



COMPENSATION POLICY APPLICABLE TO EXECUTIVE OFFICERS IN 2022
APPROVED BY THE SHAREHOLDERS' MEETING HELD ON MAY 20, 2022

Results of the votes on the corresponding resolutions:

13 th resolution	Compensation policy applicable to the Chairman and Chief Executive Officer in 2022	Approved at 95.49%
14 th resolution	Compensation policy applicable to the Directors in 2022	Approved at 97.80%

(article R. 22-10-14 (IV) of the French Commercial Code)

~~~~~

***EXTRACT FROM THE 2021 UNIVERSAL REGISTRATION DOCUMENT***

~~~~~

4.5 Executive officers' compensation

4.5.1 2022 Compensation policy for the Chairman and Chief Executive Officer

The Chairman and Chief Executive Officer of the Company serves a three-year term. The Board of Directors may end the Chairman and Chief Executive Officer's term of office at any given moment.

Sébastien Bazin was re-elected as Director and Chairman and Chief Executive Officer on June 30, 2020. The Board of Directors took this opportunity, at its February 19, 2020 meeting, to review and revise his compensation package for the duration of his term, in order to align it with market practices and link it even more closely to the Group's performance.

The compensation policy of the Chairman and Chief Executive Officer is determined by the Board of Directors, on the recommendation of the Appointments, Compensation & CSR Committee.

In determining this policy, the Board constantly ensures that it complies with the principles of comprehensiveness, consistency with the company's other executives and employees' compensation policy, comparability, motivation, comprehensibility of the rules and measurement, while ensuring that a balance is maintained between the compensation packages.

By setting up incentives to reward performance, based on demanding criteria geared to value creation, the compensation policy for executive directors is consistent with the interests of the Company and its shareholders, and with the Group's business strategy. The long-term compensation system enables executive officers like all beneficiaries, to share in the capital, with all the risks that this entails, but also aims to build loyalty and encourages sustainable performance.

In making its recommendations, the Appointments, Compensation & CSR Committee relies in particular on studies conducted by external consultants on the practices of companies of comparable size and international hotel groups.

The executive officers' compensation policy is reviewed annually to ensure compliance with regulatory provisions, market practices, and the recommendations of the AFEP-MEDEF and the AMF, and to account for shareholder

feedback, if any. This policy is then submitted for shareholder approval at the Annual Shareholders' Meeting. If it is not approved, the most recent compensation policy approved by the Annual Shareholders' Meeting remains in force.

In addition, the Appointments, Compensation & CSR Committee regularly reviews the proper application of the compensation policy adopted by the Shareholders' Meeting. Consequently, fixed, variable and long-term compensation principles, criteria and targets are analyzed by the Appointments, Compensation & CSR Committee on an annual basis. This Committee reports on its work to the Board of Directors.

If new executive officers are appointed during the fiscal year, the compensation policy described below applies until a new policy is adopted by the next Annual Shareholders' Meeting.

The Board of Directors and Appointments, Compensation & CSR Committee undertake to prevent and manage any conflicts of interest that may arise, in particular with respect to the compensation decision-making process. To this end, the Appointments, Compensation & CSR Committee is composed of a majority of independent directors as well as a Director representing employees. Lastly, in accordance with the provisions of the Board of Directors' Bylaws, the Chairman and Chief Executive Officer shall not participate in the discussions or voting on any item relating to his compensation package.

The measures taken by the Company to prevent conflicts of interest are outlined in section 4.3.3 of this Universal Registration Document.

On February 23, 2022, based on the recommendation of the Appointments, Compensation & CSR Committee, the Board of Directors decided to leave the principles of the current compensation policy for the Chairman and Chief Executive Officer substantially unchanged.

The components of total compensation and the benefits in kind that may be granted to the Chairman and Chief Executive Officer are described below.

Short-term components

The short-term components of the Chairman and Chief Executive Officer's compensation are as follows:

- (i) **Annual fixed compensation**, which takes into account the Chairman and Chief Executive Officer's experience and responsibilities as well as market practices.

