



COMPENSATION POLICY APPLICABLE TO EXECUTIVE OFFICERS IN 2023
APPROVED BY THE SHAREHOLDERS' MEETING HELD ON MAY 17, 2023

Results of the votes on the corresponding resolutions:

10 th resolution	Compensation policy applicable to the Chairman and Chief Executive Officer in 2023	Approved at 73.05%
11 th resolution	Compensation policy applicable to the Directors in 2023	Approved at 93.44%

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

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***EXTRACT FROM THE 2022 UNIVERSAL REGISTRATION DOCUMENT***

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4.5 Executive officers' compensation

4.5.1 Compensation policy for the Chairman and Chief Executive Officer for fiscal 2023

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

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

By incorporating incentive-driven packages aimed at rewarding performance through exacting criteria to drive value creation, the executive officers' compensation policy is consistent with the interests of both the Company and its shareholders in addition to the Group's business strategy. The long-term compensation package associates executive officers and all beneficiaries with the capital, including contingencies. The package is also focused on their loyalty and encourages sustainable performance.

The Appointments, Compensation and CSR Committee bases its recommendations on compensation benchmarks conducted by external consultants of the practices of other 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 recommendations from the AFEP-MEDEF Corporate Governance Code and the French Financial Markets Authority (AMF) and to account for shareholder feedback, if any. This policy is then subject to the approval of shareholders at the Annual Shareholders' Meeting. If it is not approved, the most recent compensation policy approved by the Annual Shareholders' Meeting remains in effect.

Moreover, the Appointments, Compensation and CSR Committee conducts regular reviews to ensure the compensation policy adopted by the Annual Shareholders' Meeting is properly applied. Consequently, fixed, variable and long-term compensation principles, criteria and targets are analyzed by the Appointments, Compensation and 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 the Appointments, Compensation and CSR Committee undertake to prevent and manage any conflicts of interest that may arise, specifically with regard to the compensation decision-making process. To this end, the Appointments, Compensation and CSR Committee mainly comprises Independent Directors as well as a Director representing

employees. Lastly, in accordance with the provisions of the Board of Directors' Rules of Procedures, the Chairman and Chief Executive Officer shall not participate in the proceedings or voting on any item relating to his compensation package.

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

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

Mr. 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.

This term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the fiscal year 2022 and, at that time, the renewal of the term of office of Mr. Sébastien Bazin will be proposed. In this context, the Appointments, Compensation and CSR Committee reviewed his compensation.

On February 22, 2023, the Board of Directors approved the recommendations of the Appointments, Compensation and CSR Committee, and thus decided to propose a revised compensation policy for the Chairman and Chief Executive Officer for the 2023 fiscal year for and from his new term of office. The Committee based its review on studies of the compensation of Executive Directors of CAC 60 companies carried out by specialized external consultants, and examined the compensation structures of the main international hotel peers. It was then decided to maintain unchanged the amount of his annual fixed compensation and to increase, as from the date of the renewal of his term of office, the reference amount of his annual variable compensation, as well as the part of his compensation that is paid to him in performance shares in respect of his long term compensation. The Board wanted to make the compensation of the Chairman and Chief Executive Officer even more variable, particularly in connection with the successful implementation of the new organization (TURBO project). With the increase of the reference amount of annual variable compensation, the Board aimed to condition his compensation even more directly to the Group's economic performance and, through the increase in his long-term compensation paid in performance shares, to align it more closely with the interests of shareholders, the Board having expressed its expectation that the Company's market valuation would return to a level comparable to that before the health crisis.

The components of the 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 2023, 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 (for 80%) and qualitative objectives (for 20%) set by the Board of Directors. These objectives are detailed 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 fiscal 2023, the annual variable compensation will represent between 0% and 150% of a gross reference amount:

- Until the date of the 2023 Annual Shareholders' Meeting, €1,250,000 i.e. from 0% to 197% of his fixed annual compensation.
- As of the date of the 2023 Annual Shareholders' Meeting, €1,400,000 i.e. from 0% to 221% of his fixed annual compensation.

Therefore, for fiscal 2023, if his variable compensation were to reach 100% of the reference amount, this amount would represent 141% of his annual fixed compensation after application of the prorata temporis, taking into account the change in the gross reference amount decided in the context of the renewal of his mandate.

Once his term of office is renewed, if his variable compensation reaches 100% of the reference amount, this will represent 147% of his annual fixed compensation.

