/or selectivity approaches (included under the environmental pillar of Amundi's proprietary ESG model)
16	Investee countries subject to social violations	<i>Exclusion:</i> active funds and passive ESG funds <sup>17</sup> .

<sup>17</sup> Passive funds classified with an ESG component

<b>8 (table 3)</b>	<i>Additional:</i> Excessive CEO pay ratio (tracked by Amundi PEF - Impact only)	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds
<b>3 (table 3)</b>	<i>Additional:</i> Number of days lost due to injury, accident, death or illness (tracked by Amundi PEF - Fund of Funds only)	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds
<b>15 (table 3)</b>	<i>Additional:</i> Share of investments in companies with no anti-corruption policy (only tracked by Amundi PEF - Midcap)	<i>Engagement:</i> active funds and passive funds <i>Vote:</i> active funds and passive funds

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

# 5. Reference to international standards

Principal Adverse Impacts		Standards, initiatives and public policies relevant to principal adverse impacts <sup>18</sup>
1, 2, 3, 4, 5, 6 and 4 (table 2)	<p><b>GHG emissions (Scope 1, 2, 3 and total)</b></p> <p><b>Carbon footprint</b></p> <p><b>GHG intensity of investee companies</b></p> <p><b>Exposure to companies active in the fossil fuel sector</b></p> <p><b>Share of non-renewable energy consumption and production</b></p> <p><b>Energy consumption intensity per high impact climate sector</b></p> <p><b>Investments in companies without carbon emission reduction initiatives</b></p>	<p>Paris Agreement on Climate</p> <p>Sustainable Development Goals (SDGs)</p> <p>EU Taxonomy</p> <p>Net Zero Asset Managers Initiative (NZAMI)</p> <p>Climate Action 100+</p> <p>Carbon Disclosure Project (CDP)</p> <p>Science-based Targets initiative</p> <p>Task Force on Climate-related Financial Disclosures (TCFD)</p> <p>The Japan TCFD Consortium</p> <p>Montréal Carbon Pledge</p> <p>Portfolio Decarbonisation Coalition (PDC)</p> <p>Institutional Investors Group on Climate Change (IIGCC)</p> <p>Asia Investor Group on Climate Change (AIGCC)</p> <p>Investors for a Just Transition</p> <p>China-Singapore Green Finance Taskforce</p> <p>Eurosif</p> <p>Observatoire de l'Immobilier Durable</p>
7,8,9	<p><b>Activities negatively affecting biodiversity sensitive areas</b></p> <p><b>Emissions to water</b></p> <p><b>Hazardous waste ratio</b></p>	<p>Task Force on Nature-related Financial Disclosures (TNFD)</p> <p>Finance for Biodiversity Pledge</p> <p>Farm Animal Investment Risk and Return (FAIRR)</p> <p>Investor Action on Antimicrobial Resistance</p> <p>CDP Water</p> <p>CDP Forest</p> <p>Fondation de la Mer</p> <p>Global Reporting Initiative (GRI)</p> <p>Global Impact Investing Network (GIIN)</p> <p>Impact Disclosure Taskforce</p> <p>Biodiversity Impulsion Group (BIG)</p> <p>Nature Action 100</p>
10, 11	<p><b>Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines</b></p> <p><b>Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines</b></p>	<p>UN Global Compact</p> <p>OECD Guidelines on Multinational Enterprises</p> <p>UN Guiding Principles on Business and Human Rights</p> <p>PRI Human Rights Engagement</p>

<sup>18</sup> 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	<b>Unadjusted gender pay gap</b>	Workforce Disclosure Initiative (WDI) Platform Living Wage Financials (PLWF)
13	<b>Board gender diversity</b>	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	<b>Exposure to controversial weapons</b>	Ottawa and Oslo treaties
9 (table 3)	<b>Lack of a human rights policy</b>	UN Guiding Principles on Business and Human Rights
15	<b>GHG intensity of investee countries</b>	Paris Agreement on Climate Green bond principles
16	<b>Investee countries subject to social violations</b>	International Bill of Human Rights
17	<b>Exposure to fossil fuels through real estate assets</b>	SFDR regulation
18	<b>Exposure energy-inefficient real estate assets</b>	Energy performance diagnostics (EPC) - calculation methodology is determined by the regulations in each country
19 (table 2)	<b>Energy consumption intensity</b>	

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<sup>19</sup> 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;

<sup>19</sup> 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 (tCO<sub>2</sub>e/€m turnover) by 2025 and -60% by 2030 for committed portfolios under NZIF (Net Zero Investment Framework);
  3. financed emissions under engagement: In 2024, 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)<sup>20</sup>

#### 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 CO<sub>2</sub> intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors) (unit: tCO<sub>2</sub>e/M€<sup>21</sup> revenues, source: Trucost);

<sup>20</sup> Only accounting for emissions linked to tier 1 supplier

<sup>21</sup> 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)**<sup>22</sup>.

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 2024 (up from the 92 companies engaged last year) across a diverse range of sectors<sup>23</sup>. 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 2024 in part due to the establishment of its new biodiversity policy<sup>24</sup>. The policy focuses on companies with high exposure to biodiversity harming

<sup>22</sup> 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

<sup>23</sup> Insurance, energy, pharmaceuticals, materials, food retailing, fashion, consumer services, household personal products, and banks among others

<sup>24</sup> <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.

## 6. Historical comparison

Amundi is pleased to present the 2024 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 2024, Amundi had an 0.06% 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.

In the case of Amundi Private Equity Funds, a change in the company's scope of consolidation has prevented the uniform application of methodologies for calculating, consolidating and collecting data on greenhouse gas emissions in 2023. Consequently, the data provided do not allow for historical comparison. This situation has been stabilized and will enable a comparison based on the 2023 data presented above in future reports.