For 2022, Sébastien Bazin's gross annual fixed compensation is €950,000 (unchanged since January 1, 2016).

- (ii) **Annual variable compensation** which is contingent on the Chairman and Chief Executive Officer's contribution to the Group's success, particularly in

terms of financial and extra-financial performance, and depends on performance in relation to quantitative objectives and qualitative objectives (for 80% and 20%, respectively) set by the Board of Directors, as explained below. Each quantitative objective, depending on the achievement rate, triggers the payment of between 0% and 160% of the share of variable compensation it represents. Each qualitative objective, depending on the achievement rate, triggers the payment of between 0% and 120% of the share of variable compensation it represents.

For 2022, the annual variable compensation will represent between 0% and 150% of a gross reference amount set at €1,250,000, equivalent to between 0% and 197% of his annual fixed compensation (amount and percentage unchanged since January 1, 2016). If his variable compensation reaches 100% of the reference amount, this will represent 132% of his annual fixed compensation.

On February 23, 2022, the Board has decided that Sébastien Bazin's annual variable compensation will be based on the achievement of the following performance objectives:

1. quantitative objectives (accounting for 80% of the total):

- Financial criteria (50% weighting):
 - consolidated EBITDA in line with the 2022 budget (25% weighting);
 - Free cash flow (excluding disposals and acquisitions) after change in operating working capital, in line with the 2022 budget (10% weighting);
 - RESET savings in line with the 2022 budget (15% weighting);
- Non-financial criteria (30% weighting):
 - organic growth in the number of rooms (net of transfers to another brand) in line with the 2022 budget (15% weighting);
 - Environmental, Social and Governance (ESG) criteria (15% weighting).

The Board of Directors, on the recommendation of the Appointments, Compensation & CSR Committee, decided to increase the weighting of the "ESG criteria" objective (formerly the "combination of criteria") from 10% to 15% to better reflect the impact of ESG issues in the Group's strategy. It also decided to replace the "ALL Safe rollout" health and safety criterion, which was very closely tied to hotel reopenings after the Covid-19 crisis, by new ESG criteria that are more relevant and in line with the commitments publicly disclosed by the Group (elimination of plastic, reduction of carbon emissions..).

On March 16, 2022, the Board of Directors, on the recommendation of the Appointments, Compensation & CSR Committee, decided to set the composition of the ESG criteria as follows:

- percentage of managed and franchised hotels that have eliminated single-use plastics from the guest experience (except disposable water bottles) on December 31, 2022 (5% weighting);
- percentage of women on Management Committees worldwide on December 31, 2022 (5% weighting);
- percentage of managed and franchised hotels with a carbon measurement tool in place by the end of 2022 (5% weighting).

The expected level of achievement of these new ESG criteria has been precisely set. The targets are as follows:

- For the criterion relating to the removal of plastics, the target has been set at 80% of managed and franchised hotels complying with this ambition (compared to 34 % by the end of 2021).
- For the criterion relating to the percentage of women on Management Committees worldwide, the target has been set at 39%.
- For the criterion relating to the percentage of managed and franchised hotels with a carbon measurement tool in place, the target has been set at 60%.

The respective weightings of the "EBITDA" and "RESET savings" quantitative objectives have thus been revised accordingly, to account not only for the change in the weighting of the "ESG criteria" objective but also for the reduction in the weighting of the "RESET savings" objective from 30% to 15%. The latter remains a relevant criterion but has become less important in a more stable post-pandemic environment and because the RESET plan itself was largely implemented in 2021. In any event, the overall weighting of the financial criteria remains high.

2. qualitative objective (accounting for 20% of the total):

- Agility and operational adaptation of the model and talent development (20% weighting)

The Board of Directors, on the recommendation of the Appointments, Compensation & CSR Committee, decided to replace the qualitative objectives of "crisis exit strategy and management of the team through the exit", with a 10% weighting and "operational excellence of the organization and talent development", with a 10% weighting, with a single "agility and operational adaptation of the model and talent development" criterion, with a 20% weighting.