The Board 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 2023 budget (25% weighting),
 - free cash flow (excluding disposals and acquisitions) after change in operating working capital, in line with the 2023 budget (25% weighting),

As the implementation of the RESET plan was completed by the end of 2022, the corresponding criterion was removed. Thus, the weight of the quantitative objective "Free Cash-Flow (excluding disposals and acquisitions) after change in operating working capital" has been adjusted accordingly from 10% to 25%, returning to the same weighting as before the Covid-related health crisis. This also allows to maintain a significant and constant overall weighting of financial criteria compared to 2022.

- non-financial criteria (30% weighting):
 - organic growth in the number of rooms (net of transfers to another brand) in line with the 2023 budget (15% weighting),
 - environmental, social and governance (ESG) criteria (15% weighting).

Meetings on February 22, 2023, and March 20, 2023, the Board of Directors, on a recommendation by the Appointments, Compensation and CSR Committee, decided to maintain the weighting of ESG criteria and to evolve the composition of this objective by new criteria reflecting the Stay, Eat and People pillars of the Group CSR policy.

Stay pillar (5%), two criteria retained:

- Percentage of managed and franchised hotels that have eliminated single-use plastics in the guest experience, including disposable water bottles, by December 31, 2023 (2.5%). The objective of eliminating single-use plastics, already present in the ESG criteria conditioning the 2022 variable compensation, is thus renewed and reinforced. The aim is to eliminate new products, and in particular disposable water bottles, which had not yet been eliminated from the customer experience, while ensuring that the elimination efforts made in 2022 are sustainable.
- Percentage of managed and franchised hotels measuring carbon emissions through a carbon measurement tool (2.5%)

Eat pillar (5 %), one criterion retained:

Percentage of managed and franchised hotels that have measured their food waste by December 31, 2023.

People pillar (5 %), one criterion retained:

Percentage of women on Management Committees worldwide at December 31, 2023.

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

- For the criterion relating to the removal of the plastic products (including disposable water bottles), the target has been set at 80% of managed and franchised hotels meeting this ambition.
- For the criterion relating to the carbon emissions measurement, the target has been set at 85% of managed and franchised hotels measuring carbon emissions through the tool dedicated.
- For the criterion relating to the food waste, the target goal has been set at 80% of the 300 managed or franchised hotels, whose food service revenue represented at December 31, 2022, more than 50% of the Group's total food service revenue, having defined a baseline value of their food waste.
- For the criterion relating to the percentage of women on Management Committees worldwide, the target objective has been set at 40%.

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

- Implementation of the new TURBO organization and talent development (20% weighting)

The Board of Directors, upon recommendation of the Appointments, Compensation and CSR Committee, decided to replace the qualitative objective of "Agility of and operational adjustments to the model and talent development" by the criterion of the "Implementation of the new TURBO organization and talent development" for a 20% weighting.

Indeed, after announcing the implementation of a new organization within the Group (TURBO project) as of January 1, 2023 (in particular through the creation of two distinct divisions, namely the "Premium, Midscale & Economy" division and the "Luxury & Lifestyle" division), the Board of Directors aimed to focus on the quality of execution of its implementation and the ability to develop talents to achieve it.

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

Quantitative objectives	Weighting	% of the Reference Amount (new term of office)		
		Min	Target	Max ⁽¹⁾
Actual versus budgeted consolidated EBITDA for 2023	25%	0%	25%	40%
Actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital for 2023	25%	0%	25%	40%
Organic growth in the number of rooms (net of transfers to another brand) in line with the 2023 budget	15%	0%	15%	24%
Percentage of managed and franchised hotels having eliminated single-use plastic items from the guest experience (including disposable water bottles) at December 31, 2023	2.5%	0%	2.5%	4%
Percentage of managed and franchised hotels measuring carbon emissions through a carbon measurement tool	2.5%	0%	2.5%	4%
Percentage of managed and franchised hotels that have measured their food waste by December 31, 2023	5%	0%	5%	8%
Percentage of women on Management Committees worldwide	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 (new term of office)		
		Min	Target	Max ⁽¹⁾
Implementation of the new TURBO organization 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%	147%	221%

(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 2023 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 2024 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 22, 2023, upon recommendations of the Appointments, Compensation and CSR Committee, the Board of Directors decided to increase the cap on the number of performance shares that may be granted to the Chairman and Chief Executive Officer to a number equivalent to 280% (versus 250% in 2022) 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 under the resolution which authorized the grant of performance shares granted to employees, 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, on the recommendation of the Appointments, Compensation and CSR Committee, has decided to maintain the nature and weight of the performance conditions unchanged, as they are still aligned with the Group's long-term ambition.

However, the targets for the following conditions have been revised as follows:

The achievement rates set for internal criteria, "EBITDA" and "Free Cash-Flow (excluding disposals and acquisitions) after change in operating working capital" have been established precisely, 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.

Regarding the "reduction in the carbon footprint" criterion: a first target (10% weighting) is to reduce carbon emissions by 25.2% for Scopes 1 and 2 by end-2025, and a second target (10% weighting) is to reduce carbon emissions by 15% for Scope 3 by end-2025. These objectives were revised and set according to a trajectory in line with the Group's 2030 carbon emissions reduction goal and if reached, enable 100% vesting of the shares related to this condition. However, vesting is triggered when the condition is met at a rate of at least 83.3%, i.e. a reduction of 21% for Scopes 1 and 2 and a reduction of 12.5% for Scope 3 (these achievements levels would allow only 50% of the shares linked to this condition to be vested).

Concerning the external criterion ("Accor's TSR versus the change of a composite index comprising peer European and international hotel groups (Melia, NH Hoteles, Whitbread, Hilton, Marriott, Hyatt, IHC")), the Board of Directors wanted to strengthen the challenging nature of this condition, after discussions with some investors. Accordingly, on the recommendation of the Appointments, Compensation and CSR Committee, the Board of Directors has decided to raise the threshold for triggering acquisition from a rate of achievement of the condition of at least 100% (compared with 90% in 2022), allowing 90% of the shares linked to this condition to be vested. The target for acquiring 100% of the shares linked to this condition has been set at 102.5%.

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 251).

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

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.** 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 as from the thirty-first day of continuous unemployment. The maximum length of time that Mr. Sébastien Bazin could be paid benefits under the plan is 24 months, and the total amount of benefits is capped at €439,920 (based on the applicable rate for 2022).

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

(iv) **Supplementary pension benefits:**

- **A defined contribution plan or mandatory retirement savings plan, *Plan d'Épargne Retraite Obligatoire – PERO*** (formerly "Article 83")

Mr. 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 defined contribution pension plan. He will therefore 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 their membership of the plan. The annual contribution paid by the Company corresponds to 8% of his annual gross compensation paid in the previous year, capped at eight times the PASS.

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

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

Mr. 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.

Mr. 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 membership in the plan. 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 represent the pension annuity he will ultimately receive.

Based on recommendations put forward by the Appointments, Compensation and CSR Committee, the Board of Directors decided to make benefit 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).

(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.

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). These performance conditions and their achievement rates are reviewed and approved each year by the Board of Directors.

The vested entitlements 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 seniority and compensation conditions.

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

Mr. Sébastien Bazin may also continue to be covered by the "Article 39" defined benefit retirement 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 Mr. 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 last fiscal year ended prior to the date of

termination of his 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. Sébastien 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 renewed as a director. It would not be payable if Mr Sébastien Bazin resigns or decides not to stand for renewal as a director, if he moves to a new position within the Group, or if he would be able to claim his full-rate retirement pension within a short period of time.

At the time of the renewal of his term of office, in order to bring the performance criteria applicable to the said compensation into line with the business model of the Group, the Board of Directors, on the proposal of the Appointments, Compensation and CSR Committee, decided to align them with those of the annual variable compensation of the Chairman and Chief Executive Officer and to modify them as follows:

- 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).

These performance criteria would be applied as follows:

- if the annual average achievement rate of the last three years of the criteria is equal or superior to 75%, the entire compensation is due;
- if the annual average achievement rate of the last three years of the criteria is equal or superior to 65% and below 75%, half of the compensation is due;
- if the annual average achievement rate of the last three years of the criteria is lower than 65%, no compensation is due.

Directors' fees

Note that the Chairman and Chief Executive Officer does not receive any directors' fees as a member of the Company's Board of Directors.

Adjustment to the compensation policy

The Board of Directors may change the criteria and objectives applicable to the short-term and long-term variable components of the Chairman and Chief Executive Officer's compensation if unexpected changes in the environment render these criteria and objectives inappropriate or irrelevant, as could be planned by Management for all Group employees.

These measures would be limited exclusively to exceptional circumstances, such as those resulting from the health crisis related to the Covid-19 pandemic.

This allows the Board of Directors to more directly account for the impact of exceptional circumstances on the Group's EBIT in particular, and, if need be, to more directly align the criteria and objectives with the Group's activities during the period in question.

The ceilings provided for in the remuneration policy submitted to the vote of the shareholders may not, under any circumstances, be modified.

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 and CSR Committee.

Where applicable, the use of this option by the Board of Directors will be made public as soon as possible. The reasons for this will be communicated, in particular with regard to their alignment with the interests of shareholders.