After implementing a new operational organization at the end of 2020, the Board of Directors decided, against the backdrop of the post-pandemic business recovery and significant talent retention challenges, to emphasize the need to adapt the organization.

The fixed compensation, the target amount and the structure of the annual variable compensation have remained unchanged since January 1, 2016. However, it should be noted the reduction in the Chairman and Chief Executive Officer's fixed compensation for the period from April 1 to December 31, 2020, in the context of the health crisis stemming from the Covid-19 pandemic.

Criteria and weighting of the variable components of the Chairman and Chief Executive Officer's compensation

Quantitative objectives	Weighting	% of the Reference Amount		
		Min	Target	Max ⁽¹⁾
Actual versus budgeted consolidated EBITDA for 2022	25%	0%	25%	40%
Actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital for 2022	10%	0%	10%	16%
Actual versus budgeted RESET savings for 2022	15%	0%	15%	24%
Actual versus budgeted organic growth in the number of rooms (net of transfers to another banner) for 2022	15%	0%	15%	24%
Percentage of managed and franchised hotels that have eliminated single-use plastics from the guest experience (except for disposable water bottles)	5%	0%	5%	8%
Percentage of women on Management Committees worldwide	5%	0%	5%	8%
Percentage of managed and franchised hotels with a carbon measurement tool in place	5%	0%	5%	8%
Total, quantitative objectives	80%	0%	80%	128%

(1) Each quantitative objective, depending on the achievement rate, may trigger the payment of up to 160% of the share of variable compensation it represents.

Qualitative objective	Weighting	% of the Reference Amount		
		Min	Target	Max ⁽¹⁾
Agility and operational adaptation of the model and talent development	20%	0%	20%	24%
Total, qualitative objective	20%	0%	20%	24%
TOTAL, QUANTITATIVE AND QUALITATIVE OBJECTIVES AS A % OF THE REFERENCE AMOUNT		0%	100%	150%⁽²⁾
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION (CAPPED AMOUNT)		0%	132%	197%

(1) Each qualitative objective, depending on the achievement rate, may trigger the payment of up to 120% of the share of variable compensation it represents.

(2) The variable compensation is capped at 150% of the reference amount.

(iii) Lastly, the Board of Directors has retained the option of paying an **exceptional bonus** to the Chairman and Chief Executive Officer in certain special circumstances (such as in the event of a transformative operation), which would be announced and explained to shareholders, in accordance with the AFEP-MEDEF Code. The exceptional bonus paid to the Chairman and Chief Executive Officer shall not exceed 100% of his annual fixed compensation.

In any event and subject to approval of this compensation policy at the 2022 Annual Shareholders' Meeting, payment of the Chairman and Chief Executive Officer's variable compensation and, if applicable, his exceptional bonus will be subject to the shareholders' prior approval at the 2023 Annual Shareholders' Meeting.

Long-term components

Performance shares in the Company are regularly granted to the executive officer of the Company and to certain Group employees subject to the fulfillment of performance conditions and continued presence in the Group. These share grants are intended to closely align the Chairman and Chief Executive Officer's interests with those of the Company's shareholders and encourage him

to deliver long-term performance. The performance conditions (which are both internal and external) are determined by the Board of Directors, which then gives the Chairman and Chief Executive Officer the necessary powers to carry out the grants. In accordance with the provisions of the AFEP-MEDEF Code, the plans are mostly issued during the first half of the year.

At its meeting on February 23, 2022, based on recommendations put forward by the Appointments, Compensation & CSR Committee, the Board of Directors decided to maintain the cap on the number of performance shares that may be granted to the Chairman and Chief Executive Officer at a number equivalent to 250% of his gross annual fixed compensation. In any event, the number of performance shares that may be granted to him shall not represent more than 15% of the total number of performance shares granted to all employees, under the resolution which authorized the grant of the performance shares, valid for a period of 38 months.

In addition to the requirement that the Chairman and Chief Executive Officer continues to be employed by the Group at the end of the three-year vesting period, these performance shares shall only vest in accordance with the following performance conditions:

- actual versus budgeted consolidated EBITDA (40% weighting);
- actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital (20% weighting);
- reduction in the carbon footprint (20% weighting);
- Accor's Total Shareholder Return (TSR) versus the change of a composite index comprising peer European and international hotel groups (Melia, NH Hoteles, Whitbread, Hilton, Marriott, Hyatt, IHG) (20% weighting).

The Board of Directors, based on recommendations put forward by the Appointments, Compensation & CSR Committee, decided to include a "reduction in the carbon footprint" condition, with a 20% weighting, in order to diversify the performance conditions (beyond financial criteria), balance the economic performance requirements with those of the environmental and societal commitment, and align with the practices of companies of comparable size (even though, to date, our main hotel peers are not yet following this practice). Furthermore, in the long term, the ESG issues are in line with the plans' performance condition measurement periods (three years). Lastly, in order to take account for the inclusion of this new criterion, the weighting of the other performance conditions has been revised accordingly.

Other benefits awarded to the Chairman and Chief Executive Officer

The other benefits provided to the Chairman and Chief Executive Officer are as follows:

- (i) **A company car.**
- (ii) **Unemployment insurance** in the event of job loss. A private insurance plan has been set up with Association pour la Garantie Sociale des Chefs et Dirigeants d'Entreprise (GSC) to provide the Chairman and Chief Executive Officer with unemployment benefits should the need arise. The benefits under this plan would be based on net taxable professional-source income for the previous year, and would be payable from the thirty-first consecutive day of unemployment. The maximum

This new ESG criterion concerns carbon emissions divided into three scopes (source: GHG Protocol):

Scope 1: concerns direct (on-site) greenhouse gas emissions from energy sources owned or controlled by the managed hotels.

Scope 2: refers to indirect (off-site) greenhouse gas emissions from energy consumption owned or controlled by the managed hotels, including electricity consumption, heating and district cooling.

Scope 3: concerns indirect greenhouse gas emissions from energy production upstream of the sites and from goods and services purchased (food and drink, outsourced laundry) for the managed hotels, as well as direct and indirect emissions from the energy consumption of the franchised hotels.

A first target (for 10%) is to achieve a 21% reduction in carbon emissions by the end of 2024 for scope 1 and scope 2 and a second target (for 10%) is to achieve a 12.5% reduction in carbon emissions for scope 3 by the end of 2024. These targets have been set on a trajectory in line with the Group's 2030 carbon reduction ambition.

The achievement rates have been set for the other internal criteria but these quantitative objectives relating to the budget or to the internal ambition (which themselves are not made public) are confidential and it is therefore not possible to disclose this information.

Concerning the external performance condition (Accor's TSR versus the change of a composite index comprising peer European and international hotel groups (Melia, NH Hoteles, Whitbread, Hilton, Marriott, Hyatt, IHG), the shares will vest if the achievement rate is at least 90%.

These continued employment and performance conditions are the same as those applicable to all Group grantees.

In addition, the performance shares are subject to a lock-up period and the Chairman and Chief Executive Officer is required to retain a certain proportion of the shares for as long as he remains in this position (see further details on page 254).

This compensation policy does not include a mechanism for restitution of the variable compensations (annual variable compensation and long-term).

length of time that Sébastien Bazin could be paid benefits under the plan is 24 months, and the total amount of benefits is capped at €411,360 (based on the applicable rate for 2022).

(iii) A maximum of 100 hours of financial advisory services per year provided by an external company.

(iv) **Supplementary pension benefits:**

- A **defined contribution plan**, formerly an "Article 83" plan, which was converted in 2021 into a **mandatory retirement savings plan (plan d'épargne retraite obligatoire – PERO)** under the conditions described in section 4.5.3 of this Universal Registration Document.