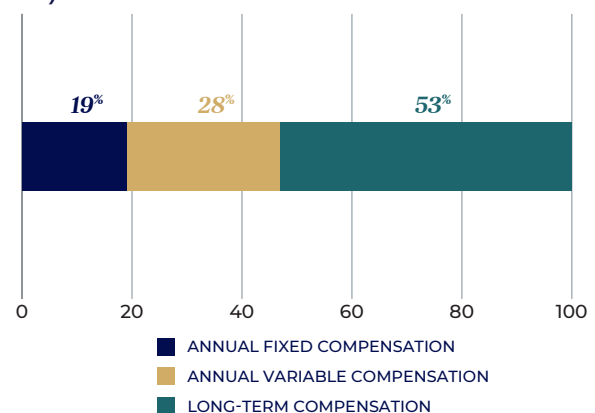
Summary of the overall structure of the Chairman and Chief Executive Officer's compensation package

Components	Criteria and objectives	Amount/Weighting (new term of office)
Annual fixed compensation	Determined by the Board of Directors based on the recommendation of the Appointments, Compensation and CSR Committee, taking into account: <ul style="list-style-type: none"> • his experience; • his responsibilities; • market practices. 	€950,000 Unchanged since January 1, 2016 ⁽¹⁾
Annual variable compensation	Annual variable compensation that varies depending on performance in relation to the following objectives: <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 2023 and actual versus budgeted free cash flow (excluding disposals and acquisitions) after change in operating working capital for 2023; • non-financial objectives: organic growth in the number of rooms (net of transfers to another brand) vs. 2023 budget; Percentage of managed and franchised hotels that have eliminated single-use plastics in the guest experience, including disposable water bottles, as of December 31, 2023; Percentage of managed and franchised hotels measuring carbon emissions through a carbon measurement tool; Percentage of managed and franchised hotels that have measured their food waste as of December 31, 2023; Percentage of women on Management Committees worldwide. <p>Qualitative objective (accounting for 20% of the annual variable compensation):</p> <ul style="list-style-type: none"> • implementation of the new TURBO organization and talent development 	The annual variable compensation will represent between 0% and 150% of a reference amount set at €1,400,000, i.e. between 0% and 221% of his annual fixed compensation Each quantitative objective may trigger the payment of between 0% and 160% of the share of variable compensation it represents This qualitative objective may trigger the payment of between 0% and 120% of the share of variable compensation it represents
Long-term components	Performance shares , which vest subject to fulfillment of performance conditions decided by the Board of Directors and to continued presence in the Group.	The grants represent a maximum of 280% of annual fixed compensation, determined by the Board of Directors

(1) In light of the pandemic and the recourse to short-time working in fiscal 2020, the Board of Directors had agreed to the proposal by the Chairman and Chief Executive Officer to reduce his fixed compensation by 25% from April 1 to December 31, 2020.

The compensation policy described above will be submitted to shareholders for approval at the 2023 Annual Shareholders' Meeting. Payment of the components of variable and exceptional compensation due under the above policy will be subject to approval of the Annual Shareholders' Meeting called to approve the fiscal 2023 financial statements.

This policy takes into account the various comments expressed by investors during the vote at the 2022 Shareholders' Meeting.

Overall structure of the Chairman and Chief Executive Officer's compensation package for 2023 (new term of office)

4.5.2 Compensation policy for Company directors for fiscal 2023

Directors serve a three-year term. Directors appointed by the Annual Shareholders' Meeting may be revoked at any time, also by the Annual Shareholders' Meeting.

The compensation policy for directors is determined by the Board of Directors, acting on the recommendation of the Appointments, Compensation and CSR Committee and within the limit of the overall amount of compensation determined by the Annual 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 the fixed portion of directors' compensation payable to all directors as well as 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 and 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 clawback of the variable portion of the compensation allocated to directors.

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

The compensation policy described above will be submitted to shareholders for approval at the 2023 Annual Shareholders' Meeting.

4.5.3 Compensation of the Chairman and Chief Executive Officer for fiscal 2022

The compensation paid or awarded to the Chairman and Chief Executive Officer for fiscal 2022 complies with the compensation policy approved by the Annual Shareholders' Meeting of May 20, 2022 in application of Article L. 22-10-8 of the French Commercial Code and detailed in section 4.5.1 of the 2021 Universal Registration Document.

In fiscal 2022, no derogation to the approved compensation policy was made.

An overview of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid in fiscal 2022 or awarded in respect of that

fiscal year to the Chairman and Chief Executive Officer, which will be submitted to the 2023 Annual Shareholders' Meeting for approval in application of Article L. 22-10-34 of the French Commercial Code, is presented in the specific table set out in section 4.7 of this Universal Registration Document.

The Chairman and Chief Executive Officer did not receive any compensation from any company included in the scope of consolidation in fiscal 2022.

The Shareholders' Meeting of May 20, 2022 approved the 2022 compensation policy with an approval rate of 95.5%.