Sébastien Bazin, as executive officer of the Company with over one year of service and a gross annual salary of more than four times the annual ceiling used for calculating French social security contributions (the "PASS"), qualifies to participate in the Company's mandatory retirement savings plan (*plan d'épargne retraite obligatoire* – PERO). He will be entitled to a pension annuity (with the possibility of survivor benefits). The amount is based on the contributions paid by the Company for each year of participation in the plan. The annual contribution paid by the Company will represent 8% of his gross annual compensation for the previous year, capped at eight times the PASS.

However, in the case of Sébastien Bazin, the Board of Directors may decide to cancel the benefit of this plan.

• **A "L. 137-11-2" defined benefit plan under Article L.137-11-2 of the French Social Security Code**

Sébastien Bazin, as executive officer of the Company with over six months of service and annual reference compensation⁽¹⁾ of more than eight times the PASS, also qualifies to participate in the "L. 137-11-2" pension plan established by the Company. This plan resulted in the purchase of an insurance policy.

Sébastien Bazin will therefore be entitled to a pension annuity (with the possibility of opting for survivor benefits).

This plan provides for the gradual vesting of rights, which are calculated for each year of plan membership. These rights represent between 1.6% and 2.4% of the annual reference compensation, depending on the compensation brackets concerned, i.e.:

- portion of reference compensation representing between 8 and 12 times the PASS: 1.6%;
- portion of reference compensation representing between 12 and 24 times the PASS: 2.4%;
- portion of reference compensation representing between 24 and 60 times the PASS: 1.6%.

Rights vesting each year are capped at 3% of the annual reference compensation in question. These rights determine the pension annuity that will ultimately be received.

Based on recommendations put forward by the Appointments, Compensation & CSR Committee, the Board of Directors decided to make payment of the annuity payable under the "L. 137-11-2" supplementary defined benefit plan subject to the following two performance conditions:

- actual versus budgeted consolidated EBITDA (50% weighting);
- actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital (50% weighting).

Benefit entitlements vest in full if the performance conditions are at least 75% met (below 75%, the vested entitlement is calculated on a straight-line basis). Each year, these performance conditions and their achievement rates are reviewed and approved by the Board of Directors.

The vested entitlement for any given year of plan membership therefore corresponds to the aggregate of the amounts accrued for each of the above compensation brackets, provided that the related performance conditions are met. The amount of the final pension annuity equals the sum of the vested entitlements calculated for each year, up to a maximum of 30 points (over the course of a career).

Those eligible for this "L. 137-11-2" supplementary defined benefit plan are the executive officer and senior executives in France who have fulfilled the above-referenced length of service and compensation conditions.

However, in the case of Sébastien Bazin, the Board of Directors may decide to cancel the benefit of this plan.

Sébastien Bazin may also continue to be covered by the previous "Article 39" defined benefit plan, which is described in section 4.7 of the Universal Registration Document. This plan has been frozen and no new conditional benefit entitlements have been or will be allocated for periods of employment after December 31, 2019. However, in the case of Sébastien Bazin, the Board of Directors may decide to cancel the benefit of this plan.

- (v) **Compensation for loss of office:** the Board of Directors decided that the compensation payable to the Chairman and Chief Executive Officer in the event of loss of office would be equal to twice the aggregate amount of his fixed and variable compensation due for the fiscal year preceding that of the loss of office. This termination benefit would only be payable if (i) the performance criteria set by the Board of Directors are met, and (ii) his departure is involuntary, i.e., if Mr. Bazin's term of office as Chairman and Chief Executive Officer is terminated (except in the event of gross or willful misconduct) or if he is not re-elected as a director. It would not be payable if Mr. Bazin resigns or decides not to stand for re-election as a director, if he moves to a new position within the Group, or if he would be able to claim his full-rate pension within a short period of time.

The performance criteria applicable to the termination benefit are as follows:

- consolidated return on capital employed for the previous three fiscal years must have exceeded the Group's cost of capital;
- operating free cash flow must have been positive in at least two of the previous three fiscal years;
- like-for-like EBITDAR margin must have exceeded 27.5% in at least two of the previous three fiscal years.

These performance criteria would be applied as follows:

- if all three criteria were met, the compensation would be payable in full;
- if two of the three criteria were met, half of the compensation would be payable;
- if none or only one of the three criteria were met, no compensation would be due.

(1) The annual reference compensation corresponds to total gross fixed and variable compensation and the amount of benefits in kind, plus any exceptional bonus paid in cash during the reference fiscal year.

Compensation as a member of the Board of Directors (Directors' fees)

The Chairman and Chief Executive Officer does not receive any compensation as a member of the Company's Board of Directors (formerly named Directors' fees).

Adjustment to the compensation policy

The Board of Directors decided, in the context of uncertainty and lack of visibility associated with the current health crisis, including its length and its impact on the Group's activities, to provide that it may change the criteria and objectives applicable to the short- and long-term variable components of the Chairman and Chief Executive Officer's compensation if these criteria and objectives appear to be inappropriate or irrelevant, following what may be planned by Management for all Group employees.

This would allow the Board of Directors, if necessary, to take more directly into account the impact of the Covid-19 pandemic, in particular on the Group's EBIT, and to more directly align the criteria and objectives with the Group's activities and challenges during this period.

Any adjustments to implementation of the above compensation policy shall be decided on by the Board of Directors, acting on the recommendation of the Appointments, Compensation & CSR Committee. This possibility of adjustment is different from the one provided for in section L.22-10-8, III, 2° of the French Commercial Code.

Any use of these provisions by the Board of Directors will be disclosed as necessary.

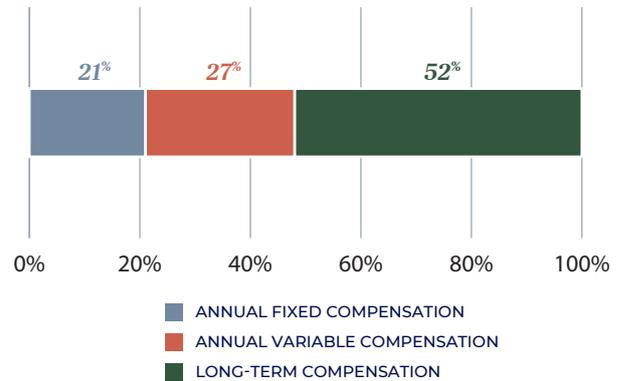
Summary of the overall structure of the Chairman and Chief Executive Officer's compensation package

Components	Criteria and objectives	Amount/Weighting
Annual fixed compensation	<p>Determined by the Board of Directors based on the recommendation of the Appointments, Compensation & CSR Committee, taking into account:</p> <ul style="list-style-type: none"> • his experience; • his responsibilities; • market practices. 	<p>€950,000 Unchanged since January 1, 2016 ⁽¹⁾</p>
Annual variable compensation	<p>Annual variable compensation that varies depending on performance in relation to the following objectives:</p> <p>Quantitative objectives (accounting for 80% of the annual variable compensation):</p> <ul style="list-style-type: none"> • financial objectives (actual versus budgeted consolidated EBITDA for 2022, actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital for 2022, actual versus budgeted RESET savings for 2022); • non-financial objectives (organic growth in the number of rooms (net of transfers to another banner) in line with the 2022 budget, ESG criteria: percentage of managed and franchised hotels that have eliminated single-use plastics from the guest experience (except disposable water bottles), percentage of women on Management Committees worldwide and percentage of managed and franchised hotels with a carbon measurement tool in place). <p>Qualitative objective (accounting for 20% of the annual variable compensation):</p> <ul style="list-style-type: none"> • agility and operational adaptation of the model and talent development 	<p>The annual variable compensation will represent between 0% and 150% of a reference amount set at €1,250,000, and will therefore be equivalent to between 0% and 197% of his annual fixed compensation</p> <p>Each quantitative objective, depending on the achievement rate, may trigger the payment of between 0% and 160% of the share of variable compensation it represents</p> <p>This qualitative objective may trigger the payment of between 0% and 120% of the share of variable compensation it represents</p>
Long-term components	<p>Performance shares, which vest subject to fulfillment of performance conditions decided by the Board of Directors and to continued presence in the Group.</p>	<p>The grants represent a maximum of 250% of annual fixed compensation, determined by the Board of Directors</p>

(1) Given the health crisis and the use of part-time work in 2020, the Board of Directors had accepted the proposal of the Chairman and Chief Executive Officer to reduce his fixed compensation by 25% from April 1 to December 31, 2020.

This compensation policy for the Chairman and Chief Executive Officer will be submitted to the vote of the shareholders at the 2022 Annual Shareholders' Meeting. Payment of the variable and, where applicable, exceptional compensation described in this policy is subject to approval by the Annual Shareholders' Meeting convened to approve the financial statements for fiscal year 2022.

Overall structure of the Chairman and Chief Executive Officer's compensation package for 2022



4.5.2 2022 Compensation policy for Directors

Directors are appointed for a three-year term. Directors elected by the Shareholders' Meeting may be revoked by the Shareholders' Meeting at any time.

The compensation policy for directors is set by the Board of Directors upon recommendation of the Appointments, Compensation & CSR Committee, and within the limit of the maximum amount set by the Shareholders' Meeting.

The Annual Shareholders' Meeting of the Company, held on April 20, 2018, set the total maximum annual amount of compensation to be allocated among members of the Board of Directors (formerly defined as directors' fees) at a gross amount of €1,320,000 until the Annual Shareholders' Meeting decides otherwise.

Directors' compensation is allocated by the Board among its members according to the following principles:

- the annual amount of directors' compensation is divided into an amount set aside for the Board and an amount set aside for the Board Committees, as determined by the Board of Directors;
- one-third of the amount set aside for the Board and for the Committees is used to pay the fixed portion of directors' compensation;
- two-thirds of the amount set aside for the Board and Committees is used to pay the variable portion of directors' compensation based on a per-meeting amount set by the Board depending in each case on the total number of meetings held during the fiscal year and on the number of members composing each instance. The calculated variable portion of directors' compensation is then paid to each director depending on their attendance rate;
- the Vice-Chairman of the Board of Directors receives, in addition to the fixed portion of directors' compensation payable to all directors, a fixed portion of a lump sum determined by the Board of Directors;
- a lump sum is set aside for non-voting directors to be allocated on the same basis as that applied to the amounts set aside for the Board and for the Board Committees;

- Committee Chairmen receive a fixed portion of directors' compensation equal to double the fixed portion payable to Committee members;
- members of the Audit, Compliance & Risks Committee, and members of the Appointments, Compensation & CSR Committee, receive an increased portion of directors' compensation, as decided by the Board of Directors;
- directors who also hold the position of Chairman and Chief Executive Officer, Chief Executive Officer or Deputy Chief Executive Officer do not receive any directors' compensation;
- directors representing employees do not receive any directors' compensation. The compensation that they would have received is not distributed and instead the Company has pledged to allocate the equivalent amount to supporting Group employees in difficulty;
- the Board of Directors may also decide to allocate an exceptional bonus for a given assignment or mandate to a director or non-voting director as part of their variable compensation;
- directors' compensation is paid no later than three months following the end of the fiscal year for which it is due.

This compensation policy does not include a mechanism for restitution of the variable portion of the compensation allocated to directors.

The compensation policy for directors is reviewed annually by the Board of Directors on the recommendation of the Appointments, Compensation & CSR Committee. This policy is then submitted to shareholders for approval at the Annual Shareholders' Meeting.

The compensation policy described above will be submitted to shareholders for approval at the 2022 Annual Shareholders' Meeting.